

CHAPTER 68--H.F.No. 2887

An act relating to transportation; establishing a budget for transportation; appropriating money for transportation purposes, including Department of Transportation, Department of Public Safety, and Metropolitan Council activities; modifying prior appropriations; authorizing the sale and issuance of state bonds; modifying various policy and finance provisions; establishing metropolitan region sales and use tax; requiring Metropolitan Council to implement and enforce transit safety measures; authorizing administrative citations; establishing criminal penalties; establishing an advisory committee, a task force, and a working group; establishing pilot programs; requiring a study; requiring reports; transferring money; making conforming changes; amending Minnesota Statutes 2022, sections 3.9741, subdivision 5; 13.69, subdivision 1; 13.6905, by adding a subdivision; 115E.042, subdivisions 2, 3, 4, 5, 6, by adding a subdivision; 123B.90, subdivision 2; 151.37, subdivision 12; 160.262, subdivision 3; 160.266, subdivisions 1b, 6, by adding a subdivision; 160.27, subdivision 7, by adding a subdivision; 161.045, subdivision 3; 161.082, subdivision 2a; 161.088, subdivisions 1, 2, 4, 5, as amended, by adding subdivisions; 161.115, subdivision 265, by adding a subdivision; 161.125, subdivision 1; 161.14, subdivision 97, by adding a subdivision; 161.32, subdivision 2; 161.41; 161.45, subdivisions 1, 2; 161.46, subdivision 2; 161.53; 162.07, subdivision 2; 162.13, subdivisions 2, 3; 162.145, subdivisions 2, 3, 4; 163.051, subdivision 1; 168.002, by adding a subdivision; 168.012, by adding a subdivision; 168.013, subdivisions 1a, 8; 168.1235, subdivision 1; 168.1253, subdivision 3; 168.1293, subdivision 7, by adding a subdivision; 168.1295, subdivision 5; 168.1296, subdivision 5; 168.1298, subdivision 5; 168.185; 168.27, subdivisions 11, 16, 31; 168.326; 168.327, subdivisions 1, 2, 3, 5b, by adding a subdivision; 168.33, subdivision 7; 168.345, subdivision 2; 168.381, subdivision 4; 168A.11, subdivision 3; 168A.151, subdivision 1; 168A.152, subdivision 2; 168A.29, subdivision 1, by adding a subdivision; 168A.31, subdivision 2; 168B.045; 168B.07, subdivision 1; 168D.06; 168D.07; 169.011, subdivision 27, by adding a subdivision; 169.09, subdivisions 8, 13, by adding a subdivision; 169.14, by adding subdivisions; 169.18, subdivision 11, by adding a subdivision; 169.222, subdivision 4, by adding a subdivision; 169.345, subdivision 2; 169.346, subdivision 2a; 169.451, subdivisions 2, 3, 4; 169.454, subdivision 2; 169.475, subdivisions 2, 3; 169.70; 169.781, subdivision 3; 169.8261; 169.865, subdivision 1a; 169A.60, subdivisions 13, 16; 171.01, by adding subdivisions; 171.041; 171.042; 171.05, subdivision 2; 171.06, subdivisions 2, 3, as amended, 7, by adding a subdivision; 171.0605, subdivisions 3, 5; 171.061, subdivision 4; 171.07, subdivisions 11, 15; 171.0705, by adding a subdivision; 171.12, subdivision 1a, by adding a subdivision; 171.13, subdivisions 1, 1a, 7; 171.26; 171.29, subdivision 2; 171.306, subdivision 4; 171.36; 174.01, by adding a subdivision; 174.03, subdivision 1c; 174.38, subdivisions 3, 5, 6; 174.40, subdivision 4a; 174.50, subdivision 7; 174.52, subdivisions 2, 4, 5; 174.634; 219.015, subdivision 2; 219.1651; 221.0269, by adding a subdivision; 222.37, subdivision 1; 222.50, subdivision 7; 239.761, by adding a subdivision; 256.9752, by adding a subdivision; 270C.15; 296A.07, subdivision 3; 296A.08, subdivision 2; 297A.64, subdivisions 1, 2; 297A.71, by adding a subdivision; 297A.94; 297A.99, subdivision 1; 297A.993, by adding a subdivision; 297B.02, subdivision 1; 297B.03; 297B.09; 299A.01, by adding a subdivision; 299A.55; 299A.705, subdivision 1; 299F.60, subdivision 1; 299J.16, subdivision 1; 325F.6641, subdivision 2; 357.021, subdivisions 6, 7; 360.915, subdivision 6; 473.145; 473.375, by adding a subdivision; 473.39, subdivision 6, by adding a subdivision; 473.3999; 473.4051; 473.408, by adding a subdivision; 473.859, subdivision 2, by adding a subdivision; 609.50, subdivision 1; 609.855, subdivisions 1, 3, 7, by adding a subdivision; Laws 2005, First Special Session chapter 6, article 3, section 103; Laws 2013, chapter 127, section 63; Laws 2018, chapter 214, article 1, section 16, subdivision 11, as amended; Laws 2021, First Special Session chapter 5, article 1, section

4, subdivision 4; article 4, section 143; Laws 2022, chapter 39, section 2; proposing coding for new law in Minnesota Statutes, chapters 4; 41A; 123B; 160; 161; 162; 168; 169; 171; 174; 219; 289A; 290; 297A; 473; proposing coding for new law as Minnesota Statutes, chapter 168E; repealing Minnesota Statutes 2022, sections 160.05, subdivision 2; 167.45; 168.121, subdivision 5; 168.1282, subdivision 5; 168.1294, subdivision 5; 168.1299, subdivision 4; 168.345, subdivision 1; 168B.15; 169.829, subdivision 2; 171.06, subdivision 3a; 299A.705, subdivision 2; 360.915, subdivision 5; 473.1467; 473.408, subdivisions 6, 7, 8, 9; Laws 2002, chapter 393, section 85; Minnesota Rules, parts 7411.0530; 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 marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. Unless specified otherwise, the amounts in fiscal year 2025 under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "Each year" is each of fiscal years 2024 and 2025. "The biennium" is fiscal years 2024 and 2025. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund. "Staff" means those employees who are identified in any of the following roles for the legislative committees: committee administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan research.

APPROPRIATIONS	
Available for the Year	
Ending June 30	
2024	2025

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. <u>Total Appropriation</u>	\$	4,174,897,000	\$	3,672,723,000
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>634,359,000</u>	<u>46,450,000</u>
<u>Airports</u>	<u>40,368,000</u>	<u>25,368,000</u>
<u>C.S.A.H.</u>	<u>917,782,000</u>	<u>991,615,000</u>

<u>M.S.A.S.</u>	<u>236,360,000</u>	<u>251,748,000</u>
<u>Trunk Highway</u>	<u>2,346,028,000</u>	<u>2,357,542,000</u>

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.

Subd. 2. Multimodal Systems

(a) Aeronautics

<u>(1) Airport Development and Assistance</u>	<u>69,598,000</u>	<u>18,598,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>36,000,000</u>	<u>-0-</u>
<u>Airports</u>	<u>33,598,000</u>	<u>18,598,000</u>

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

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

\$15,000,000 in fiscal year 2024 is from the state airports fund for system maintenance of critical airport safety systems, equipment, and essential airfield technology.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, the appropriation from the state airports fund 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 2026 and 2027.

(2) Aviation Support Services 15,397,000 8,431,000

Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>8,707,000</u>	<u>1,741,000</u>
<u>Airports</u>	<u>6,690,000</u>	<u>6,690,000</u>

\$7,000,000 in fiscal year 2024 is from the general fund to purchase two utility aircraft for the Department of Transportation.

(3) Civil Air Patrol 80,000 80,000

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

(b) Transit and Active Transportation 58,478,000 18,374,000

This appropriation is from the general fund.

\$200,000 in fiscal year 2024 and \$50,000 in fiscal year 2025 are for a grant to the city of Rochester to implement demand response transit service using electric transit vehicles. The money is available for mobile software application development; vehicles and equipment, including accessible vehicles; associated charging infrastructure; and capital and operating costs.

\$40,000,000 in fiscal year 2024 is for matches to federal aid and state investments related to transit and active transportation projects. This is a onetime appropriation and is available until June 30, 2027.

<u>(c) Safe Routes to School</u>	<u>15,297,000</u>	<u>10,500,000</u>
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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 appropriations in each year are available until June 30, 2027.

The base for this appropriation is \$1,500,000 in each of fiscal years 2026 and 2027.

<u>(d) Passenger Rail</u>	<u>197,521,000</u>	<u>4,226,000</u>
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This appropriation is from the general fund for passenger rail activities under Minnesota Statutes, sections 174.632 to 174.636.

\$194,700,000 in fiscal year 2024 is for capital improvements and betterments for the Minneapolis-Duluth Northern Lights Express intercity passenger rail project, including preliminary engineering, design, engineering, environmental analysis and mitigation, acquisition of land and right-of-way, equipment and rolling stock, and construction. From this appropriation, the amount necessary is for: (1) Coon Rapids station improvements to establish a joint station that provides for Amtrak train service on the Empire Builder line between Chicago and Seattle; and (2) acquisition of equipment and rolling stock for purposes of participation in the Midwest fleet pool to provide for service on Northern Lights Express and expanded Amtrak train service between Minneapolis and St. Paul and Chicago. The commissioner of transportation must not approve additional stops or stations beyond those included in the Federal Railroad Administration's January 2018 Finding of No Significant Impact and Section 4(f) Determination if the commissioner determines that the resulting speed reduction would negatively impact total ridership. This appropriation is onetime and is available until June 30, 2028.

\$1,833,000 in fiscal year 2024 and \$3,238,000 in fiscal year 2025 are for a match to federal aid for capital and operating costs for expanded Amtrak train service between Minneapolis and St. Paul and Chicago.

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

<u>(e) Freight</u>	<u>14,650,000</u>	<u>9,066,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>8,283,000</u>	<u>2,400,000</u>
<u>Trunk Highway</u>	<u>6,367,000</u>	<u>6,666,000</u>

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

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

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

Subd. 3. State Roads

<u>(a) Operations and Maintenance</u>	<u>414,220,000</u>	<u>425,341,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>2,000,000</u>	<u>-0-</u>
<u>Trunk Highway</u>	<u>412,220,000</u>	<u>425,341,000</u>

\$1,000,000 in fiscal year 2024 is from the general fund for the highways for habitat program under Minnesota Statutes, section 160.2325.

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

\$1,000,000 in fiscal year 2024 is from the general fund for safe road zones under Minnesota Statutes, section

169.065, including development and delivery of public awareness and education campaigns about safe road zones.

(b) Program Planning and Delivery

(1) Planning and Research

32,679,000 33,465,000

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

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

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

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

(2) Program Delivery

274,451,000 273,985,000

Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>2,250,000</u>	<u>2,000,000</u>
<u>Trunk Highway</u>	<u>272,201,000</u>	<u>271,985,000</u>

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

\$10,000,000 in fiscal year 2024 is from the trunk highway fund for roadway design and related improvements that reduce speeds and eliminate intersection interactions on rural high-risk roadways. The commissioner must identify roadways based on

crash information and in consultation with the Advisory Council on Traffic Safety under Minnesota Statutes, section 4.076, and local traffic safety partners. This is a onetime appropriation and is available until June 30, 2026.

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

\$1,193,000 in fiscal year 2024 is from the trunk highway fund for costs related to the property conveyance to the Upper Sioux Community of state-owned land within the boundaries of Upper Sioux Agency State Park, including fee purchase, property purchase, appraisals, and road and bridge demolition and related engineering.

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

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

<u>(c) State Road Construction</u>	<u>1,207,013,000</u>	<u>1,174,045,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>1,800,000</u>	<u>-0-</u>
<u>Trunk Highway</u>	<u>1,205,213,000</u>	<u>1,174,045,000</u>

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts, internal department costs associated with delivering the construction program, consultant usage to support these activities,

and the cost of actual payments to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

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

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

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

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

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

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

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

(d) Corridors of Commerce

25,000,000

25,000,000

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.

<u>(e) Highway Debt Service</u>	<u>268,336,000</u>	<u>291,394,000</u>
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\$265,336,000 in fiscal year 2024 and \$288,394,000 in fiscal year 2025 are for transfer to the state bond fund. If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of management and budget must transfer the deficiency amount as provided under Minnesota Statutes, section 16A.641, and notify the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance and the chairs of the senate Finance Committee and the house of representatives Ways and Means Committee of the amount of the deficiency. Any excess appropriation cancels to the trunk highway fund.

<u>(f) Statewide Radio Communications</u>	<u>8,653,000</u>	<u>6,907,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>2,003,000</u>	<u>3,000</u>
<u>Trunk Highway</u>	<u>6,650,000</u>	<u>6,904,000</u>

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

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

Subd. 4. Local Roads

<u>(a) County State-Aid Highways</u>	<u>917,782,000</u>	<u>991,615,000</u>
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This appropriation is from the county state-aid highway fund under Minnesota Statutes, sections 161.081, 174.49, and 297A.815, subdivision 3, and chapter 162, and is available until June 30, 2033.

If the commissioner of transportation determines that a balance remains in the county state-aid highway fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing county state-aid highway projects, an amount necessary to advance the projects,

not to exceed the balance in the county state-aid highway fund, is appropriated in each year to the commissioner. 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 funds appropriated. The governor must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(b) Municipal State-Aid Streets

236,360,000 251,748,000

This appropriation is from the municipal state-aid street fund under Minnesota Statutes, chapter 162, and is available until June 30, 2033.

If the commissioner of transportation determines that a balance remains in the municipal state-aid street fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing municipal state-aid street projects, an amount necessary to advance the projects, not to exceed the balance in the municipal state-aid street fund, is appropriated in each year to the commissioner. 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 funds appropriated. The governor must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(c) Other Local Roads

(1) Local Bridges

18,013,000 -0-

This appropriation is from the general fund to replace or rehabilitate local deficient bridges under Minnesota Statutes, section 174.50. This is a onetime appropriation and is available until June 30, 2027.

(2) Local Road Improvement

18,013,000 -0-

This appropriation is from the general fund for construction and reconstruction of local roads under Minnesota Statutes, section 174.52. This is a onetime appropriation and is available until June 30, 2027.

(3) Local Transportation Disaster Support 4,300,000 1,000,000

This appropriation is from the general fund to provide a cost-share for federal assistance from the Federal Highway Administration for the emergency relief program under United States Code, title 23, section 125. Of the appropriation in fiscal year 2024, \$3,300,000 is onetime and is available until June 30, 2027.

(4) Metropolitan Counties 20,000,000 -0-

This appropriation is from the general fund for distribution to metropolitan counties as provided under Minnesota Statutes, section 174.49, subdivision 5, for use in conformance with the requirements under Minnesota Statutes, section 174.49, subdivision 6.

Subd. 5. Agency Management

(a) Agency Services 317,666,000 87,228,000

Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>241,639,000</u>	<u>6,151,000</u>
<u>Trunk Highway</u>	<u>76,027,000</u>	<u>81,077,000</u>

\$216,400,000 in fiscal year 2024 is from the general fund for Infrastructure Investment and Jobs Act (IIJA) discretionary matches under article 4, section 111. This is a onetime appropriation and is available until June 30, 2027.

\$13,790,000 in fiscal year 2024 and \$190,000 in fiscal year 2025 are from the general fund for matching federal aid, related state investments, and staff costs for the electric vehicle infrastructure program under Minnesota Statutes, section 174.47. Of this appropriation, \$13,600,000 in fiscal year 2024 is onetime and is available until June 30, 2027.

\$900,000 in each year is from the general fund for the purpose of establishing a Tribal affairs workforce training program related to the construction industry.

\$2,000,000 in fiscal year 2024 is from the general fund for federal transportation grants technical assistance under article 4, section 110. This is a onetime appropriation and is available until June 30, 2027.

\$7,000,000 in fiscal year 2024 and \$4,000,000 in fiscal year 2025 are from the general fund for information technology projects and implementation.

\$500,000 in fiscal year 2024 is from the general fund for grants to nonprofit organizations or carsharing operators to support the growth of carsharing in disadvantaged communities through programs, marketing, and community engagement. A grant recipient may use grant proceeds for capital and operational costs of a program. Eligible grant recipients must be based in Minnesota and be either a nonprofit organization or carsharing operator, with a preference given to nonprofit carsharing operators. Transportation management organizations are not eligible to receive grants under this paragraph.

<u>(b) Buildings</u>	<u>40,790,000</u>	<u>41,120,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>55,000</u>	<u>55,000</u>
<u>Trunk Highway</u>	<u>40,735,000</u>	<u>41,065,000</u>

Any money appropriated to the commissioner of transportation for building construction for any fiscal year before fiscal year 2024 is available to the commissioner during the biennium to the extent that the commissioner spends the money on the building construction projects for which the money was originally encumbered during the fiscal year for which it was appropriated. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The base from the general fund is \$0 in each of fiscal years 2026 and 2027.

<u>(c) Tort Claims</u>	<u>600,000</u>	<u>600,000</u>
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If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Transfers; General Authority

(a) With the approval of the commissioner of management and budget, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. Transfers under this paragraph must not be made: (1) between funds; (2) from the appropriations for state road construction or debt service; or (3) from the appropriations for operations and maintenance or program delivery, except for a transfer to state road construction or debt service.

(b) The commissioner of transportation must immediately report transfers under paragraph (a) to the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance. The authority for the commissioner of transportation to make transfers under Minnesota Statutes, section 16A.285, is superseded by the authority and requirements under this subdivision.

Subd. 7. Transfers; Flexible Highway Account

The commissioner of transportation must transfer from the flexible highway account in the county state-aid highway fund:

(1) \$1,850,000 in fiscal year 2024 to the trunk highway fund;

(2) \$5,000,000 in fiscal year 2024 to the municipal turnback account in the municipal state-aid street fund; and

(3) the remainder in each year to the county turnback account in the county state-aid highway fund.

The money transferred under this subdivision is for highway turnback purposes as provided under Minnesota Statutes, section 161.081, subdivision 3.

Subd. 8. Contingent Appropriations

The commissioner of transportation, with the approval of the governor and the written approval of at least five members of a group consisting of the members of the Legislative Advisory Commission under Minnesota Statutes, section 3.30, and the ranking minority members of the legislative committees with jurisdiction over transportation finance, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation: (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund or to take advantage of federal advanced construction funding; (2) for trunk highway maintenance in order to meet an emergency; or (3) to pay tort or environmental claims. Nothing in this subdivision authorizes the commissioner to increase the use of federal advanced construction funding beyond amounts specifically authorized. Any transfer as a result of the use of federal advanced construction funding must include an analysis of the effects on the long-term trunk highway fund balance. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 3. METROPOLITAN COUNCIL

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>141,630,000</u>	<u>\$</u>	<u>88,630,000</u>
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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.

<u>Subd. 2. Transit System Operations</u>	<u>85,654,000</u>	<u>32,654,000</u>
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This appropriation is for transit system operations under Minnesota Statutes, sections 473.371 to 473.449.

\$50,000,000 in fiscal year 2024 is for a grant to Hennepin County for the Blue Line light rail transit extension project, including but not limited to predesign, design, engineering, environmental analysis and mitigation, right-of-way acquisition, construction, and acquisition of rolling stock. Of this amount, \$40,000,000 is available only upon entering a full

funding grant agreement with the Federal Transit Administration by June 30, 2027. This is a onetime appropriation and is available until June 30, 2030.

\$3,000,000 in fiscal year 2024 is for highway bus rapid transit project development in the marked U.S. Highway 169 and marked Trunk Highway 55 corridors, including but not limited to feasibility study, predesign, design, engineering, environmental analysis and remediation, and right-of-way acquisition.

<u>Subd. 3. Metro Mobility</u>	<u>55,976,000</u>	<u>55,976,000</u>
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This appropriation is for Metro Mobility under Minnesota Statutes, section 473.386.

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

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>298,096,000</u>	<u>\$</u>	<u>281,378,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>44,758,000</u>	<u>35,470,000</u>
<u>H.U.T.D.</u>	<u>1,336,000</u>	<u>1,378,000</u>
<u>Special Revenue</u>	<u>72,296,000</u>	<u>73,442,000</u>
<u>Trunk Highway</u>	<u>179,706,000</u>	<u>171,088,000</u>

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

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

Subd. 2. **Administration and Related Services**

<u>(a) Office of Communications</u>	<u>896,000</u>	<u>1,148,000</u>
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This appropriation is from the general fund.

<u>(b) Public Safety Support</u>	<u>9,976,000</u>	<u>11,773,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>5,049,000</u>	<u>6,564,000</u>
<u>Trunk Highway</u>	<u>4,927,000</u>	<u>5,209,000</u>

\$1,482,000 in each year is from the general fund for staff and operating costs related to public engagement activities.

<u>(c) Public Safety Officer Survivor Benefits</u>	<u>640,000</u>	<u>640,000</u>
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This appropriation is from the general fund for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

<u>(d) Public Safety Officer Reimbursements</u>	<u>1,367,000</u>	<u>1,367,000</u>
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This appropriation is from the general fund for transfer to the public safety officer's benefit account. This appropriation is available for reimbursements under Minnesota Statutes, section 299A.465.

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

<u>(f) Technology and Support Services</u>	<u>6,712,000</u>	<u>6,783,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>1,645,000</u>	<u>1,684,000</u>
<u>Trunk Highway</u>	<u>5,067,000</u>	<u>5,099,000</u>

Subd. 3. State Patrol

<u>(a) Patrolling Highways</u>	<u>154,044,000</u>	<u>141,731,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>387,000</u>	<u>37,000</u>
<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
<u>Trunk Highway</u>	<u>153,565,000</u>	<u>141,602,000</u>

\$350,000 in fiscal year 2024 is from the general fund for predesign of a State Patrol headquarters building and related storage and training facilities. The commissioner of public safety must work with the commissioner of administration to complete the predesign. This is a onetime appropriation and is available until June 30, 2027.

\$14,500,000 in fiscal year 2024 is from the trunk highway fund to purchase and equip a helicopter for the State Patrol. This is a onetime appropriation and is available until June 30, 2025.

\$2,300,000 in fiscal year 2024 is from the trunk highway fund to purchase a Cirrus single engine airplane for the State Patrol. This is a onetime appropriation and is available until June 30, 2025.

\$1,700,000 in each year is from the trunk highway fund for staff and equipment costs of pilots for the State Patrol.

\$611,000 in fiscal year 2024 and \$352,000 in fiscal year 2025 are from the trunk highway fund to support the State Patrol's accreditation process under the Commission on Accreditation for Law Enforcement Agencies.

(b) Commercial Vehicle Enforcement 15,446,000 18,423,000

\$2,948,000 in fiscal year 2024 and \$5,248,000 in fiscal year 2025 are to provide the required match for federal grants for additional troopers and nonsworn commercial vehicle inspectors.

(c) Capitol Security 18,666,000 19,231,000

This appropriation is from the general fund.

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.

<u>(d) Vehicle Crimes Unit</u>	<u>1,244,000</u>	<u>1,286,000</u>
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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.

Subd. 4. Driver and Vehicle Services

<u>(a) Driver Services</u>	<u>42,615,000</u>	<u>43,262,000</u>
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This appropriation is from the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.

\$750,000 in fiscal year 2024 and \$120,000 in fiscal year 2025 are for reimbursement to driver's license agents for the purchase and maintenance of equipment necessary for a full-service provider, as defined in Minnesota Statutes, section 171.01, subdivision 33a, following application to the commissioner. Of the amount in fiscal year 2024, the commissioner may provide no more than \$15,000 to each driver's license agent.

\$115,000 in fiscal year 2024 and \$109,000 in fiscal year 2025 are for staff costs to manage, review, and audit online driver education programs.

\$262,000 in fiscal year 2024 and \$81,000 in fiscal year 2025 are for implementation of race and ethnicity information collection from applicants for drivers' licenses and identification cards.

\$58,000 in fiscal year 2024 is for the implementation costs of a watercraft operator's permit indicator on drivers' licenses and identification cards.

\$2,598,000 in each year is to maintain driver's license examination stations. The commissioner must keep open all driver's license examination stations that are open on the effective date of this section, including any stations that reopened following closure in 2020 due to the COVID-19 pandemic.

<u>(b) Vehicle Services</u>	<u>34,238,000</u>	<u>28,737,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>6,000,000</u>	<u>-0-</u>
<u>Special Revenue</u>	<u>28,238,000</u>	<u>28,737,000</u>

The appropriation from the special revenue fund is from the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.

\$202,000 in fiscal year 2024 and \$192,000 in fiscal year 2025 are for staff costs related to monitoring and auditing records issued by full-service providers.

\$6,000,000 in fiscal year 2024 is from the general fund for payments to deputy registrars. The commissioner must make payments to each deputy registrar based proportionally on the total number of transactions, excluding corrections and transactions at a self-service kiosk, completed by each deputy registrar during the previous fiscal year. The payments must be made on or before July 15, 2023.

\$1,600,000 in fiscal year 2024 and \$1,300,000 in fiscal year 2025 are for staff and operating costs related to additional vehicle inspection sites.

\$101,000 in fiscal year 2024 and \$96,000 in fiscal year 2025 are for an appeals process for information technology system data access revocations, including costs of staff and equipment.

<u>Subd. 5. Traffic Safety</u>	<u>9,504,000</u>	<u>4,249,000</u>
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Appropriations by Fund

	2024	2025
<u>General</u>	<u>8,803,000</u>	<u>3,494,000</u>
<u>Trunk Highway</u>	<u>701,000</u>	<u>755,000</u>

\$1,000,000 in fiscal year 2024 is from the general fund for grants to local units of government to perform additional traffic safety enforcement activities in safe road zones under Minnesota Statutes, section 169.065. In allocating funds, the commissioner must account for other sources of funding for increased traffic enforcement.

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

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

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

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

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

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

\$2,000,000 in each year is from the general fund for operations and traffic safety projects and activities of the Advisory Council on Traffic Safety under Minnesota Statutes, section 4.076.

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

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

<u>Subd. 6. Pipeline Safety</u>	<u>2,003,000</u>	<u>2,003,000</u>
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Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>560,000</u>	<u>560,000</u>
<u>Special Revenue</u>	<u>1,443,000</u>	<u>1,443,000</u>

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

\$560,000 in each year is from the general fund for staff and operating costs related to oversight of the excavation notice system under Minnesota Statutes, chapter 216D, including education, investigation, and enforcement activities.

<u>Sec. 5. LEGISLATIVE COORDINATING COMMISSION</u>	<u>\$</u>	<u>225,000</u>	<u>\$</u>	<u>-0-</u>
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This appropriation is from the general fund to the Legislative Coordinating Commission for costs of the Metropolitan Governance Task Force under article 4, section 123.

Sec. 6. MINNESOTA MANAGEMENT AND BUDGET

<u>Subdivision 1. Federal Funds Coordinator</u>	<u>570,000</u>	<u>570,000</u>
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(a) This appropriation is from the general fund to the commissioner of management and budget for a coordinator and support staff to provide for maximization of federal formula and discretionary grant funds to recipients in the state, including but not limited to funds under: (1) the Infrastructure Investment and Jobs Act (IIJA), Public Law 117-58; (2) the Inflation Reduction Act of 2022, Public Law 117-169; (3) the CHIPS and Science Act of 2022, Public Law 117-167; and (4) subsequent federal appropriations acts associated with a spending authorization or appropriation under clauses (1) to (3).

(b) The duties of the federal coordinator include but are not limited to:

(1) serving as the state agency lead on activities related to federal infrastructure funds;

(2) coordinating on federal grants with the governor, legislature, state agencies, federally recognized Tribal governments, political subdivisions, and private entities; and

(3) developing methods to maximize the amount and effectiveness of federal grants provided to recipients in the state.

Subd. 2. **Federal Funds Coordinator; Fiscal Year 2023**

\$70,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of management and budget for the purposes specified in subdivision 1. This amount is a onetime appropriation and is available until June 30, 2024.

EFFECTIVE DATE. Subdivision 2 is effective the day following final enactment.

Sec. 7. Laws 2018, chapter 214, article 1, section 16, subdivision 11, as amended by Laws 2019, chapter 2, article 2, section 4, is amended to read:

Subd. 11. Corridors of Commerce 400,000,000

(a) From the bond proceeds account in the trunk highway fund for the corridors of commerce program under Minnesota Statutes, section 161.088.

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

- (1) \$150,000,000 in fiscal year 2022;
- (2) \$150,000,000 in fiscal year 2023; and
- (3) \$100,000,000 in fiscal year 2024.

(c) The commissioner must select projects for the corridors of commerce program solely using the results of the spring 2018 evaluation for the corridors of commerce program, in order based on total score. In addition to the projects selected for funding in the first round from the spring 2018 evaluation, the commissioner must select at least two projects located outside the Department of Transportation metropolitan district. If funds are insufficient for an identified project, the commissioner must either select the identified project, or select one or more alternative projects that are (1) for a segment within the project limits of the identified project; and (2) also identified and scored in the spring 2018 evaluation process. For projects located outside the Department of Transportation metropolitan district, the commissioner must not select a project located in a county within which a project was selected for funding in the first round in the spring 2018 evaluation for the corridors of commerce program.

(d) Notwithstanding the project selection requirements under paragraph (c), any remaining amount of this appropriation is for predesign, design, engineering, and construction of an overpass and associated safety improvements at the intersection of marked Trunk Highway 9 and marked Trunk Highway 23 in the city of New London.

(e) The appropriation in Laws 2017, First Special Session chapter 3, article 2, section 2, subdivision 1, is available for the projects selected under paragraph (c) that the commissioner determines are ready to proceed.

~~(e)~~ (f) The appropriation in this subdivision is available for any projects selected by the commissioner using the results of the evaluation for the corridors of commerce program conducted in spring 2018.

~~(f)~~ (g) This appropriation cancels as specified under Minnesota Statutes, section 16A.642, except that the commissioner of management and budget shall 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, and not as the date of enactment of this section.

Sec. 8. Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 4, is amended to read:

Subd. 4. Driver and Vehicle Services

(a) Driver Services	44,820,000	39,685,000
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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.

~~The base is \$36,398,000 in each of fiscal years 2024 and 2025. Any unexpended amount of this appropriation remaining on June 30, 2023, cancels to the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.~~

(b) Vehicle Services	37,418,000	35,535,000 <u>27,299,000</u>
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Appropriations by Fund

2022	2023
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H.U.T.D.	686,000	-0-
Special Revenue	36,732,000	<u>35,535,000</u> <u>27,299,000</u>

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. Any unexpended amount of the appropriation from the special revenue fund remaining on June 30, 2023, cancels to the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.~~

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

Sec. 9. APPROPRIATION; TRANSPORTATION MANAGEMENT ORGANIZATIONS.

(a) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of transportation for grants to the I-494 Corridor Commission to provide telework resources, assistance, information, and related activities on a statewide basis.

(b) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of transportation for grants to the St. Paul transportation management organization. The organization must provide public education and information to support a reduction in vehicle miles traveled throughout the metropolitan area.

(c) \$103,000 in fiscal year 2024 and \$103,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of transportation for grants to the downtown Minneapolis transportation management organization. Programs funded with this appropriation must include but are not limited to a hybrid commuter education pilot program.

(d) \$350,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for grants to the city of Chatfield to develop a transportation management organization in southeastern Minnesota. Money under this paragraph is available for developing a comprehensive assessment and financial plan for a transportation management organization in the counties of Dodge, Fillmore, Freeborn,

Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona. The study must assess how the transportation management organization can develop resources to meet the region's growing and changing transportation needs and prioritize transportation-related challenges that affect the region's workforce, access to health care and postsecondary education, and quality of life.

(e) Money under paragraphs (a) to (c) is available for programming and service expansion to assist companies and commuters with carpool, vanpool, bicycle commuting, telework, and transit.

(f) The commissioner must not retain any portion of the appropriations under this section.

(g) The appropriations in paragraphs (a) to (d) are onetime appropriations.

Sec. 10. APPROPRIATION; RAIL CORRIDOR SERVICE.

\$4,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of transportation for rail corridor service analysis under article 4, section 112. This is a onetime appropriation and is available until December 31, 2025.

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

Sec. 11. APPROPRIATION; TRANSIT SERVICE INTERVENTION PROJECT.

\$2,000,000 in fiscal year 2023 is appropriated from the general fund to the Metropolitan Council for grants to participating organizations in the Transit Service Intervention Project under article 4, section 113. The council must allocate the grants to provide reimbursements for project implementation, including but not limited to intervention teams, labor, and other expenses. This is a onetime appropriation and is available until June 30, 2024.

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

Sec. 12. APPROPRIATIONS; STATE PATROL OPERATING DEFICIENCY.

(a) \$6,728,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of public safety for State Patrol operating costs. This is a onetime appropriation and is available until December 31, 2023.

(b) \$106,000 in fiscal year 2023 is appropriated from the highway user tax distribution fund to the commissioner of public safety for the State Patrol Vehicle Crimes Unit. This is a onetime appropriation and is available until December 31, 2023.

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

Sec. 13. APPROPRIATION; DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT.

\$30,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of employment and economic development for temporary staff costs related to the procurement of a statewide freight optimization tool for the Department of Transportation. This is a onetime appropriation and is available until June 30, 2025.

Sec. 14. APPROPRIATION; TRAFFIC SAFETY.

\$2,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of public safety for grants to school districts, nonpublic schools, charter schools, and 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 follow the same requirements as under Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 5. This is a onetime appropriation and is available until June 30, 2025.

Sec. 15. APPROPRIATION; SMALL COMMUNITY PARTNERSHIPS.

(a) \$2,500,000 in fiscal year 2024 and \$2,500,000 in fiscal year 2025 are appropriated from the general fund to the Board of Regents of the University of Minnesota for small community partnerships on infrastructure project analysis and development as provided in this section. This is a onetime appropriation and is available until June 30, 2026.

(b) The appropriation under this section must be used for:

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

(2) support and assistance to small communities that includes:

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

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

(3) prioritization of support and assistance to political subdivisions and federally recognized Tribal governments based on insufficiency of capacity to undertake project development and apply for state or federal infrastructure grants.

(c) The agreement may provide for project analysis and development activities that include but are not limited to planning, scoping, analysis, predesign, design, pre-engineering, and engineering.

Sec. 16. APPROPRIATION; RICE STREET CAPITOL AREA REDESIGN.

(a) \$25,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for one or more grants to the city of St. Paul, Ramsey County, or both for planning, predesign, design, engineering, environmental analysis and mitigation, land acquisition, and reconstruction of Rice Street from West Pennsylvania Avenue to John Ireland Boulevard. This is a onetime appropriation and is available until June 30, 2029.

(b) The Rice Street Capitol Area redesign project under this section must:

(1) be developed under a multiagency process that includes but is not limited to coordination between the city of St. Paul, Ramsey County, the Metropolitan Council, the commissioner of transportation, and the Capitol Area Architectural and Planning Board under Minnesota Statutes, section 15B.03;

(2) conform with the comprehensive plan adopted under Minnesota Statutes, section 15B.05, and the street design manual adopted by the city of St. Paul; and

(3) establish a multimodal hub in the vicinity of Rice Street and University Avenue.

Sec. 17. APPROPRIATIONS; PRIORITY TRANSPORTATION PROJECTS.

Subdivision 1. Crosstown pedestrian bridge; Edina. \$3,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to the city of Edina for design, engineering, and construction of a new Americans with Disabilities Act-compliant safe overpass bridge to replace the current Crosstown Pedestrian Bridge over marked Trunk Highway 62 in the city of Edina. This is a onetime appropriation and is available until June 30, 2027.

Subd. 2. U.S. Highway 10; Sherburne County. \$6,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for preliminary engineering of safety and access improvements on marked U.S. Highway 10 between the cities of Clear Lake and St. Cloud. This appropriation is for phase one of the project. This is a onetime appropriation and is available until June 30, 2027.

Subd. 3. Veterans Bridge; St. Cloud. \$750,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to the city of St. Cloud for predesign, design, engineering, environmental analysis, and construction of repairs and rehabilitation to the Veterans Bridge in the city of St. Cloud, including associated pedestrian safety improvements. This is a onetime appropriation and is available until June 30, 2027.

Subd. 4. University Drive; St. Cloud. \$8,500,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to the city of St. Cloud for predesign, design, engineering, environmental analysis, and reconstruction of University Drive from Stearns County State-Aid Highway 75 to 15th Avenue Southeast, including bicycle facility improvements and utility replacement. This is a onetime appropriation and is available until June 30, 2027.

Subd. 5. Trunk Highway 7 study; Hennepin County. \$750,000 in fiscal year 2024 is appropriated from the trunk highway fund to the commissioner of transportation for a feasibility study of safety, access, and other improvements on marked Trunk Highway 7 from the western border of Hennepin County to marked Interstate Highway 494, including connecting roadways. Any amount remaining following the study is available for environmental analysis and preliminary design. This is a onetime appropriation and is available until June 30, 2027.

Subd. 6. Highway-rail grade separation; Moorhead. \$10,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for one or more rail grade separation projects in the city of Moorhead in accordance with Minnesota Statutes, section 219.016. This appropriation is in addition to the amount appropriated in Laws 2020, Fifth Special Session chapter 3, article 2, section 2, subdivision 2, for the same purpose. This is a onetime appropriation and is available until June 30, 2027.

Subd. 7. U.S. Highway 52 box culvert underpass; Dakota County. \$2,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for preliminary and final design, engineering, environmental analysis, acquisition of permanent easements and rights-of-way, and construction of a box culvert underpass at marked U.S. Highway 52 and Dakota County Road 6 near the Hmong American Farmers Association. This is a onetime appropriation and is available until June 30, 2027.

Subd. 8. Third Street/Kellogg Boulevard Bridge; St. Paul. \$3,500,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to the city of St. Paul

for the Third Street/Kellogg Boulevard bridge project. This appropriation is in addition to the appropriation for the same purpose in Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 19, and in addition to any other appropriations for the same purpose enacted in the 2023 legislative session. This is a onetime appropriation and is available until June 30, 2027.

Subd. 9. Trunk Highway 36 interchange; Washington County. \$5,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to Washington County for predesign, design, property acquisition, and construction of a new interchange at marked Trunk Highway 36 and Washington County State-Aid Highway 17, known as Lake Elmo Avenue, in Washington County. This appropriation is in addition to any other appropriations for the same purpose enacted in the 2023 legislative session. This is a onetime appropriation and is available until June 30, 2027.

Subd. 10. U.S. Highway 169/Trunk Highway 282 interchange; Jordan. \$4,900,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to Scott County for design and construction of local road improvements associated with an interchange at marked U.S. Highway 169, marked Trunk Highway 282, and Scott County State-Aid Highway 9 in the city of Jordan, including accommodations for bicycles and pedestrians, rail grade separation, road work, and public utility relocations. This is a onetime appropriation and is available until June 30, 2027.

Subd. 11. U.S. Highway 169/109th Avenue North intersection; Hennepin County. \$10,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for one or more grants to the city of Brooklyn Park, the city of Champlin, or both, for environmental documentation, preliminary engineering, right-of-way acquisition, final design, and construction of local road portions of intersection improvements at 109th Avenue North and marked U.S. Highway 169, including: (1) associated frontage roads, backage roads, and connecting local streets; and (2) any associated water, sanitary sewer, and stormwater infrastructure improvements necessary or required for the construction of the local road improvements portion of the project. This is a onetime appropriation and is available until June 30, 2027.

Subd. 12. U.S. Highway 169 expansion; Itasca County. \$6,000,000 in fiscal year 2024 is appropriated from the trunk highway fund to the commissioner of transportation for planning, predesign, design, engineering, and environmental analysis and remediation of expansion of marked U.S. Highway 169 from a two-lane to a four-lane divided highway between Taconite and Pengilly. This is a onetime appropriation and is available until June 30, 2027.

Subd. 13. Trunk Highway 5; Chanhassen. \$20,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to Carver County to complete the preliminary engineering, environmental documentation, final design, right-of-way acquisition, and construction of improvements to marked Trunk Highway 5 from Minnewashta Parkway to marked Trunk Highway 41 in the city of Chanhassen, including mainline highway expansion, cross streets, off-street trails, a bridge over Lake Minnewashta wetlands, utility relocations, and installations. This is a onetime appropriation and is available until June 30, 2027.

Subd. 14. Accessible facilities; certain cities. \$5,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for grants to cities of the first class, as specified under Minnesota Statutes, section 410.01, for construction of Americans with Disabilities Act-accessible facilities in the public right-of-way. The commissioner must consult with the cities when determining the allocation of grant awards. This is a onetime appropriation and is available until June 30, 2027.

Subd. 15. East River Road; Coon Rapids. \$1,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to the city of Coon Rapids, Anoka County,

or both, for design and right-of-way acquisition for interchange construction and associated improvements to Anoka County State-Aid Highway 1 (East River Road) at marked Trunk Highway 610 in the city of Coon Rapids. This appropriation is in addition to the appropriation in Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 3. This is a onetime appropriation and is available until June 30, 2027.

Subd. 16. St. Louis County State-Aid Highway 100; Aurora. \$3,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for one or more grants to St. Louis County for predesign, design, engineering, environmental analysis and mitigation, land acquisition, and reconstruction of St. Louis County State-Aid Highway 100 (3rd Avenue North and Main Street) from marked Trunk Highway 135 to St. Louis County State-Aid Highway 110 in the city of Aurora. This is a onetime appropriation and is available until June 30, 2027.

Subd. 17. Progress Parkway; Eveleth. \$6,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for one or more grants to St. Louis County for predesign, design, engineering, environmental analysis and mitigation, land acquisition, construction, and reconstruction of Progress Parkway to provide for intersection improvements and road realignment and extension from marked U.S. Highway 53 and St. Louis County State-Aid Highway 142 to marked Trunk Highway 37 and Station 44 Road in the city of Eveleth. This is a onetime appropriation and is available until June 30, 2027.

Subd. 18. Town roads. \$7,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to a township with a population greater than 10,000 according to the last two federal decennial censuses. This appropriation is for the purposes specified in Minnesota Statutes, section 162.081, subdivision 4.

Sec. 18. **ACCOUNT USE FOR CERTAIN APPROPRIATIONS.**

(a) If an appropriation in fiscal year 2024 or thereafter from the vehicle services operating account under Minnesota Statutes, section 299A.705, subdivision 1, or from the driver services operating account under Minnesota Statutes, section 299A.705, subdivision 2, is enacted during the 2023 regular legislative session, the appropriation is instead from the driver and vehicle services operating account as provided under article 4, section 82.

(b) Notwithstanding Minnesota Statutes, section 645.26, subdivision 3, this section prevails for an appropriation as provided under paragraph (a).

Sec. 19. **APPROPRIATION CANCELLATIONS.**

(a) \$4,797,000 of the appropriation in fiscal year 2022 for safe routes to school under Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, paragraph (c), is canceled to the general fund on June 29, 2023.

(b) \$974,000 of the appropriation from the general fund in fiscal year 2022 for freight under Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, paragraph (e), is canceled to the general fund on June 29, 2023.

(c) \$15,000 of the appropriation in fiscal year 2022 and \$15,000 of the appropriation in fiscal year 2023 to the commissioner of employment and economic development from the general fund under Laws 2021, First Special Session chapter 5, article 1, section 7, is canceled to the general fund on June 29, 2023.

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

Sec. 20. TRANSFERS.

(a) \$152,650,000 in fiscal year 2024 is transferred from the general fund to the trunk highway fund for the state match for highway formula and discretionary grants under the federal Infrastructure Investment and Jobs Act, Public Law 117-58, and for related state investments.

(b) \$19,500,000 in fiscal year 2024 and \$19,500,000 in fiscal year 2025 are transferred from the general fund to the active transportation account under Minnesota Statutes, section 174.38. The base for this transfer is \$8,875,000 in fiscal year 2026 and \$9,000,000 in fiscal year 2027.

(c) By June 30, 2023, the commissioner of management and budget must transfer any remaining unappropriated balance, estimated to be \$232,000, from the driver services operating account in the special revenue fund to the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.

(d) By June 30, 2023, the commissioner of management and budget must transfer any remaining unappropriated balance, estimated to be \$13,454,000, from the vehicle services operating account in the special revenue fund to the driver and vehicle services operating account under Minnesota Statutes, section 299A.705.

EFFECTIVE DATE. Paragraphs (c) and (d) are effective the day following final enactment.

ARTICLE 2**TRUNK HIGHWAY BONDS****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 commissioner of transportation or other named entity to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this article for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget.

SUMMARY

<u>Department of Transportation</u>	<u>\$</u>	<u>598,590,000</u>
<u>Department of Management and Budget</u>	<u>\$</u>	<u>610,000</u>
<u>TOTAL</u>	<u>\$</u>	<u>599,200,000</u>

APPROPRIATIONS**Sec. 2. DEPARTMENT OF TRANSPORTATION**

<u>Subdivision 1. Corridors of Commerce</u>	<u>\$</u>	<u>153,000,000</u>
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(a) This appropriation is to the commissioner of transportation for the corridors of commerce program under Minnesota Statutes, section 161.088. The

commissioner may use up to 17 percent of the amount for program delivery.

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

- (1) \$8,000,000 in fiscal year 2024;
- (2) \$72,500,000 in fiscal year 2025; and
- (3) \$72,500,000 in fiscal year 2026.

(c) From this appropriation, the commissioner must select projects using (1) the results of the spring 2023 evaluation for the corridors of commerce program, and (2) the regional balance requirements as provided under Minnesota Statutes, section 161.088, subdivision 4a.

(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. State Road Construction

200,000,000

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

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

- (1) \$67,000,000 in fiscal year 2024;
- (2) \$67,000,000 in fiscal year 2025; and
- (3) \$66,000,000 in fiscal year 2026.

(c) 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. 3. Transportation Facilities Capital Improvements

87,440,000

This appropriation is for capital improvements to Department of Transportation facilities. The improvements must: (1) support the programmatic mission of the department; (2) extend the useful life of existing buildings; or (3) renovate or construct facilities to meet the department's current and future operational needs.

Subd. 4. Trunk Highway 65; Anoka County

68,750,000

This appropriation is for one or more grants to the city of Blaine, Anoka County, or both for the predesign, right-of-way acquisition, design, engineering, and construction of intersection improvements along Trunk Highway 65 at 99th Avenue Northeast; 105th Avenue Northeast; Anoka County State-Aid Highway 12; 109th Avenue Northeast; 117th Avenue Northeast; and the associated frontage roads and backage roads within the trunk highway system.

Subd. 5. U.S. Highway 10; Coon Rapids

30,000,000

This appropriation is for a grant to Anoka County for preliminary engineering, environmental analysis, final design, right-of-way acquisition, construction, and construction administration of a third travel lane in each direction of marked U.S. Highway 10 from east of the interchange with Hanson Boulevard to Round Lake Boulevard in the city of Coon Rapids.

Subd. 6. Trunk Highway 61; Two Harbors

11,000,000

This appropriation is for the preliminary engineering, environmental analysis, final design, right-of-way acquisition, and construction of marked Trunk Highway 61 through the city of Two Harbors in Lake County. This appropriation does not require a nonstate contribution.

Subd. 7. U.S. Highway 169 Interchange; Scott County

4,200,000

This appropriation is for a grant to Scott County 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 in the city of Jordan, including accommodations for bicycles and pedestrians and for bridge and road construction.

Subd. 8. Trunk Highway 3 Roundabout; Rosemount

2,200,000

This appropriation is for design, engineering, planning, right-of-way acquisition, and construction of a roundabout on marked Trunk Highway 3 at the intersection with 142nd Street West in the city of Rosemount.

Subd. 9. U.S. Highway 8; Chisago County

42,000,000

This appropriation is for a grant to Chisago County for predesign, design, engineering, and reconstruction of marked U.S. Highway 8 from Karmel Avenue in Chisago City to marked Interstate Highway 35, including pedestrian and bike trails along and crossings of this segment of marked U.S. Highway 8. The reconstruction project may include expanding segments of marked U.S. Highway 8 to four lanes, constructing or reconstructing frontage roads and backage roads, and realigning local roads to consolidate, remove, and relocate access onto and off of U.S. Highway 8. This appropriation is for the portion of the project that is eligible for use of proceeds of trunk highway bonds. This appropriation is not available until the commissioner of management and budget determines that sufficient resources have been committed from nonstate sources to complete the project.

Sec. 3. BOND SALE EXPENSES

\$ 610,000

(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) \$330,000 in fiscal year 2024;
- (2) \$140,000 in fiscal year 2025; and
- (3) \$140,000 in fiscal year 2026.

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 \$599,200,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

ARTICLE 3
TAXATION**Section 1. [41A.30] SUSTAINABLE AVIATION FUEL; TAX CREDITS.**

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

(b) "Aircraft" has the meaning given in section 296A.01, subdivision 3.

(c) "Aviation gasoline" has the meaning given in section 296A.01, subdivision 7.

(d) "Commissioner" means the commissioner of agriculture.

(e) "Jet fuel" has the meaning given in section 296A.01, subdivision 8.

(f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision 6, that is engaged in the business of:

(1) producing sustainable aviation fuel; or

(2) blending sustainable aviation fuel with aviation gasoline or jet fuel.

(g) "Sustainable aviation fuel" means liquid fuel that:

(1) is derived from biomass, as defined in section 41A.15, subdivision 2e;

(2) is not derived from palm fatty acid distillates; and

(3) achieves at least a 50 percent life cycle greenhouse gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel as determined by a test that shows:

(i) that the fuel production pathway achieves at least a 50 percent life cycle greenhouse gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel utilizing the most recent version of Argonne National Laboratory's Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model that accounts for reduced emissions throughout the fuel production process; or

(ii) that the fuel production pathway achieves at least a 50 percent reduction of the aggregate attributional core life cycle emissions and the positive induced land use change values under the life cycle methodology for sustainable aviation fuels adopted by the International Civil Aviation Organization with the agreement of the United States.

Subd. 2. **Tax credit establishment.** (a) A qualifying taxpayer may claim a tax credit against the tax due under chapter 290 equal to \$1.50 for each gallon of sustainable aviation fuel that is:

(1) produced in Minnesota or blended with aviation or gasoline or jet fuel in Minnesota; and

(2) sold in Minnesota to a purchaser who certifies that the sustainable aviation fuel is for use as fuel in an aircraft departing from an airport in Minnesota.

(b) The credit may be claimed only after approval and certification by the commissioner and is limited to the amount stated on the credit certificate issued under subdivision 3. A qualifying taxpayer must apply to the commissioner for certification and allocation of a credit in a form and manner prescribed by the commissioner.

(c) A qualifying taxpayer may claim a credit for blending or producing sustainable aviation fuel, but not both. If sustainable aviation fuel is blended with aviation gasoline or jet fuel, the credit is allowed only for the portion of sustainable aviation fuel that is included in the blended fuel.

(d) If the amount of credit that the taxpayer is eligible to receive under this section exceeds the liability for tax under chapter 290, the commissioner of revenue must refund the excess to the taxpayer.

Subd. 3. **Credit certificates.** (a) A business must apply to the commissioner to be eligible for a credit certificate as a qualifying taxpayer within two months after the close of its taxable year for all sustainable aviation fuel sold under subdivision 2, paragraph (a), in the taxable year. The application must be in the form and be made under the procedures specified by the commissioner and must include:

(1) evidence of production or blending in Minnesota required under subdivision 2, paragraph (a), clause (1); and

(2) a purchaser's certification that the sustainable aviation fuel is for use as fuel in an aircraft departing from an airport in Minnesota, as required under subdivision 2, paragraph (a), clause (2).

(b) Within 30 days of receiving an application for certification under this subdivision, the commissioner must:

(1) issue a credit certificate under paragraph (c);

(2) request additional information from the business; or

(3) reject the application for certification.

If the commissioner requests additional information from the business, the commissioner must either issue a credit certificate or reject the application within 30 days of receiving the additional information. If a business fails to submit the additional information within 30 days or if the commissioner neither issues a credit certificate within 30 days of receiving the original application or within 30 days of receiving the additional information requested, whichever is later, the application is deemed rejected.

(c) A credit certificate must state:

(1) the fiscal year for which the credit certificate is issued;

(2) the amount of the tax credit; and

(3) the taxable year for which the taxpayer may claim the tax credit under section 290.0688.

Subd. 4. Duties. (a) The commissioner must certify qualifying taxpayers as eligible for the tax credit under subdivision 2 and issue credit certificates under subdivision 3 subject to the allocation limits under subdivision 5.

(b) Notwithstanding any other law to the contrary, the commissioner must share information with the commissioner of revenue to the extent necessary to administer the provisions under this section and section 290.0688. For credit certificates issued under subdivision 3, the commissioner must notify the commissioner of revenue of the issuance within 30 days.

(c) Applications for credit certificates must be made available on the department's website by July 1 of each year identified under subdivision 5.

(d) The commissioner must allocate credit certificates on a first-come, first-served basis beginning on August 1 of each year listed under subdivision 5.

Subd. 5. Allocation limits. (a) For tax credits allowed under subdivision 2, the commissioner must not issue credit certificates for more than:

(1) \$7,400,000 for fiscal year 2025; and

(2) \$2,100,000 for each of fiscal years 2026 and 2027.

(b) If the entire amount authorized under paragraph (a) is not allocated in fiscal year 2025 or 2026, any remaining amount is available for allocation through fiscal year 2030 until the entire allocation has been made. The commissioner must not issue any credit certificates for fiscal years beginning after June 30, 2030, and any unallocated amounts cancel on that date.

Subd. 6. Appeals. (a) Any decision of the commissioner under this section may be challenged as a contested case under chapter 14. The contested case proceeding must be initiated within 60 days of the date of written notification by the commissioner.

(b) If a taxpayer challenges a decision of the commissioner under this subdivision, upon perfection of the appeal, the commissioner must notify the commissioner of revenue of the challenge within five days.

(c) Nothing in this subdivision affects the commissioner of revenue's authority to audit, review, correct, or adjust returns claiming the credit.

(d) The commissioner may not hold credit amounts in reserve pending any contested case hearing under this subdivision.

Subd. 7. Expiration. This section expires for taxable years beginning after December 31, 2030.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2023, for sustainable aviation fuel sold after June 30, 2024, and before July 1, 2030.

Sec. 2. [162.146] LARGER CITIES ASSISTANCE ACCOUNT.

Subdivision 1. Larger cities assistance account; appropriation. (a) A larger cities assistance account is created in the special revenue fund. The account consists of funds under section 174.49, subdivision 3, and as provided by law 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 transportation for apportionment among all the cities that are eligible to receive municipal state aid under sections 162.09 to 162.14.

Subd. 2. Allocation formula. The commissioner must apportion funds in the larger cities assistance account as follows:

(1) 50 percent of the funds proportionally based on each city's share of population, as defined in section 477A.011, subdivision 3, compared to the total population of all cities that are eligible to receive municipal state aid under sections 162.09 to 162.14; and

(2) 50 percent of the funds proportionally based on each city's share of money needs, as determined under section 162.13, subdivision 3, compared to the total money needs of all cities that are eligible to receive municipal state aid under sections 162.09 to 162.14.

Sec. 3. Minnesota Statutes 2022, section 163.051, subdivision 1, is amended to read:

Subdivision 1. Tax authorized. (a) Except as provided in paragraph (c), the board of commissioners of each county is authorized to levy by resolution a wheelage tax at the rate specified in paragraph (b), on each motor vehicle that is kept in such county when not in operation and that is subject to annual registration and taxation under chapter 168. The board may provide by resolution for collection of the wheelage tax by county officials or it may request that the tax be collected by the state registrar of motor vehicles. The state registrar of motor vehicles shall collect such tax on behalf of the county if requested, as provided in subdivision 2.

(b) The wheelage tax under this section is at the rate of up to \$20 per year, in any increment of a whole dollar, as specified by each county that authorizes the tax.

(c) The following vehicles are exempt from the wheelage tax:

(1) motorcycles, as defined in section 169.011, subdivision 44;

(2) motorized bicycles, as defined in section 169.011, subdivision 45; and

(3) motorized foot scooters, as defined in section 169.011, subdivision 46-; and

(4) vehicles that meet the requirements under section 168.012, subdivision 13.

(d) For any county that authorized the tax prior to May 24, 2013, the wheelage tax continues at the rate provided under paragraph (b).

EFFECTIVE DATE. This section is effective the day following final enactment and applies to taxes payable for a registration period starting on or after January 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 168.012, is amended by adding a subdivision to read:

Subd. 13. Vehicles registered by certain veterans. (a) A passenger automobile, one-ton pickup truck, motorcycle, or recreational vehicle registered by a veteran with a total service-connected disability, as defined in section 171.01, subdivision 51, is not subject to:

(1) registration taxes under this chapter;

(2) administrative fees imposed under subdivision 1c;

(3) filing fees and surcharges imposed under section 168.33, subdivision 7; or

(4) plate and validation sticker fees imposed under this chapter, including but not limited to:

- (i) fees under section 168.12, subdivision 5;
- (ii) fees identified in any section authorizing special plates; and
- (iii) transfer fees.

(b) The exemptions under this subdivision apply to a motor vehicle that is jointly registered by a qualifying veteran and a spouse or domestic partner.

(c) The fees identified under paragraph (a), clause (4), do not include:

- (1) a fee for personalized plates under section 168.12, subdivision 2a; or

(2) a required contribution or donation for a special plate, including but not limited to a contribution under sections 168.1255, subdivision 1, clause (6); 168.1258, subdivision 1, clause (4); 168.1259, subdivision 2, clause (5); 168.1287, subdivision 1, clause (5); 168.129, subdivision 1, clause (5); 168.1295, subdivision 1, paragraph (a), clause (5); 168.1296, subdivision 1, paragraph (a), clause (5); and 168.1299, subdivision 1, clause (3).

(d) A qualifying veteran may register no more than two motor vehicles at the same time with the exemptions under this subdivision. Nothing in this paragraph prevents registration of additional motor vehicles as otherwise provided in this chapter.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to taxes and fees payable for a registration period starting on or after January 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 168.013, subdivision 1a, is amended to read:

Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in section 168.002, subdivision 24, and hearses, except as otherwise provided, the registration tax is calculated as \$10 plus:

(1) for a vehicle initially registered in Minnesota prior to November 16, 2020, ~~1.25~~ 1.54 percent of the manufacturer's suggested retail price of the vehicle and the destination charge, subject to the adjustments in paragraphs (f) and (g); or

(2) for a vehicle initially registered in Minnesota on or after November 16, 2020, ~~1.285~~ 1.575 percent of the manufacturer's suggested retail price of the vehicle, subject to the adjustments in paragraphs (f) and (g).

(b) The registration tax calculation must not include the cost of each accessory or item of optional equipment separately added to the vehicle and the manufacturer's suggested retail price. The registration tax calculation must not include a destination charge, except for a vehicle previously registered in Minnesota prior to November 16, 2020.

(c) In the case of the first registration of a new vehicle sold or leased by a licensed dealer, the dealer may elect to individually determine the registration tax on the vehicle using manufacturer's suggested retail price information provided by the manufacturer. The registrar must use the manufacturer's suggested retail price determined by the dealer as provided in paragraph (d). A dealer that elects to make the determination must retain a copy of the manufacturer's suggested retail price label or other supporting documentation with the vehicle transaction records maintained under Minnesota Rules, part 7400.5200.

(d) The registrar must determine the manufacturer's suggested retail price:

(1) using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry;

(2) if the list price information is unavailable, using the amount determined by a licensed dealer under paragraph (c);

(3) if a dealer does not determine the amount, using the retail price label as provided by the manufacturer under United States Code, title 15, section 1232; or

(4) if the retail price label is not available, using the actual sales price of the vehicle.

If the registrar is unable to ascertain the manufacturer's suggested retail price of any registered vehicle in the foregoing manner, the registrar may use any other available source or method.

(e) The registrar must calculate the registration tax using information available to dealers and deputy registrars at the time the initial application for registration is submitted.

(f) The amount under paragraph (a), clauses (1) and (2), must be calculated based on a percentage of the manufacturer's suggested retail price, as follows:

(1) during the first year of vehicle life, upon 100 percent of the price;

(2) for the second year, 90 95 percent of the price;

(3) for the third year, 80 90 percent of the price;

(4) for the fourth year, 70 80 percent of the price;

(5) for the fifth year, 60 70 percent of the price;

(6) for the sixth year, 50 60 percent of the price;

(7) for the seventh year, 40 50 percent of the price;

(8) for the eighth year, 30 40 percent of the price;

(9) for the ninth year, 20 25 percent of the price; and

(10) for the tenth year, ten percent of the price.

(g) For the 11th and each succeeding year, the amount under paragraph (a), clauses (1) and (2), must be calculated as \$25 \$20.

(h) Except as provided in subdivision 23, for any vehicle previously registered in Minnesota and regardless of prior ownership, the total amount due under this subdivision and subdivision 1m must not exceed the smallest total amount previously paid or due on the vehicle.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to taxes payable for a registration period starting on or after January 1, 2024.

Sec. 6. Minnesota Statutes 2022, section 168.33, subdivision 7, is amended to read:

Subd. 7. Filing fees; allocations. (a) In addition to all other statutory fees and taxes, a filing fee of:

(1) ~~\$7~~ \$8 filing fee is imposed on every vehicle registration renewal, excluding pro rate transactions; and

(2) ~~\$11~~ a \$12 filing fee 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), and the surcharge imposed under paragraph (f)~~ may be paid by credit card or debit card. The deputy registrar may collect a surcharge on the ~~statutory fees, taxes, and filing fee payment made under this paragraph~~ 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 ~~authorized by this paragraph~~ must be used to pay the cost of processing credit and debit card transactions.

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

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

(i) ~~\$5.50~~ \$6.50 must be deposited in the driver and vehicle services operating account under section 299A.705, subdivision 1; and

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

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

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

(ii) ~~\$6.00~~ \$7 must be deposited in the driver and vehicle services operating account under section 299A.705, subdivision 1; and

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

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

EFFECTIVE DATE. This section is effective October 1, 2023, except that paragraph (f) is effective January 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 168A.29, is amended by adding a subdivision to read:

Subd. 4. **Exemption; vehicles for certain veterans.** The department must not impose any fee under subdivision 1 if the certificate of title is being issued to a person and for a vehicle that meets the requirements under section 168.012, subdivision 13.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 8. **[168E.01] DEFINITIONS.**

Subdivision 1. **Scope.** As used in this chapter, the following terms have the meanings given.

Subd. 2. **Accessories and supplies.** "Accessories and supplies" has the meaning given in section 297A.67, subdivision 7a.

Subd. 3. **Baby products.** "Baby products" means breast pumps, baby bottles and nipples, pacifiers, teething rings, infant syringes, baby wipes, cribs and bassinets, crib and bassinet mattresses, crib and bassinet sheets, changing tables, changing pads, strollers, car seats and car seat bases, baby swings, bottle sterilizers, and infant eating utensils.

Subd. 4. **Clothing.** "Clothing" has the meaning given in section 297A.67, subdivision 8.

Subd. 5. **Commissioner.** "Commissioner" means the commissioner of revenue.

Subd. 6. **Drugs and medical devices.** "Drugs and medical devices" has the meaning given in section 297A.67, subdivision 7.

Subd. 7. **Food and beverage service establishment.** "Food and beverage service establishment" has the meaning given in section 157.15, subdivision 5.

Subd. 8. **Food and food ingredients.** "Food and food ingredients" has the meaning given in section 297A.67, subdivision 2.

Subd. 9. **Marketplace provider.** "Marketplace provider" has the meaning given in section 297A.66, subdivision 1, paragraph (d).

Subd. 10. **Person.** "Person" has the meaning given in section 297A.61, subdivision 2.

Subd. 11. **Prepared food.** "Prepared food" has the meaning given in section 297A.61, subdivision 31.

Subd. 12. **Retail delivery.** (a) "Retail delivery" means a delivery to a person located in Minnesota of the following items as part of a retail sale:

(1) tangible personal property that is subject to taxation under chapter 297A; and

(2) clothing, as defined under section 297A.67, subdivision 8, excluding cloth and disposable child and adult diapers.

(b) Retail delivery does not include pickup at the retailer's place of business, including curbside delivery.

Subd. 13. **Retail delivery fee.** "Retail delivery fee" means the fee imposed under section 168E.03 on retail deliveries.

Subd. 14. **Retail sale.** "Retail sale" has the meaning given in section 297A.61, subdivision 4.

Subd. 15. Retailer. "Retailer" means any person making sales, leases, or rental of personal property or services within or into the state of Minnesota. Retailer includes a:

(1) retailer maintaining a place of business in this state;

(2) marketplace provider maintaining a place of business in this state, as defined in section 297A.66, subdivision 1, paragraph (a);

(3) retailer not maintaining a place of business in this state; and

(4) marketplace provider not maintaining a place of business in this state, as defined in section 297A.66, subdivision 1, paragraph (b).

Subd. 16. Tangible personal property. "Tangible personal property" has the meaning given in section 297A.61, subdivision 10.

Subd. 17. Threshold amount. "Threshold amount" means \$100, before application of the tax imposed under section 297A.62, subdivisions 1 and 1a, and any applicable local sales and use taxes, and excluding exempt items under section 168E.05.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 9. [168E.03] FEE IMPOSED.

Subdivision 1. Retail delivery fee imposed. (a) A fee is imposed on each retailer equal to 50 cents on each transaction that equals or exceeds the threshold amount involving retail delivery in Minnesota. The retailer may, but is not required to, collect the fee from the purchaser. If separately stated on the invoice, bill of sale, or similar document given to the purchaser, the fee is excluded from the sales price for purposes of the tax imposed under chapter 297A.

(b) If the retailer collects the fee from the purchaser:

(1) the retail delivery fee must be charged in addition to any other delivery fee; and

(2) the retailer must show the total of the retail delivery fee and other delivery fees as separate items and distinct from the sales price and any other taxes or fees imposed on the retail delivery on the purchaser's receipt, invoice, or other bill of sale. The receipt, invoice, or other bill of sale must state the retail delivery fee as "road improvement and food delivery fee."

Subd. 2. Multiple items or shipments. The fee imposed under subdivision 1 is imposed once per transaction regardless of the number of shipments necessary to deliver the items of tangible personal property purchased or of the number of items of tangible personal property purchased.

Subd. 3. Returns and cancellations. The fee imposed under subdivision 1 is nonrefundable if any or all items purchased are returned to a retailer or if the retailer provides a refund or credit in the amount equal to or less than the purchase price. The fee must be refunded to the purchaser if the retail delivery is canceled by the purchaser, retailer, or delivery provider.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 10. **[168E.05] EXEMPTIONS.**

Subdivision 1. **Transactions.** The following retail deliveries are exempt from the fee imposed by this chapter:

- (1) a retail delivery to a purchaser who is exempt from tax under chapter 297A;
- (2) a retail delivery on a motor vehicle for which a permit issued by the commissioner of transportation or a road authority is required under chapter 169 or 221 and the retailer has maintained books and records through reasonable and verifiable standards that the retail delivery was on a qualifying vehicle;
- (3) a retail delivery resulting from a retail sale of food and food ingredients or prepared food;
- (4) a retail delivery resulting from a retail sale by a food and beverage service establishment, regardless of whether the retail delivery is made by a third party other than the food and beverage service establishment; and
- (5) a retail delivery resulting from a retail sale of drugs and medical devices, accessories and supplies, or baby products.

Subd. 2. **Small businesses.** (a) The fee imposed by this chapter and the requirements of this chapter do not apply to:

- (1) a retailer that made retail sales totaling less than \$1,000,000 in the previous calendar year; and
- (2) a marketplace provider when facilitating the sale of a retailer that made retail sales totaling less than \$100,000 in the previous calendar year through the marketplace provider.

(b) A retailer or marketplace provider must begin collecting and remitting the delivery fee to the commissioner on the first day of a calendar month occurring no later than 60 days after the retailer or marketplace provider exceeds a retail sales threshold in paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 11. **[168E.07] COLLECTION AND ADMINISTRATION.**

Subdivision 1. **Returns; payment of fees.** (a) A retailer must report the fee on a return prescribed by the commissioner and must remit the fee with the return. The return and fee must be filed and paid using the filing cycle and due dates provided for taxes imposed under chapter 297A.

Subd. 2. **Collection and remittance.** A retailer that collects the fee from the purchaser must collect the fee in the same manner as the tax collected under chapter 297A. A retailer using a third-party entity to collect and remit the tax imposed under chapter 297A may elect to have that third-party entity collect and remit the fee imposed under this chapter.

Subd. 3. **Administration.** Unless specifically provided otherwise by this chapter, the audit, assessment, refund, penalty, interest, enforcement, collection remedies, appeal, and administrative provisions of chapters 270C and 289A, that are applicable to taxes imposed under chapter 297A, apply to the fee imposed under this chapter.

Subd. 4. **Interest on overpayments.** The commissioner must pay interest on an overpayment refunded or credited to the retailer from the date of payment of the fee until the date the refund is paid or credited.

For purposes of this subdivision, the date of payment is the due date of the return or the date of actual payment of the fee, whichever is later.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 12. [168E.09] DEPOSIT OF PROCEEDS.

Subdivision 1. **Costs deducted.** The commissioner must retain an amount that does not exceed the total cost of collecting, administering, and enforcing the retail delivery fee and must deposit the amount in the revenue department service and recovery special revenue fund.

Subd. 2. **Deposits.** After deposits under subdivision 1, the commissioner must deposit the balance of proceeds from the retail delivery fee in the transportation advancement account under section 174.49.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 13. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to read:

Subd. 51. **Veteran with a total service-connected disability.** "Veteran with a total service-connected disability" means a veteran, as defined in section 197.447, who provides to the commissioner satisfactory evidence that: (1) is issued by the Department of Veterans Affairs, the United States Veterans Administration, or the retirement board of one of the several branches of the armed forces; and (2) demonstrates that the veteran has received a 100 percent total and permanent service-connected disability rating.

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

Sec. 14. Minnesota Statutes 2022, section 171.06, subdivision 2, is amended to read:

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

REAL ID Compliant or Noncompliant Classified Driver's License	D-\$21.00 <u>\$27.75</u>	C-\$25.00 <u>\$31.75</u>	B-\$32.00 <u>\$38.75</u>	A-\$40.00 <u>\$46.75</u>
REAL ID Compliant or Noncompliant Classified Under-21 D.L.	D-\$21.00 <u>\$27.75</u>	C-\$25.00 <u>\$31.75</u>	B-\$32.00 <u>\$38.75</u>	A-\$20.00 <u>\$26.75</u>
Enhanced Driver's License	D-\$36.00 <u>\$42.75</u>	C-\$40.00 <u>\$46.75</u>	B-\$47.00 <u>\$53.75</u>	A-\$55.00 <u>\$61.75</u>
REAL ID Compliant or Noncompliant Instruction Permit				\$5.25 <u>\$11.25</u>
Enhanced Instruction Permit				\$20.25 <u>\$26.25</u>
Commercial Learner's Permit				\$2.50 <u>\$8.50</u>
REAL ID Compliant or Noncompliant Provisional License				\$8.25 <u>\$14.25</u>

Enhanced Provisional License	<u>\$23.25</u>	<u>\$29.25</u>
Duplicate REAL ID Compliant or Noncompliant License or duplicate REAL ID Compliant or Noncompliant identification card	<u>\$6.75</u>	<u>\$12.75</u>
Enhanced Duplicate License or enhanced duplicate identification card	<u>\$21.75</u>	<u>\$27.75</u>
REAL ID Compliant or Noncompliant Minnesota identification card or REAL ID Compliant or Noncompliant Under-21 Minnesota identification card, other than duplicate, except as otherwise provided in section 171.07, subdivisions 3 and 3a	<u>\$11.25</u>	<u>\$17.25</u>
Enhanced Minnesota identification card	<u>\$26.25</u>	<u>\$32.25</u>

~~From August 1, 2019, to June 30, 2022, The fee is increased by \$0.75 for REAL ID compliant or noncompliant classified driver's licenses, REAL ID compliant or noncompliant classified under-21 driver's licenses, and enhanced driver's licenses.~~

(b) In addition to each fee required in paragraph (a), the commissioner ~~shall~~ must collect a surcharge of \$2.25. Surcharges collected under this paragraph must be credited to the driver and vehicle services technology account under section 299A.705.

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

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

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

(f) In addition to the fee required under paragraph (a), the commissioner ~~shall~~ must charge a filing fee at the same amount as a driver's license agent under section 171.061, subdivision 4. Revenue collected under this paragraph must be deposited in the driver and vehicle services operating account under section 299A.705.

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

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to applications made on or after that date.

Sec. 15. Minnesota Statutes 2022, section 171.06, is amended by adding a subdivision to read:

Subd. 2c. Exemption; certain veterans. For an applicant who is a veteran with a total service-connected disability, the commissioner must not impose:

- (1) a license or endorsement fee, including fees and surcharges specified under:
 - (i) subdivisions 2 and 2a; and
 - (ii) section 171.02, subdivision 3;
- (2) a filing fee under subdivision 2 or section 171.061, subdivision 4; or
- (3) a fee for an identification card under section 171.07, subdivision 3 or 3a.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 16. Minnesota Statutes 2022, 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:

<u>(1) New application for a noncompliant, REAL ID-compliant, or enhanced driver's license or identification card</u>	<u>\$ 16.00</u>
<u>(2) Renewal application for a noncompliant, REAL ID-compliant, or enhanced driver's license or identification card</u>	<u>\$ 11.00</u>

Except as provided in paragraph (c), the fee ~~shall~~ 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 ~~shall~~ 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 ~~shall~~ 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 ~~shall~~ 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, 2023, and applies to applications made on or after that date.

Sec. 17. [174.49] TRANSPORTATION ADVANCEMENT ACCOUNT.

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Metropolitan counties" means the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 2. **Transportation advancement account.** A transportation advancement account is established in the special revenue fund. The account consists of funds under sections 168E.09, subdivision 2, and 297A.94, and as provided by law and any other money donated, allotted, transferred, or otherwise provided to the account.

Subd. 3. **Distribution.** The commissioner must distribute or transfer the funds in the transportation advancement account as follows:

(1) 36 percent to metropolitan counties in the manner provided under subdivision 5;

(2) ten percent to the county state-aid highway fund;

(3) 15 percent to the larger cities assistance account under section 162.146, subdivision 1;

(4) 27 percent to the small cities assistance account under section 162.145, subdivision 2;

(5) 11 percent to the town road account under section 162.081; and

(6) one percent to the food delivery support account under section 256.9752, subdivision 1a.

Subd. 4. **Metropolitan counties; appropriation.** The amount available in the transportation advancement account under subdivision 3, clause (1), is annually appropriated to the commissioner for distribution to metropolitan counties as provided under subdivision 5.

Subd. 5. **Metropolitan counties; allocation formula.** The commissioner must apportion any funds that are specified for distribution under this subdivision as follows:

(1) 50 percent of the funds proportionally based on each metropolitan county's share of population, as defined in section 477A.011, subdivision 3, compared to the total population of all metropolitan counties; and

(2) 50 percent of the funds proportionally based on each metropolitan county's share of money needs, as determined under section 162.07, subdivision 2, compared to the total money needs of all metropolitan counties.

Subd. 6. **Metropolitan counties; use of funds.** (a) A metropolitan county must use funds that are received under subdivision 5 as follows:

(1) 41.5 percent for active transportation and transportation corridor safety studies;

(2) 41.5 percent for:

(i) repair, preservation, and rehabilitation of transportation systems; and

(ii) roadway replacement to reconstruct, reclaim, or modernize a corridor without adding traffic capacity, except for auxiliary lanes with a length of less than 2,500 feet; and

(3) 17 percent for any of the following:

(i) transit purposes, including but not limited to operations, maintenance, capital maintenance, demand response service, and assistance to replacement service providers under section 473.388;

(ii) complete streets projects, as provided under section 174.75; and

(iii) projects, programs, or operations activities that meet the requirements of a mitigation action under section 161.178, subdivision 4.

(b) Funds under paragraph (a), clause (3), must supplement and not supplant existing sources of revenue.

Sec. 18. Minnesota Statutes 2022, section 239.761, is amended by adding a subdivision to read:

Subd. 10a. **Sustainable aviation fuel.** Sustainable aviation fuel, as defined in section 41A.30, subdivision 1, paragraph (g), must comply with either:

(1) ASTM International Standard Specification D7566; or

(2) the Fischer-Tropsch provisions of ASTM International Standard Specification D1655, Annex A1.

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

Sec. 19. Minnesota Statutes 2022, section 256.9752, is amended by adding a subdivision to read:

Subd. 1a. **Food delivery support account; appropriation.** (a) A food delivery support account is established in the special revenue fund. The account consists of funds under section 174.49, subdivision 2, and as provided by law 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 human services for grants to nonprofit organizations to provide transportation of home-delivered meals, groceries, purchased food, or a combination, to Minnesotans who are experiencing food insecurity and have difficulty obtaining or preparing meals due to limited mobility, disability, age, or resources to prepare their own meals. A nonprofit organization

must have a demonstrated history of providing and distributing food customized for the population that they serve.

(c) Grant funds under this subdivision must supplement, but not supplant, any state or federal funding used to provide prepared meals to Minnesotans experiencing food insecurity.

Sec. 20. Minnesota Statutes 2022, section 270C.15, is amended to read:

270C.15 REVENUE DEPARTMENT SERVICE AND RECOVERY SPECIAL REVENUE FUND.

A Revenue Department service and recovery special revenue fund is created for the purpose of recovering the costs of furnishing government data and related services or products, as well as recovering costs associated with collecting local taxes on sales and the retail delivery fee established under chapter 168E. All money collected under this section is deposited in the Revenue Department service and recovery special revenue fund. Money in the fund is appropriated to the commissioner to reimburse the department for the costs incurred in administering the tax law or providing the data, service, or product. Any money paid to the department as a criminal fine for a violation of state revenue law that is designated by the court to fund enforcement of state revenue law is appropriated to this fund.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 21. **[290.0688] CREDIT FOR SUSTAINABLE AVIATION FUEL.**

Subdivision 1. **Definitions.** For purposes of this section, the terms defined in section 41A.30, subdivision 1, have the meanings given, except that "commissioner" means the commissioner of revenue.

Subd. 2. **Credit allowed.** A qualifying taxpayer is allowed a credit against the tax imposed by this chapter for sustainable aviation fuel sold for use as fuel in an aircraft departing from an airport in Minnesota. The credit equals up to the amount and applies to the taxable year indicated on the credit certificate issued to the qualifying taxpayer under section 41A.30.

Subd. 3. **Partnerships; multiple owners.** Credits granted to a partnership, a limited liability company taxed as a partnership, an S corporation, or multiple owners of property are passed through to the partners, members, shareholders, or owners, respectively, pro rata to each partner, member, shareholder, or owner based on their share of the entity's assets or as specially allocated in their organizational documents or any other executed agreement, as of the last day of the taxable year.

Subd. 4. **Credit refundable.** If the amount of credit that a qualifying taxpayer is allowed under this section exceeds the claimant's tax liability under this chapter, the commissioner must refund the excess to the claimant.

Subd. 5. **Audit.** Notwithstanding the credit certificate issued by the commissioner of agriculture under section 41A.30, the commissioner may utilize any audit and examination powers under chapter 270C or 289A to the extent necessary to verify that the taxpayer is eligible for the credit and to assess for the amount of any improperly claimed credit.

Subd. 6. **Appropriation.** An amount sufficient to pay the refunds required by this section is appropriated to the commissioner from the general fund.

Subd. 7. **Expiration.** This section expires at the same time and on the same terms as section 41A.30, subdivision 7, except that the expiration of this section does not affect the commissioner of revenue's authority to audit or power of examination and assessment for credits claimed under this section.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2023, for sustainable aviation fuel sold after June 30, 2024, and before July 1, 2030.

Sec. 22. Minnesota Statutes 2022, section 296A.07, subdivision 3, is amended to read:

Subd. 3. **Rate of tax.** (a) Subject to paragraph (b), the gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of 17.75 cents per gallon;
- (2) M85 is taxed at the rate of 14.25 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 25 cents per gallon.

(b) Annually on August 1, the commissioner must determine the tax rate applicable to the sale of E85, M85, and all other gasoline subject to tax under this section for the upcoming 12-month period beginning on January 1. The adjusted rate must equal the current rate, multiplied by one plus the percentage increase, if any, in the Minnesota Highway Construction Cost Index for the reference year. The tax rate must be rounded to the nearest tenth of a cent. Each of the tax rates for E85, M85, and all other gasoline must not be lower than the respective rates specified in paragraph (a). Beginning with the calculation on August 1, 2025, the percentage change in each of the tax rates for E85, M85, and all other gasoline as a result of the requirements under this paragraph must not exceed three percent.

(c) For purposes of this subdivision:

- (1) the Minnesota Highway Construction Cost Index is as determined by the commissioner of transportation; and
- (2) "reference year" means the 12-month period ending on June 30 two years prior to the year in which the calculation is made.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies for taxes imposed on or after January 1, 2024.

Sec. 23. Minnesota Statutes 2022, section 296A.08, subdivision 2, is amended to read:

Subd. 2. **Rate of tax.** (a) Subject to paragraph (b), the special fuel excise tax is imposed at the following rates:

- (1) liquefied petroleum gas or propane is taxed at the rate of 18.75 cents per gallon;
- (2) liquefied natural gas is taxed at the rate of 15 cents per gallon;
- (3) compressed natural gas is taxed at the rate of \$1.974 per thousand cubic feet; or 25 cents per gasoline equivalent. ~~For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas or 126.67 cubic feet;~~ and
- (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 296A.07, subdivision 2.

(b) Annually on August 1, the commissioner must determine the tax rate applicable to the sale of E85, M85, and all other gasoline subject to tax under this section for the upcoming 12-month period beginning on January 1. The rate must be adjusted as provided in section 296A.07, subdivision 3, paragraph (b). The

tax rate must be rounded to the nearest tenth of a cent. Each of the tax rates for liquefied natural gas or propane, liquefied natural gas, compressed natural gas, and all other special fuel must not be lower than the respective rates specified in paragraph (a).

(c) The tax is payable in the form and manner prescribed by the commissioner.

(d) For purposes of this subdivision, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas or 126.67 cubic feet.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies for taxes imposed on or after January 1, 2024.

Sec. 24. Minnesota Statutes 2022, section 297A.64, subdivision 1, is amended to read:

Subdivision 1. **Tax imposed.** (a) A tax is imposed on the lease or rental in this state for not more than 28 days of a passenger automobile as defined in section 168.002, subdivision 24, a van as defined in section 168.002, subdivision 40, or a pickup truck as defined in section 168.002, subdivision 26. The rate of tax is 9.2 percent of the sales price. The tax applies whether or not the vehicle is licensed in the state.

(b) The provisions of paragraph (a) do not apply to the vehicles of a nonprofit corporation or similar entity consisting of individual or group members who pay the organization for the use of a motor vehicle if the organization:

(1) owns, leases, or operates a fleet of vehicles of the type subject to the tax under this subdivision that are available to its members for use, priced on the basis of intervals of one hour or less;

(2) parks its vehicles in the public right-of-way or at unstaffed, self-service locations that are accessible at any time of the day; and

(3) maintains its vehicles, insures its vehicles on behalf of its members, and purchases fuel for its fleet.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2023.

Sec. 25. Minnesota Statutes 2022, section 297A.64, subdivision 2, is amended to read:

Subd. 2. **Fee imposed.** (a) A fee equal to five percent of the sales price is imposed on leases or rentals of vehicles subject to the tax under subdivision 1. The lessor on the invoice to the customer may designate the fee as "a fee imposed by the State of Minnesota for the registration of rental cars."

(b) The provisions of this subdivision do not apply to the vehicles of a nonprofit corporation or similar entity, consisting of individual or group members who pay the organization for the use of a motor vehicle, if the organization:

(1) owns or leases a fleet of vehicles of the type subject to the tax under subdivision 1 that are available to its members for use, priced on the basis of intervals of one hour or less;

(2) parks its vehicles in the public right-of-way or at unstaffed, self-service locations that are accessible at any time of the day; and

(3) maintains its vehicles, insures its vehicles on behalf of its members, and purchases fuel for its fleet; and.

~~(4) does not charge usage rates that decline on a per unit basis, whether specified based on distance or time.~~

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2023.

Sec. 26. Minnesota Statutes 2022, section 297A.71, is amended by adding a subdivision to read:

Subd. 54. Sustainable aviation fuel facilities. (a) Materials and supplies used or consumed in and equipment incorporated into the construction, reconstruction, or improvement of a facility located in Minnesota that produces or blends sustainable aviation fuel, as defined in section 41A.30, subdivision 1, is exempt.

(b) The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied and then refunded in the manner as provided for projects under section 297A.75, subdivision 1, clause (1).

(c) For a project, a portion of which is not used to produce or blend sustainable aviation fuel, the amount of purchases that are exempt under this subdivision must be determined by multiplying the total purchases, as specified in paragraph (a), by the ratio of:

- (1) the capacity to generate sustainable aviation fuel either through production or blending; and
- (2) the capacity to generate all fuels.

(d) This subdivision expires July 1, 2034. The expiration does not affect refunds due for sales and purchases made prior to July 1, 2034.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2027, and before July 1, 2034.

Sec. 27. Minnesota Statutes 2022, 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) ~~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 and replacement parts in that month. The monthly deposit amount is \$12,137,000. The commissioner must deposit the revenues derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement parts in the state treasury and credit:~~

(1) 43.5 percent in each fiscal year to the highway user tax distribution fund;

(2) a percentage to the transportation advancement account under section 174.49 as follows:

(i) 3.5 percent in fiscal year 2024;

(ii) 4.5 percent in fiscal year 2025;

(iii) 5.5 percent in fiscal year 2026;

(iv) 7.5 percent in fiscal year 2027;

(v) 14.5 percent in fiscal year 2028;

(vi) 21.5 percent in fiscal year 2029;

(vii) 28.5 percent in fiscal year 2030;

(viii) 36.5 percent in fiscal year 2031;

(ix) 44.5 percent in fiscal year 2032; and

(x) 56.5 percent in fiscal year 2033 and thereafter; and

(3) the remainder in each fiscal year to the general fund.

For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the 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.

Sec. 28. Minnesota Statutes 2022, section 297A.99, subdivision 1, is amended to read:

Subdivision 1. Authorization; scope. (a) A political subdivision of this state may impose a general sales tax ~~(1) under section 297A.9915, (2) under section 297A.992, (2) under section 297A.993, (3) (4)~~ if permitted by special law, or ~~(4) (5)~~ if the political subdivision enacted and imposed the tax before January 1, 1982, and its predecessor provision.

(b) This section governs the imposition of a general sales tax by the political subdivision. The provisions of this section preempt the provisions of any special law:

(1) enacted before June 2, 1997, or

(2) enacted on or after June 2, 1997, that does not explicitly exempt the special law provision from this section's rules by reference.

(c) This section does not apply to or preempt a sales tax on motor vehicles. Beginning July 1, 2019, no political subdivision may impose a special excise tax on motor vehicles unless it is imposed under section 297A.993.

(d) A political subdivision may not advertise or expend funds for the promotion of a referendum to support imposing a local sales tax and may only spend funds related to imposing a local sales tax to:

(1) conduct the referendum;

(2) disseminate information included in the resolution adopted under subdivision 2, but only if the disseminated information includes a list of specific projects and the cost of each individual project;

(3) provide notice of, and conduct public forums at which proponents and opponents on the merits of the referendum are given equal time to express their opinions on the merits of the referendum;

(4) provide facts and data on the impact of the proposed local sales tax on consumer purchases; and

(5) provide facts and data related to the individual programs and projects to be funded with the local sales tax.

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

Sec. 29. **[297A.9915] REGIONAL TRANSPORTATION SALES AND USE TAX.**

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

(b) "Metropolitan area" means the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

(c) "Metropolitan Council" or "council" means the Metropolitan Council established by section 473.123.

(d) "Regional transportation sales tax" means the regional transportation sales and use tax imposed under this section.

Subd. 2. Sales tax imposition; rate. Notwithstanding section 473.123, subdivision 1, the Metropolitan Council must impose a regional transportation sales and use tax at a rate of three-quarters of one percent on retail sales and uses taxable under this chapter made in the metropolitan area or to a destination in the metropolitan area.

Subd. 3. Administration; collection; enforcement. Except as otherwise provided in this section, the provisions of section 297A.99, subdivisions 4, and 6 to 12a, govern the administration, collection, and enforcement of the regional transportation sales tax.

Subd. 4. Deposit. Proceeds of the regional transportation sales tax must be allocated as follows:

(1) 83 percent to the Metropolitan Council for the purposes specified under section 473.4465; and

(2) 17 percent to metropolitan counties, as defined in section 174.49, subdivision 1, in the manner provided under section 174.49, subdivision 5.

Subd. 5. Revenue bonds. (a) In addition to other authority granted in this section, and notwithstanding section 473.39, subdivision 7, or any other law to the contrary, the council may, by resolution, authorize the sale and issuance of revenue bonds, notes, or obligations to provide funds to (1) implement the council's transit capital improvement program, and (2) refund bonds issued under this subdivision.

(b) The bonds are payable from and secured by a pledge of all or part of the revenue received under subdivision 4, clause (1), and associated investment earnings on debt proceeds. The council may, by resolution, authorize the issuance of the bonds as general obligations of the council. The bonds must be sold, issued, and secured in the manner provided in chapter 475, and the council has the same powers and duties as a municipality and its governing body in issuing bonds under chapter 475, except that no election is required and the net debt limitations in chapter 475 do not apply to such bonds. The proceeds of the bonds may also be used to fund necessary reserves and to pay credit enhancement fees, issuance costs, and other financing costs during the life of the debt.

(c) The bonds may be secured by a bond resolution, or a trust indenture entered into by the council with a corporate trustee within or outside the state, which must define the revenues and bond proceeds pledged for the payment and security of the bonds. The pledge must be a valid charge on the revenues received under section 297A.99, subdivision 11. Neither the state, nor any municipality or political subdivision except the council, nor any member or officer or employee of the council, is liable on the obligations. No mortgage or security interest in any tangible real or personal property is granted to the bondholders or the trustee, but they have a valid security interest in the revenues and bond proceeds received by the council and pledged to the payment of the bonds. In the bond resolution or trust indenture, the council may make such covenants as it determines to be reasonable for the protection of the bondholders.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment for sales and purchases made on or after October 1, 2023, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 30. Minnesota Statutes 2022, section 297B.02, subdivision 1, is amended to read:

Subdivision 1. **Rate.** (a) There is imposed an excise tax of 6.5 6.875 percent on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

(b) The excise tax is also imposed on the purchase price of motor vehicles purchased or acquired on Indian reservations when the tribal council has entered into a sales tax on motor vehicles refund agreement with the state of Minnesota.

EFFECTIVE DATE. This section is effective for sales and purchases made on or after July 1, 2023.

Sec. 31. Minnesota Statutes 2022, section 297B.03, is amended to read:

297B.03 EXEMPTIONS.

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by the United States and its agencies and instrumentalities and by any person described in and subject to the conditions provided in section 297A.67, subdivision 11;

(2) purchase or use of any motor vehicle by any person who was a resident of another state or country at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person began residing in the state of Minnesota and the motor vehicle was registered in the person's name in the other state or country;

(3) purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.90;

(4) purchase or use of any motor vehicle previously registered in the state of Minnesota when such transfer constitutes a transfer within the meaning of section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031, 1033, or 1563(a) of the Internal Revenue Code, as amended through December 16, 2016;

(5) purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota-based private or for-hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales tax or sales tax on motor vehicles used in interstate commerce;

(6) purchase or use of a motor vehicle by a private nonprofit or public educational institution for use as an instructional aid in automotive training programs operated by the institution. "Automotive training programs" includes motor vehicle body and mechanical repair courses but does not include driver education programs;

(7) purchase of a motor vehicle by an ambulance service licensed under section 144E.10 when that vehicle is equipped and specifically intended for emergency response or for providing ambulance service;

(8) purchase of a motor vehicle by or for a public library, as defined in section 134.001, subdivision 2, as a bookmobile or library delivery vehicle;

(9) purchase of a ready-mixed concrete truck;

(10) purchase or use of a motor vehicle by a town for use exclusively for road maintenance, including snowplows and dump trucks, but not including automobiles, vans, or pickup trucks;

(11) purchase or use of a motor vehicle by a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, except a public school, university, or library, but only if the vehicle is:

(i) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a passenger automobile, as defined in section 168.002, if the automobile is designed and used for carrying more than nine persons including the driver; and

(ii) intended to be used primarily to transport tangible personal property or individuals, other than employees, to whom the organization provides service in performing its charitable, religious, or educational purpose;

(12) purchase of a motor vehicle for use by a transit provider exclusively to provide transit service is exempt if the transit provider is either (i) receiving financial assistance or reimbursement under section 174.24 or 473.384, or (ii) operating under section 174.29, 473.388, or 473.405;

(13) purchase or use of a motor vehicle by a qualified business, as defined in section 469.310, located in a job opportunity building zone, if the motor vehicle is principally garaged in the job opportunity building zone and is primarily used as part of or in direct support of the person's operations carried on in the job opportunity building zone. The exemption under this clause applies to sales, if the purchase was made and delivery received during the duration of the job opportunity building zone. The exemption under this clause also applies to any local sales and use tax;

(14) purchase of a leased vehicle by the lessee who was a participant in a lease-to-own program from a charitable organization that is:

(i) described in section 501(c)(3) of the Internal Revenue Code; and

(ii) licensed as a motor vehicle lessor under section 168.27, subdivision 4; ~~and~~

(15) purchase of a motor vehicle used exclusively as a mobile medical unit for the provision of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990; and

(16) purchase of a motor vehicle by a veteran having a total service-connected disability, as defined in section 171.01, subdivision 51.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2024.

Sec. 32. Minnesota Statutes 2022, section 297B.09, is amended to read:

297B.09 ALLOCATION OF REVENUE.

Subdivision 1. **Deposit of revenues.** (a) Money collected and received under this chapter must be deposited as provided in this subdivision: as follows:

~~(b)~~ (1) 60 percent ~~of the money collected and received must be deposited~~ in the highway user tax distribution fund; ~~36 percent must be deposited~~;

(2) 34.3 percent in the metropolitan area transit account under section 16A.88; and four percent must be deposited

(3) 5.7 percent in the greater Minnesota transit account under section 16A.88.

~~(e)~~ (b) It is the intent of the legislature that the allocations under paragraph (b) remain unchanged for fiscal year 2012 2024 and all subsequent fiscal years.

Sec. 33. Minnesota Statutes 2022, section 473.4051, is amended to read:

473.4051 LIGHT RAIL TRANSIT GUIDEWAYS AND BUSWAYS; CONSTRUCTION AND OPERATION.

Subdivision 1. **Light rail transit; operator.** The council ~~shall~~ must operate all light rail transit facilities and services located in the metropolitan area upon completion of construction of the facilities and the commencement of revenue service using the facilities. The council may not allow the commencement of revenue service until after an appropriate period of acceptance testing to ensure safe and satisfactory performance. In assuming the operation of the system, the council must comply with section 473.415. The council ~~shall~~ must coordinate operation of the light rail transit system with bus service to avoid duplication of service on a route served by light rail transit and to ensure the widest possible access to light rail transit lines in both suburban and urban areas by means of a feeder bus system.

Subd. 2. **Guideway and busway; operating costs.** (a) ~~After operating revenue and federal money have been used to pay for light rail transit operations, 50 percent of the remaining operating costs must be paid by the state.~~

(b) ~~Notwithstanding paragraph (a), all operating and ongoing capital maintenance costs must be paid from nonstate sources for a segment of a light rail transit line or line extension project that formally entered the engineering phase of the Federal Transit Administration's "New Starts" capital investment grant program between August 1, 2016, and December 31, 2016.~~

(a) After operating revenue, federal funds, and state funds are used for operations of a guideway or busway, as the terms are defined in section 473.4485, subdivision 1, the council must pay all remaining operating costs from sales tax revenue, as defined in section 473.4465, subdivision 1.

(b) The requirements under paragraph (a) do not apply to the costs of Northstar Commuter Rail attributed to operations outside of a metropolitan county.

Subd. 2a. **Guideway and busway; capital maintenance.** (a) The council must pay all ongoing capital maintenance costs from one or more of: available federal funds; sales tax revenue, as defined in section 473.4465, subdivision 1; and proceeds from certificates of indebtedness, bonds, or other obligations under section 473.39.

(b) For purposes of this subdivision, "capital maintenance" includes routine maintenance, capital maintenance, and maintenance in a state of good repair.

Subd. 3. **Light rail transit; capital costs.** State money may not be used to pay more than ten percent of the total capital cost of a light rail transit project.

EFFECTIVE DATE; APPLICATION. This section is effective October 1, 2023, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 34. **[473.4465] REGIONAL TRANSPORTATION SALES AND USE TAX USES.**

Subdivision 1. **Definition.** For purposes of this section, "sales tax revenue" means the portion of revenue from the regional transportation sales and use tax under section 297A.9915 that is allocated to the council for purposes of this section.

Subd. 2. **Use of funds; Metropolitan Council.** (a) Sales tax revenue is available as follows:

(1) five percent for active transportation, as determined by the Transportation Advisory Board under subdivision 3; and

(2) 95 percent for transit system purposes under sections 473.371 to 473.452, including but not limited to operations, maintenance, and capital projects.

(b) The council must expend a portion of sales tax revenue in each of the following categories:

(1) improvements to regular route bus service levels;

(2) improvements related to transit safety, including additional transit officials, as defined under section 473.4075;

(3) maintenance and improvements to bus accessibility at transit stops and transit centers;

(4) transit shelter replacement and improvements under section 473.41;

(5) planning and project development for expansion of arterial bus rapid transit lines;

(6) operations and capital maintenance of arterial bus rapid transit;

(7) planning and project development for expansion of highway bus rapid transit and bus guideway lines;

(8) operations and capital maintenance of highway bus rapid transit and bus guideways;

(9) zero-emission bus procurement and associated costs in conformance with the zero-emission and electric transit vehicle transition plan under section 473.3927;

(10) demand response microtransit service provided by the council;

(11) financial assistance to replacement service providers under section 473.388, to provide for service, vehicle purchases, and capital investments related to demand response microtransit service;

(12) financial assistance to political subdivisions and tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code for active transportation; and

(13) wage adjustments for Metro Transit hourly operations employees.

Subd. 3. Use of funds; active transportation. (a) Sales tax revenue allocated to the Transportation Advisory Board under subdivision 2, clause (1), is for grants to support active transportation within the metropolitan area.

(b) The Transportation Advisory Board must establish eligibility requirements and a selection process to provide the grant awards. The process must include: solicitation; evaluation and prioritization, including technical review, scoring, and ranking; project selection; and award of funds. To the extent practicable and subject to paragraph (c), the process must align with procedures and requirements established for allocation of other sources of funds.

(c) The selection process must include criteria and prioritization of projects based on:

(1) the project's inclusion in a municipal or regional nonmotorized transportation system plan;

(2) the extent to which policies or practices of the political subdivision encourage and promote complete streets planning, design, and construction;

(3) the extent to which the project supports connections between communities and to key destinations within a community;

(4) identified barriers or deficiencies in the nonmotorized transportation system;

(5) identified safety or health benefits;

(6) geographic equity in project benefits, with an emphasis on communities that are historically and currently underrepresented in local or regional planning; and

(7) the ability of a grantee to maintain the active transportation infrastructure following project completion.

Subd. 4. Use of funds; metropolitan counties. A metropolitan county must use revenue from the regional transportation sales and use tax under section 297A.9915 in conformance with the requirements under section 174.49, subdivision 6.

Subd. 5. Prohibition. (a) The council is prohibited from expending sales tax revenue on the Southwest light rail transit (Green Line Extension) project.

(b) Paragraph (a) expires on the date of expiration of the Metropolitan Governance Task Force as specified under article 4, section 123, subdivision 11.

Subd. 6. Tracking and information. (a) The council must maintain separate financial information on sales tax revenue that includes:

(1) a summary of annual revenue and expenditures, including but not limited to balances and anticipated revenue in the forecast period under section 16A.103; and

(2) for active transportation under subdivision 3 and each of the categories specified under subdivision 2 in the most recent prior three fiscal years:

(i) specification of annual expenditures; and

(ii) an overview of the projects or services.

(b) The council must publish the information required under paragraph (a) on the council's website.

EFFECTIVE DATE; APPLICATION. This section is effective October 1, 2023, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 35. GUIDEWAY OR BUSWAY; OPERATING COSTS.

(a) For purposes of this section:

(1) "guideway" and "busway" have the meanings given in Minnesota Statutes, section 473.4485, subdivision 1; and

(2) "net operating costs" are after fare revenue and federal operating assistance.

(b) By September 30, 2023, a political subdivision must pay to the Metropolitan Council:

(1) all outstanding obligations through September 30, 2023, under the terms of an executed master operating funding agreement for each guideway or busway; and

(2) 50 percent of the net operating costs from December 1, 2021, through September 30, 2023, for each guideway or busway that: (i) began revenue service after December 1, 2021; and (ii) is not covered by an executed master operating funding agreement.

(c) As of October 1, 2023, all agreements between the Metropolitan Council and other political subdivisions under which the other political subdivisions provide funds to the Metropolitan Council for guideway or busway operating costs are terminated.

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

ARTICLE 4

TRANSPORTATION FINANCE AND POLICY

Section 1. Minnesota Statutes 2022, 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 annually appropriated to the legislative auditor for the purpose of oversight relating to security of data stored and transmitted by state systems, including to:

(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 but not limited to assessing compliance with section 171.12, subdivision 7b, paragraph (d), and producing findings and opinions; and

(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) (2) 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.

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

Sec. 2. **[4.076] ADVISORY COUNCIL ON TRAFFIC SAFETY.**

Subdivision 1. **Definition.** For purposes of this section, "advisory council" means the Advisory Council on Traffic Safety established in this section.

Subd. 2. **Establishment.** (a) The Advisory Council on Traffic Safety is established to advise, consult with, assist in planning coordination, and make program recommendations to the commissioners of public safety, transportation, and health on the development and implementation of projects and programs intended to improve traffic safety on all Minnesota road systems.

(b) The advisory council serves as the lead for the state Toward Zero Deaths program.

Subd. 3. **Membership; chair.** (a) The advisory council consists of the following members:

(1) the chair, which is filled on a two-year rotating basis by a designee from:

(i) the Office of Traffic Safety in the Department of Public Safety;

- (ii) the Office of Traffic Engineering in the Department of Transportation; and
- (iii) the Injury and Violence Prevention Section in the Department of Health;
- (2) two vice chairs, which must be filled by the two designees who are not currently serving as chair of the advisory council under clause (1);
- (3) the statewide Toward Zero Deaths coordinator;
- (4) a regional coordinator from the Toward Zero Deaths program;
- (5) the chief of the State Patrol or a designee;
- (6) the state traffic safety engineer in the Department of Transportation or a designee;
- (7) a law enforcement liaison from the Department of Public Safety;
- (8) a representative from the Department of Human Services;
- (9) a representative from the Department of Education;
- (10) a representative from the Council on Disability;
- (11) a representative for Tribal governments;
- (12) a representative from the Center for Transportation Studies at the University of Minnesota;
- (13) a representative from the Minnesota Chiefs of Police Association;
- (14) a representative from the Minnesota Sheriffs' Association;
- (15) a representative from the Minnesota Safety Council;
- (16) a representative from AAA Minnesota;
- (17) a representative from the Minnesota Trucking Association;
- (18) a representative from the Insurance Federation of Minnesota;
- (19) a representative from the Association of Minnesota Counties;
- (20) a representative from the League of Minnesota Cities;
- (21) the American Bar Association State Judicial Outreach Liaison;
- (22) a representative from the City Engineers Association of Minnesota;
- (23) a representative from the Minnesota County Engineers Association;
- (24) a representative from the Bicycle Alliance of Minnesota;
- (25) two individuals representing vulnerable road users, including pedestrians, bicyclists, and other operators of a personal conveyance;
- (26) a representative from Minnesota Operation Lifesaver;
- (27) a representative from the Minnesota Driver and Traffic Safety Education Association;

- (28) a representative from the Minnesota Association for Pupil Transportation;
- (29) a representative from the State Trauma Advisory Council;
- (30) a person representing metropolitan planning organizations; and
- (31) a person representing contractors engaged in construction and maintenance of highways and other infrastructure.

(b) The commissioners of public safety and transportation must jointly appoint the advisory council members under paragraph (a), clauses (11), (25), (30), and (31).

Subd. 4. Duties. The advisory council must:

- (1) advise the governor and heads of state departments and agencies on policies, programs, and services affecting traffic safety;
- (2) advise the appropriate representatives of state departments on the activities of the Toward Zero Deaths program, including but not limited to educating the public about traffic safety;
- (3) encourage state departments and other agencies to conduct needed research in the field of traffic safety;
- (4) review recommendations of the subcommittees and working groups;
- (5) review and comment on all grants dealing with traffic safety and on the development and implementation of state and local traffic safety plans; and
- (6) make recommendations on safe road zone safety measures under section 169.065.

Subd. 5. Administration. (a) The Office of Traffic Safety in the Department of Public Safety, in cooperation with the Departments of Transportation and Health, must serve as the host agency for the advisory council and must manage the administrative and operational aspects of the advisory council's activities. The commissioner of public safety must perform financial management on behalf of the council.

(b) The advisory council must meet no less than four times per year, or more frequently as determined by the chair, a vice chair, or a majority of the council members. The advisory council is subject to chapter 13D.

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

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

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

Sec. 3. Minnesota Statutes 2022, section 13.69, subdivision 1, is amended to read:

Subdivision 1. **Classifications.** (a) The following government data of the Department of Public Safety are private data:

(1) medical data on driving instructors, licensed drivers, and applicants for parking certificates and special license plates issued to physically disabled persons;

(2) other data on holders of a disability certificate under section 169.345, except that (i) data that are not medical data may be released to law enforcement agencies, and (ii) data necessary for enforcement of sections 169.345 and 169.346 may be released to parking enforcement employees or parking enforcement agents of statutory or home rule charter cities and towns;

(3) Social Security numbers in driver's license and motor vehicle registration records, except that Social Security numbers must be provided to the Department of Revenue for purposes of tax administration, the Department of Labor and Industry for purposes of workers' compensation administration and enforcement, the judicial branch for purposes of debt collection, and the Department of Natural Resources for purposes of license application administration, and except that the last four digits of the Social Security number must be provided to the Department of Human Services for purposes of recovery of Minnesota health care program benefits paid; and

(4) data on persons listed as standby or temporary custodians under section 171.07, subdivision 11, except that the data must be released to:

(i) law enforcement agencies for the purpose of verifying that an individual is a designated caregiver; or

(ii) law enforcement agencies who state that the license holder is unable to communicate at that time and that the information is necessary for notifying the designated caregiver of the need to care for a child of the license holder; and

(5) race and ethnicity data on driver's license holders and identification card holders under section 171.06, subdivision 3. The Department of Public Safety Office of Traffic Safety is authorized to receive race and ethnicity data from Driver and Vehicle Services for only the purposes of research, evaluation, and public reports.

The department may release the Social Security number only as provided in clause (3) and must not sell or otherwise provide individual Social Security numbers or lists of Social Security numbers for any other purpose.

(b) The following government data of the Department of Public Safety are confidential data: data concerning an individual's driving ability when that data is received from a member of the individual's family.

EFFECTIVE DATE. This section is effective for driver's license and identification card applications received on or after January 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 13.6905, is amended by adding a subdivision to read:

Subd. 37. Oil and other hazardous substances transportation data. (a) Certain data on oil and other hazardous substances transported by railroads are governed by section 219.055, subdivision 9.

(b) Certain data on oil and other hazardous substances transportation incident reviews are governed by section 299A.55, subdivision 5.

Sec. 5. Minnesota Statutes 2022, section 115E.042, is amended by adding a subdivision to read:

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

(b) "Exercise" means an activity or training to evaluate responsibilities, roles, and response plans for the discharge of oil or hazardous substances and includes but is not limited to walkthroughs, tabletop exercises, or functional exercises.

(c) "Full-scale exercise" means training activities to evaluate responsibilities, roles, and response plans for a confirmed discharge or worst-case discharge of oil or hazardous substances and includes utilizing, as much as practicable, the equipment, personnel, and coordinated resources required under section 115E.042, subdivision 4.

(d) "Functional exercise" means a guided session where a simulated operational environment trains and evaluates specific personnel, procedures, or resources on scenarios relating to the discharge of oil or hazardous substances.

(e) "Tabletop exercise" means a guided session where the discussion addresses topics, including but not limited to the roles and responsibilities of a rail carrier and its personnel in response to a confirmed discharge of oil or hazardous substances.

(f) "Walkthrough" means drills and training designed to familiarize railroad personnel with the response plans required under chapter 115E and the response requirements to a confirmed discharge under this section.

Sec. 6. Minnesota Statutes 2022, section 115E.042, subdivision 2, is amended to read:

Subd. 2. **Training.** (a) Each railroad must offer training to each fire department and each local organization for emergency management under section 12.25 having jurisdiction along the route of unit trains. Initial training under this subdivision must be offered to each fire department by June 30, 2016, and routes over which the railroad transports oil or other hazardous substances. Refresher training must be offered to each fire department and local organization for emergency management at least once every three years thereafter after initial training under this subdivision.

(b) The training must address the general hazards of oil and hazardous substances, techniques to assess hazards to the environment and to the safety of responders and the public, factors an incident commander must consider in determining whether to attempt to suppress a fire or to evacuate the public and emergency responders from an area, and other strategies for initial response by local emergency responders. The training must include suggested protocol or practices for local responders to safely accomplish these tasks methods to identify rail cars and hazardous substance contents, responder safety issues, rail response tactics, public notification and evacuation considerations, environmental contamination response, railroad response personnel and resources coordination at an incident, and other protocols and practices for safe initial local response as required under subdivision 4, including the notification requirements and the responsibilities of an incident commander during a rail incident involving oil or other hazardous substances, as provided in subdivisions 3 and 4.

Sec. 7. Minnesota Statutes 2022, section 115E.042, subdivision 3, is amended to read:

Subd. 3. **Emergency response planning; coordination.** Beginning June 30, 2015, (a) Each railroad must communicate at least annually with each county or city applicable emergency manager, safety representatives of railroad employees governed by the Railway Labor Act, and a senior each applicable fire

~~department officer of each fire department having jurisdiction along the route of a unit train routes over which oil or other hazardous substances are transported, in order to:~~

- (1) ensure coordination of emergency response activities between the railroad and local responders;
- (2) assist emergency managers in identifying and assessing local rail-specific threats, hazards, and risks; and
- (3) assist railroads in obtaining information from emergency managers regarding specific local natural and technical hazards and threats in the local area that may impact rail operations or public safety.

(b) The coordination under paragraph (a), clauses (2) and (3), must include identification of increased risks and potential special responses due to high population concentration, critical local infrastructure, key facilities, significant venues, sensitive natural environments, and other factors identified by railroads, emergency managers, and fire departments.

(c) The commissioner of public safety must compile and make available to railroads a list of applicable emergency managers and applicable fire chiefs, which must include contact information. The commissioner must make biennial updates to the list of emergency managers and fire chiefs and make the list of updated contact information available to railroads.

Sec. 8. Minnesota Statutes 2022, section 115E.042, subdivision 4, is amended to read:

Subd. 4. Response capabilities; time limits. (a) Following confirmation of a discharge, a railroad must deliver and deploy sufficient equipment and trained personnel to (1) contain and recover discharged oil or other hazardous substances and to, (2) protect the environment, and (3) assist local public safety officials. Within 15 minutes of a rail incident involving a confirmed discharge or release of oil or other hazardous substances, a railroad must contact the applicable emergency manager and applicable fire chief having jurisdiction along the route where the incident occurred. After learning of the rail incident involving oil or other hazardous substances, the applicable emergency manager and applicable fire chief must, as soon as practicable, identify and provide contact information of the responsible incident commander to the reporting railroad.

(b) Within 15 minutes of local emergency responder arrival on the scene of a rail incident involving oil or other hazardous substances, a railroad must assist the incident commander to determine the nature of any hazardous substance known to have been released and hazardous substance cargo transported on the train. Assistance must include providing information that identifies the chemical content of the hazardous substance, contact information for the shipper, and instructions for dealing with the release of the material. A railroad may provide information on the hazardous substances transported on the train through the train orders on board the train or by facsimile or electronic transmission.

(c) Within one hour of confirmation of a discharge, a railroad must provide a qualified company employee representative to advise the incident commander, assist in assessing the situation, initiate railroad response actions as needed, and provide advice and recommendations to the incident commander regarding the response. The employee representative may be made available by telephone, and must be authorized to deploy all necessary response resources of the railroad.

~~(e)~~ (d) Within three hours of confirmation of a discharge, a railroad must be capable of delivering monitoring equipment and a trained operator to assist in protection of responder and public safety. A plan to ensure delivery of monitoring equipment and an operator to a discharge site must be provided each year to the commissioner of public safety.

~~(e)~~ (e) Within three hours of confirmation of a discharge, a railroad must provide (1) qualified personnel at a discharge site to assess the discharge and to advise the incident commander, and (2) resources to assist the incident commander with ongoing public safety and scene stabilization.

~~(e)~~ (f) A railroad must be capable of deploying containment boom from land across sewer outfalls, creeks, ditches, and other places where oil or other hazardous substances may drain, in order to contain leaked material before it reaches those resources. The arrangement to provide containment boom and staff may be made by:

- (1) training and caching equipment with local jurisdictions;
- (2) training and caching equipment with a fire mutual-aid group;
- (3) means of an industry cooperative or mutual-aid group;
- (4) deployment of a contractor;
- (5) deployment of a response organization under state contract; or
- (6) other dependable means acceptable to the Pollution Control Agency.

~~(f)~~ (g) Each arrangement under paragraph ~~(e)~~ (f) must be confirmed each year. Each arrangement must be tested by drill at least once every five years.

~~(g)~~ (h) Within eight hours of confirmation of a discharge, a railroad must be capable of delivering and deploying containment boom, boats, oil recovery equipment, trained staff, and all other materials needed to provide:

- (1) on-site containment and recovery of a volume of oil equal to ten percent of the calculated worst case discharge at any location along the route; and
- (2) protection of listed sensitive areas and potable water intakes within one mile of a discharge site and within eight hours of water travel time downstream in any river or stream that the right-of-way intersects.

~~(h)~~ (i) Within 60 hours of confirmation of a discharge, a railroad must be capable of delivering and deploying additional containment boom, boats, oil recovery equipment, trained staff, and all other materials needed to provide containment and recovery of a worst case discharge and to protect listed sensitive areas and potable water intakes at any location along the route.

Sec. 9. Minnesota Statutes 2022, section 115E.042, subdivision 5, is amended to read:

Subd. 5. **Railroad drills exercises.** (a) Each railroad operating unit trains in Minnesota must conduct at least one oil containment, recovery, and sensitive area protection ~~drill~~ walkthrough, tabletop exercise, or functional exercise involving oil or hazardous substances every ~~three years~~, year. Subject to the provisions of paragraph (c), each exercise must be at a location and time chosen by the Pollution Control Agency, and attended by safety representatives of railroad employees governed by the Railway Labor Act. Subject to the provisions in paragraph (d) and section 219.055, subdivision 8, each railroad operating unit trains in Minnesota must conduct at least one oil containment, recovery, and sensitive area full-scale exercise every five years in coordination with the commissioner of public safety, local emergency management organizations, local fire chiefs, and safety representatives of railroad employees governed by the Railway Labor Act.

(b) The exercises under this subdivision must attempt to evaluate, coordinate, and improve the emergency response plans submitted by a railroad under subdivision 3. The exercises under this subdivision and section 219.055, subdivisions 6, 7, and 8, must be coordinated with exercises required by federal agencies.

(c) The commissioner of the Pollution Control Agency must consult with the Division of Homeland Security and Emergency Management, the state fire marshal, and local emergency management organizations in determining the railroad's annual exercise required under this section. In determining the appropriate exercise for a rail carrier, the commissioner must evaluate whether a rail carrier has conducted a similar exercise within the preceding calendar year and the results from prior years' response and training. To the extent practicable, the commissioner must alternate between requiring a walkthrough, a tabletop exercise, or a functional exercise. The exercise selected for a rail carrier must address specific components, resources, and procedures of a response to a confirmed discharge of oil or other hazardous substances carried by rail. The commissioner must coordinate each exercise with exercises required by federal agencies. If an exercise selected by the commissioner is a tabletop exercise, the commissioner may select to conduct a public safety emergency response exercise or an incident commander response site exercise as provided in section 219.055, subdivision 6 or 7.

(d) Subject to the requirements in section 219.055, subdivision 8, the full-scale exercise required under paragraph (a) must include the response capability requirements and operate under the response time limits set forth in subdivision 4. In determining the time, location, and manner of the full-scale exercise, the commissioner of the Pollution Control Agency must consult with the Division of Homeland Security and Emergency Management, the state fire marshal, local units of government, local law enforcement, the fire chiefs in the jurisdiction where the full-scale exercise will take place, and safety representatives of railroad employees governed by the Railway Labor Act.

(e) Exercises conducted by a railroad under this section must include at least one representative from local emergency management organizations, fire departments, and local units of government that each have jurisdiction along the routes over which oil or hazardous substances are transported by railroad.

Sec. 10. Minnesota Statutes 2022, section 115E.042, subdivision 6, is amended to read:

Subd. 6. Prevention and response plans; requirements; submission. (a) By June 30, 2015, A railroad shall submit the prevention and response plan required under section 115E.04, as necessary to comply with the requirements of this section, to the commissioner of the Pollution Control Agency on a form designated by the commissioner.

(b) By June 30 of Every third year following a plan submission under this subdivision, or sooner as provided under section 115E.04, subdivision 2, a railroad must update and resubmit the prevention and response plan to the commissioner.

Sec. 11. Minnesota Statutes 2022, section 123B.90, subdivision 2, is amended to read:

Subd. 2. Student training. (a) Each district must provide public school pupils enrolled in kindergarten through grade 10 with age-appropriate school bus safety training, as described in this section, of the following concepts:

- (1) transportation by school bus is a privilege and not a right;
- (2) district policies for student conduct and school bus safety;
- (3) appropriate conduct while on the school bus;

- (4) the danger zones surrounding a school bus;
- (5) procedures for safely boarding and leaving a school bus;
- (6) procedures for safe street or road crossing; and
- (7) school bus evacuation.

(b) Each nonpublic school located within the district must provide all nonpublic school pupils enrolled in kindergarten through grade 10 who are transported by school bus at public expense and attend school within the district's boundaries with training as required in paragraph (a).

(c) Students enrolled in kindergarten through grade 6 who are transported by school bus and are enrolled during the first or second week of school must receive the school bus safety training competencies by the end of the third week of school. Students enrolled in grades 7 through 10 who are transported by school bus and are enrolled during the first or second week of school and have not previously received school bus safety training must receive the training or receive bus safety instructional materials by the end of the sixth week of school. Students taking driver's training instructional classes must receive training in the laws and proper procedures when operating a motor vehicle in the vicinity of a school bus as required by section 169.446, subdivisions 2 and 3. Students enrolled in kindergarten through grade 10 who enroll in a school after the second week of school and are transported by school bus and have not received training in their previous school district shall undergo school bus safety training or receive bus safety instructional materials within four weeks of the first day of attendance. Upon request of the superintendent of schools, the school transportation safety director in each district must certify to the superintendent that all students transported by school bus within the district have received the school bus safety training according to this section. Upon request of the superintendent of the school district where the nonpublic school is located, the principal or other chief administrator of each nonpublic school must certify to the school transportation safety director of the district in which the school is located that the school's students transported by school bus at public expense have received training according to this section.

(d) A district and a nonpublic school with students transported by school bus at public expense may provide kindergarten pupils with bus safety training before the first day of school.

~~(e) A district and a nonpublic school with students transported by school bus at public expense may also provide student safety education for bicycling and pedestrian safety, for students enrolled in kindergarten through grade 5.~~

~~(f)~~ (e) A district and a nonpublic school with students transported by school bus at public expense must make reasonable accommodations for the school bus safety training of pupils known to speak English as a second language and pupils with disabilities.

~~(g)~~ (f) The district and a nonpublic school with students transported by school bus at public expense must provide students enrolled in kindergarten through grade 3 school bus safety training twice during the school year.

~~(h)~~ (g) A district and a nonpublic school with students transported by school bus at public expense must conduct a school bus evacuation drill at least once during the school year.

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

Sec. 12. [123B.935] ACTIVE TRANSPORTATION SAFETY TRAINING.

Subdivision 1. Training required. (a) Each district must provide public school pupils enrolled in kindergarten through grade 3 with age-appropriate active transportation safety training. At a minimum, the training must include pedestrian safety, including crossing roads.

(b) Each district must provide public school pupils enrolled in grades 4 through 8 with age-appropriate active transportation safety training. At a minimum, the training must include:

(1) pedestrian safety, including crossing roads safely using the searching left, right, left for vehicles in traffic technique; and

(2) bicycle safety, including relevant traffic laws, use and proper fit of protective headgear, bicycle parts and safety features, and safe biking techniques.

(c) A nonpublic school may provide nonpublic school pupils enrolled in kindergarten through grade 8 with training as specified in paragraphs (a) and (b).

Subd. 2. Deadlines. (a) Students under subdivision 1, paragraph (a), who are enrolled during the first or second week of school and have not previously received active transportation safety training specified in that paragraph must receive the safety training by the end of the third week of school.

(b) Students under subdivision 1, paragraph (b), who are enrolled during the first or second week of school and have not previously received active transportation safety training specified in that paragraph must receive the safety training by the end of the sixth week of school.

(c) Students under subdivision 1, paragraph (a) or (b), who enroll in a school after the second week of school and have not received the appropriate active transportation safety training in their previous school district must undergo the training or receive active transportation safety instructional materials within four weeks of the first day of attendance.

(d) A district and a nonpublic school may provide kindergarten pupils with active transportation safety training before the first day of school.

Subd. 3. Instruction. (a) A district may provide active transportation safety training through distance learning.

(b) A district and a nonpublic school must make reasonable accommodations for the active transportation safety training of pupils known to speak English as a second language and pupils with disabilities.

Subd. 4. Model program. The commissioner of transportation must maintain a comprehensive collection of active transportation safety training materials that meets the requirements under this section.

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

Sec. 13. Minnesota Statutes 2022, section 151.37, subdivision 12, is amended to read:

Subd. 12. Administration of opiate antagonists for drug overdose. (a) A licensed physician, a licensed advanced practice registered nurse authorized to prescribe drugs pursuant to section 148.235, or a licensed physician assistant may authorize the following individuals to administer opiate antagonists, as defined in section 604A.04, subdivision 1:

(1) an emergency medical responder registered pursuant to section 144E.27;

- (2) a peace officer as defined in section 626.84, subdivision 1, paragraphs (c) and (d);
- (3) correctional employees of a state or local political subdivision;
- (4) staff of community-based health disease prevention or social service programs;
- (5) a volunteer firefighter; and
- (6) a licensed school nurse or certified public health nurse employed by, or under contract with, a school board under section 121A.21; and

(7) transit rider investment program personnel authorized under section 473.4075.

(b) For the purposes of this subdivision, opiate antagonists may be administered by one of these individuals only if:

- (1) the licensed physician, licensed physician assistant, or licensed advanced practice registered nurse has issued a standing order to, or entered into a protocol with, the individual; and
- (2) the individual has training in the recognition of signs of opiate overdose and the use of opiate antagonists as part of the emergency response to opiate overdose.

(c) Nothing in this section prohibits the possession and administration of naloxone pursuant to section 604A.04.

Sec. 14. **[160.2325] HIGHWAYS FOR HABITAT PROGRAM.**

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

(b) "Integrated roadside vegetation management" means an approach to right-of-way maintenance that combines a variety of techniques based on sound ecological principles, which establish and maintain safe, healthy, and functional roadsides. Integrated roadside vegetation management includes but is not limited to judicious use of herbicides, spot mowing, biological control, prescribed burning, mechanical tree and brush removal, erosion prevention and treatment, and prevention and treatment of other right-of-way disturbances.

(c) "Program" means the highways for habitat program established in this section.

Subd. 2. Program establishment. The commissioner must establish a highways for habitat program to enhance roadsides with pollinator and other wildlife habitat and vegetative buffers.

Subd. 3. Management standards. (a) The commissioner, in consultation with native habitat biologists and ecologists, must develop standards and best management practices for integrated roadside vegetation management under the program.

(b) The standards and best management practices must, to the extent practicable, include:

(1) guidance on seed and vegetation selection based on the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines;

(2) requirements for roadside vegetation management protocols that avoid the use of pollinator lethal insecticides as defined under section 18H.02, subdivision 28a;

(3) practices that are designed to avoid habitat destruction and protect nesting birds, pollinators, and other wildlife, except as necessary to control noxious weeds as provided under section 160.23; and

(4) identification of appropriate right-of-way tracts for wildflower and native habitat establishment.

Subd. 4. Legislative report. (a) By January 15 of each odd-numbered year, the commissioner must submit a performance report on the program to the chairs and ranking minority members of the legislative committees having jurisdiction over transportation policy and finance. At a minimum, the report must include:

(1) information that details the department's progress on implementing the highways for habitat program;

(2) a fiscal review that identifies expenditures under the program; and

(3) an investment plan for each district of the department for the next biennium.

(b) The performance report must be reviewed by the department's chief engineer.

(c) This subdivision expires December 31, 2033.

Sec. 15. Minnesota Statutes 2022, section 160.262, subdivision 3, is amended to read:

Subd. 3. Cooperation among agencies and governments. (a) The departments and agencies on the active transportation advisory committee identified in section 174.375 must provide information and advice for the bikeway design guidelines maintained by the commissioner.

(b) The commissioner must provide technical assistance to local units of government in:

(1) local planning and development of bikeways;

(2) establishing connections to state bicycle routes; and

(3) implementing statewide bicycle plans maintained by the commissioner.

(c) The commissioner may cooperate with and enter into agreements with the United States government, any department of the state of Minnesota, any unit of local government, any tribal government, or any public or private corporation in order to effect the purposes of this section.

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

Sec. 16. Minnesota Statutes 2022, section 160.266, subdivision 1b, is amended to read:

Subd. 1b. State bicycle routes. The commissioner of transportation must identify state bicycle routes primarily on existing road right-of-way and trails. State bicycle routes must be identified in cooperation with road and trail authorities, including the commissioner of natural resources, and with the advice of the active transportation advisory committee under section 174.375. In a metropolitan area, state bicycle routes must be identified in coordination with the plans and priorities established by metropolitan planning organizations, as defined in United States Code, title 23, section 134.

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

Sec. 17. Minnesota Statutes 2022, section 160.266, subdivision 6, is amended to read:

Subd. 6. Mississippi River Trail. The Mississippi River Trail bikeway is designated as a state bicycle route. It must originate at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallel the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha in Wabasha County, Winona in Winona County, and La Crescent in Houston County to Minnesota's boundary with Iowa and there terminate. Where opportunities exist, the bikeway may be designated on both sides of the Mississippi River.

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

Sec. 18. Minnesota Statutes 2022, section 160.266, is amended by adding a subdivision to read:

Subd. 7. Jim Oberstar Bikeway. The Jim Oberstar Bikeway is designated as a state bicycle route. It must originate in the city of St. Paul in Ramsey County, then proceed north and east to Duluth in St. Louis County, then proceed north and east along the shore of Lake Superior through Grand Marais in Cook County to Minnesota's boundary with Canada, and there terminate.

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

Sec. 19. Minnesota Statutes 2022, section 161.045, subdivision 3, is amended to read:

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

- (1) Bureau of Criminal Apprehension laboratory;
- (2) Explore Minnesota Tourism kiosks;
- (3) Minnesota Safety Council;
- (4) driver education programs;
- (5) Emergency Medical Services Regulatory Board;
- (6) Mississippi River Parkway Commission;
- (7) payments to the Department of Information Technology Services in excess of actual costs incurred for trunk highway purposes;
- (8) personnel costs incurred on behalf of the governor's office;
- (9) the Office of Aeronautics within the Department of Transportation;
- (10) the Office of Transit and Active Transportation within the Department of Transportation;
- (11) the Office of Passenger Rail;
- (12) purchase and maintenance of soft body armor under section 299A.38;
- (13) tourist information centers;
- (14) parades, events, or sponsorships of events;

- (15) ~~rent and utility expenses for the department's central office building;~~
- (16) the installation, construction, expansion, or maintenance of public electric vehicle infrastructure;
- (17) (16) the statewide notification center for excavation services pursuant to chapter 216D; and
- (18) (17) manufacturing license plates.

(b) The prohibition in paragraph (a) includes all expenses for the named entity or program, including but not limited to payroll, purchased services, supplies, repairs, and equipment. This prohibition on spending applies to any successor entities or programs that are substantially similar to the entity or program named in this subdivision.

Sec. 20. Minnesota Statutes 2022, section 161.088, subdivision 1, is amended to read:

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

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

- (1) outside of the project limits;
- (2) along the same trunk highway; and
- (3) within the same region of the state;

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

(d) "Department" means the Department of Transportation.

(e) "Greater metropolitan county" means any of the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.

(3) (f) "Program" means the corridors of commerce program established in this section; and

(4) (g) "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.

(h) "Screening entity" means an area transportation partnership; the Metropolitan Council in consultation with the Transportation Advisory Board under section 473.146, subdivision 4; or a greater metropolitan county.

Sec. 21. Minnesota Statutes 2022, section 161.088, subdivision 2, is amended to read:

Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner ~~shall~~ must 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~~ must 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. 22. Minnesota Statutes 2022, 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~~ the national highway system, as provided under Code of Federal Regulations, title 23, part 470, and successor requirements, 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~~ four years, ~~or a longer length of time as determined by the commissioner~~ except for readiness development projects funded under subdivision 4b; 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; and

(6) determination of a total project cost estimate with a reasonable degree of accuracy, except for readiness development projects funded under subdivision 4b.

(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).

Sec. 23. Minnesota Statutes 2022, section 161.088, is amended by adding a subdivision to read:

Subd. 4a. Project funding; regional balance. (a) To ensure regional balance throughout the state, the commissioner must distribute all available funds under the program according to the following regional allocations:

(1) Metro Projects: at least 25 percent and no more than 27.5 percent of the funds are for projects that are located within, on, or directly adjacent to an area bounded by marked Interstate Highways 494 and 694;

(2) Metro Connector Projects: at least 35 percent and no more than 37.5 percent of the funds are for projects that:

- (i) are not included in clause (1); and
- (ii) are located wholly or primarily within a greater metropolitan county; and
- (3) Regional Center Projects: at least 35 percent and no more than 40 percent of the funds are for projects that are not included in clause (1) or (2).

(b) The commissioner must calculate the percentages under paragraph (a) using total funds under the program over the current and prior two consecutive project selection rounds. The calculations must include readiness development projects funded under subdivision 4b.

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

Sec. 24. Minnesota Statutes 2022, section 161.088, is amended by adding a subdivision to read:

Subd. 4b. Project funding; readiness development. (a) The commissioner may allocate up to ten percent of funds available in each fiscal year for the following readiness advancement activities on a project: planning, scoping, predesign, preliminary engineering, and environmental analysis. Any share of funds not allocated by the commissioner to readiness advancement activities must be distributed to ranked projects in subdivision 4a.

(b) Funds under this subdivision are for project development sufficient to: (1) meet the eligibility requirements under subdivision 4, paragraph (a), clauses (4) and (6); and (2) provide for the scoring assessment under subdivision 5.

Sec. 25. Minnesota Statutes 2022, 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 scoring criteria. The process must include phases as provided in this subdivision.

(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. The commissioner must determine the eligibility for each candidate project identified under this paragraph. For each eligible project, the commissioner must classify and evaluate the project for the program, using all of the criteria established under paragraph (e). **Phase 1: Project solicitation.** Following enactment of each law that makes additional funds available for the program, the commissioner must undertake a public solicitation of potential projects for consideration. The solicitation must be performed through an Internet recommendation process that allows for an interested party, including an individual, business, local unit of government, corridor group, or interest group, to submit a project for consideration.

(c) **Phase 2: Local screening and recommendations.** The commissioner must present the projects submitted during the open solicitation under Phase 1 to the appropriate screening entity where each project is located. A screening entity must:

- (1) consider all of the submitted projects for its area;
- (2) solicit input from members of the legislature who represent the area for project review, comment, and nonbinding approval or disapproval; and

(3) recommend projects to the commissioner for formal scoring, as provided in Phase 3.

(d) In addition to readiness development projects selected in paragraph (e), each screening entity may recommend the following number of projects to the commissioner:

(1) for area transportation partnerships, no more than three projects;

(2) for the Metropolitan Council in consultation with the Transportation Advisory Board, no more than four projects; and

(3) for each greater metropolitan county, no more than two projects.

(e) Each screening entity may select up to two additional projects to recommend to the commissioner for readiness development funding as provided under subdivision 4b.

(f) A screening entity may recommend a replacement project for one that the commissioner determines is ineligible under subdivision 4. Each recommendation must identify the comments and approvals or disapprovals provided by a member of the legislature.

(g) **Phase 3: Project scoring.** The commissioner must confirm project eligibility under subdivision 4 and perform a complete scoring assessment on each of the eligible projects recommended by the screening entities under Phase 2.

(h) Projects must be evaluated scored 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; and

(8) the time and work needed before construction may begin on the project; and

(9) regional balance throughout the state.

The commissioner must give the criteria in clauses (1) to (8) equal weight in the selection scoring process. The commissioner may establish an alternative scoring assessment method for readiness development projects funded under subdivision 4b, which, to the extent practicable, must use the criteria specified in this paragraph.

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

~~(e) 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.~~

(i) Phase 4: Project ranking and selection. On completion of project scoring under Phase 3, the commissioner must develop a ranked list of projects based on total score, and must select projects in rank order for funding under the program, subject to subdivisions 4a and 4b. The commissioner must specify the amounts and known or anticipated sources of funding for each selected project.

(j) Phase 5: Public information. The commissioner must publish information regarding the selection process on the department's website. The information must include:

- (1) lists of all projects submitted for consideration and all projects recommended by the screening entities;
- (2) the scores and ranking for each project; and
- (3) an overview of each selected project, with amounts and sources of funding.

(k) Phase 6: Readiness development. For project selection under Phase 4, if all selected projects from prior project selection rounds under Phase 4 are funded, the commissioner must select additional projects from projects that received readiness development advancement funds under subdivision 4b. If a project received readiness development advancement funds and does not have sufficient sources of funding identified, the commissioner must re-score the projects as provided under Phase 3 and include the project in Phase 4 in the next selection round.

Sec. 26. Minnesota Statutes 2022, section 161.14, subdivision 97, is amended to read:

Subd. 97. **Corporal Caleb L. Erickson Memorial Highway.** That segment of marked Trunk Highway 13 in Waseca County from the southern border of ~~Woodville~~ ~~New Richland~~ Township to the northern border of Blooming Grove Township is designated as "Corporal Caleb L. Erickson Memorial Highway." Subject to section 161.139, the commissioner must adopt a suitable design to mark this highway and erect appropriate signs.

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

Sec. 27. Minnesota Statutes 2022, section 161.14, is amended by adding a subdivision to read:

Subd. 103. **Deputy Josh Owen Memorial Overpass.** The overpass at the junction of marked Trunk Highway 29 and marked Trunk Highway 55 in Pope County is designated as "Deputy Josh Owen Memorial Overpass." Subject to section 161.139, the commissioner must adopt a suitable design to mark the overpass and erect appropriate signs.

Sec. 28. **[161.178] TRANSPORTATION GREENHOUSE GAS EMISSIONS IMPACT ASSESSMENT.**

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

(b) "Applicable entity" means the commissioner with respect to a capacity expansion project for inclusion in the state transportation improvement program or a metropolitan planning organization with respect to a capacity expansion project for inclusion in the appropriate metropolitan transportation improvement program.

(c) "Assessment" means the capacity expansion impact assessment under this section.

(d) "Capacity expansion project" means a project for trunk highway construction or reconstruction that:

(1) is a major highway project, as defined in section 174.56, subdivision 1, paragraph (b); and

(2) adds highway traffic capacity or provides for grade separation at an intersection, excluding auxiliary lanes with a length of less than 2,500 feet.

(e) "Greenhouse gas emissions" includes those emissions described in section 216H.01, subdivision 2.

Subd. 2. **Project assessment.** (a) Prior to inclusion of a capacity expansion project in the state transportation improvement program or a metropolitan transportation improvement program, the applicable entity must perform a capacity expansion impact assessment of the project. Following the assessment, the applicable entity must determine if the project conforms with:

(1) the greenhouse gas emissions reduction targets under section 174.01, subdivision 3; and

(2) the vehicle miles traveled reduction targets established in the statewide multimodal transportation plan under section 174.03, subdivision 1a.

(b) If the applicable entity determines that the capacity expansion project is not in conformance with paragraph (a), the applicable entity must:

(1) alter the scope or design of the project and perform a revised assessment that meets the requirements under this section;

(2) interlink sufficient impact mitigation as provided in subdivision 4; or

(3) halt project development and disallow inclusion of the project in the appropriate transportation improvement program.

Subd. 3. **Assessment requirements.** (a) The commissioner must establish a process to perform capacity expansion impact assessments. An assessment must provide for the determination under subdivision 2.

(b) Analysis under an assessment must include but is not limited to estimates resulting from the project for the following:

(1) greenhouse gas emissions over a period of 20 years; and

(2) a net change in vehicle miles traveled for the affected network.

Subd. 4. **Impact mitigation.** (a) To provide for impact mitigation, the applicable entity must interlink the capacity expansion project as provided in this subdivision.

(b) Impact mitigation is sufficient under subdivision 2, paragraph (b), if the capacity expansion project is interlinked to mitigation actions such that the total greenhouse gas emissions reduction from the mitigation actions, after accounting for the greenhouse gas emissions otherwise resulting from the capacity expansion project, is consistent with meeting the targets specified under subdivision 2, paragraph (a). Each comparison under this paragraph must be performed over equal comparison periods.

(c) A mitigation action consists of a project, program, or operations modification in one or more of the following areas:

(1) transit expansion, including but not limited to regular route bus, arterial bus rapid transit, highway bus rapid transit, rail transit, and intercity passenger rail;

(2) transit service improvements, including but not limited to increased service level, transit fare reduction, and transit priority treatments;

(3) active transportation infrastructure;

(4) micromobility infrastructure and service, including but not limited to shared vehicle services;

(5) transportation demand management, including but not limited to vanpool and shared vehicle programs, remote work, and broadband access expansion;

(6) parking management, including but not limited to parking requirements reduction or elimination and parking cost adjustments;

(7) land use, including but not limited to residential and other density increases, mixed-use development, and transit-oriented development;

(8) infrastructure improvements related to traffic operations, including but not limited to roundabouts and reduced conflict intersections; and

(9) natural systems, including but not limited to prairie restoration, reforestation, and urban green space.

(d) A mitigation action may be identified as interlinked to the capacity expansion project if:

(1) there is a specified project, program, or modification;

(2) the necessary funding sources are identified and sufficient amounts are committed;

(3) the mitigation is localized as provided in subdivision 5; and

(4) procedures are established to ensure that the mitigation action remains in substantially the same form or a revised form that continues to meet the calculation under paragraph (b).

Subd. 5. Impact mitigation; localization. (a) A mitigation action under subdivision 4 must be localized in the following priority order:

(1) within or associated with at least one of the communities impacted by the capacity expansion project;

(2) if there is not a reasonably feasible location under clause (1), in areas of persistent poverty or historically disadvantaged communities, as measured and defined in federal law, guidance, and notices of funding opportunity;

(3) if there is not a reasonably feasible location under clauses (1) and (2), in the region of the capacity expansion project; or

(4) if there is not a reasonably feasible location under clauses (1) to (3), on a statewide basis.

(b) The applicable entity must include an explanation regarding the feasibility and rationale for each mitigation action located under paragraph (a), clauses (2) to (4).

Subd. 6. Public information. The commissioner must publish information regarding capacity expansion impact assessments on the department's website. The information must include:

(1) identification of capacity expansion projects; and

(2) for each project, a summary that includes an overview of the expansion impact assessment, the impact determination by the commissioner, and project disposition, including a review of any mitigation actions.

Subd. 7. **Safety and well-being.** The requirements of this section are in addition to and must not supplant the safety and well-being goals established under section 174.01, subdivision 2, clauses (1) and (2).

EFFECTIVE DATE; APPLICATION. This section is effective February 1, 2025. This section does not apply to a capacity expansion project that was either included in the state transportation improvement program or has been submitted for approval of the geometric layout before February 1, 2025.

Sec. 29. Minnesota Statutes 2022, section 161.45, subdivision 1, is amended to read:

Subdivision 1. **Rules.** (a) Electric transmission, telephone, or telegraph lines; pole lines; community antenna television lines; railways; ditches; sewers; water, heat, or gas mains; gas and other pipelines; flumes; or other structures which, under the laws of this state or the ordinance of any city, may be constructed, placed, or maintained across or along any trunk highway, or the roadway thereof, by any person, persons, corporation, or any subdivision of the state, may be so maintained or hereafter constructed only in accordance with such rules as may be prescribed by the commissioner who shall have power to prescribe and enforce reasonable rules with reference to the placing and maintaining along, across, or in any such trunk highway of any of the utilities hereinbefore set forth.

(b) Except as necessary to protect public safety or ensure the proper function of the trunk highway, including future expansions, the rules prescribed by the commissioner under paragraph (a) must not prohibit an entity from placing and maintaining electric transmission lines along, across, or in any trunk highway if the entity:

(1) has a right to use the public road right-of-way pursuant to section 222.37, subdivision 1;

(2) has a power purchase agreement or an agreement to transfer ownership with a Minnesota utility that directly, or through its members and agents, provides retail electric service in the state; and

(3) obtains a permit from the commissioner.

(c) The commissioner must decide whether to issue a permit to an entity within 60 days of receiving the entity's request.

(d) Nothing herein shall restrict the actions of public authorities in extraordinary emergencies nor restrict the power and authority of the commissioner of commerce as provided for in other provisions of law. Provided, however, that in the event any local subdivision of government has enacted ordinances relating to the method of installation or requiring underground installation of such community antenna television lines, the permit granted by the commissioner of transportation shall require compliance with such local ordinance.

Sec. 30. Minnesota Statutes 2022, section 161.45, subdivision 2, is amended to read:

Subd. 2. **Relocation of utility.** Whenever the relocation of any utility facility is necessitated by the construction of a project on a trunk highway routes other than those described in section 161.46, subdivision 2 route, the relocation work may be made a part of the state highway construction contract or let as a separate contract as provided by law if the owner or operator of the facility requests the commissioner to act as its

agent for the purpose of relocating the facilities and if the commissioner determines that such action is in the best interests of the state. Payment by the utility owner or operator to the state shall be in accordance with applicable statutes and the rules for utilities on trunk highways.

Sec. 31. Minnesota Statutes 2022, section 161.46, subdivision 2, is amended to read:

Subd. 2. Relocation of facilities; reimbursement. (a) Whenever the commissioner shall determine the relocation of any utility facility is necessitated by the construction of a project on the routes of federally aided state trunk highways, including urban extensions thereof, which routes are included within the National System of Interstate Highways, the owner or operator of such utility facility shall relocate the same in accordance with the order of the commissioner. After the completion of such relocation the cost thereof shall be ascertained and paid by the state out of trunk highway funds; provided, however, the amount to be paid by the state for such reimbursement shall not exceed the amount on which the federal government bases its reimbursement for said interstate system.

(b) Notwithstanding paragraph (a), on or after January 1, 2024, any entity that receives a route permit under chapter 216E for a high-voltage transmission line necessary to interconnect an electric power generating facility is not eligible for relocation reimbursement unless the entity directly, or through its members or agents, provides retail electric service in this state.

Sec. 32. Minnesota Statutes 2022, section 161.53, is amended to read:

161.53 RESEARCH ACTIVITIES.

(a) The commissioner may set aside in each fiscal year up to two percent of the total amount of all funds appropriated to the commissioner other than county state-aid and municipal state-aid highway funds for transportation research including public and private research partnerships. The commissioner shall spend this money for (1) research to improve the design, construction, maintenance, management, and environmental compatibility of transportation systems, including research into and implementation of innovations in bridge-monitoring technology and bridge inspection technology; bridge inspection techniques and best practices; and the cost-effectiveness of deferred or lower cost highway and bridge design and maintenance activities and their impacts on long-term trunk highway costs and maintenance needs; (2) research on transportation policies that enhance energy efficiency and economic development; (3) programs for implementing and monitoring research results; and (4) development of transportation education and outreach activities.

(b) Of all funds appropriated to the commissioner other than state-aid funds, the commissioner shall spend at least 0.1 percent, ~~but not exceeding \$2,000,000 in any fiscal year~~, for research and related activities performed by the Center for Transportation Studies of the University of Minnesota. The center shall establish a technology transfer and training center for Minnesota transportation professionals.

Sec. 33. Minnesota Statutes 2022, 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. 34. Minnesota Statutes 2022, 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 in the small cities assistance account 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. 35. Minnesota Statutes 2022, 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)~~ (a) 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)~~ (b) 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)~~ (c) The commissioner shall set the aid factor under paragraph ~~(e)~~ (b), 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. 36. [168.1258] "LIONS CLUBS INTERNATIONAL" PLATES.

Subdivision 1. Issuance of plates. The commissioner must issue "Lions Clubs International" 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 a fee in the amount specified under section 168.12, subdivision 5, along with any other fees required by this chapter;

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

(4) contributes a minimum of \$25 upon initial application and \$5 annually to the Lions Clubs International account; and

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

Subd. 2. **Design.** The commissioner must adopt a suitable plate design that includes the recognized emblem of Lions Clubs International and the inscription "We Serve."

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 (4), must be deposited in the Lions Clubs International account, which is established in the special revenue fund. Money in the account is annually 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 Lions Clubs International to further the organization's mission of service, fellowship, diversity, integrity, and leadership.

EFFECTIVE DATE. This section is effective January 1, 2024, for "Lions Clubs International" special plates issued on or after that date.

Sec. 37. [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. **Contributions; account; appropriation.** Contributions collected under subdivision 2, paragraph (a), 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, 2024, for Minnesota professional sports team foundation special plates issued on or after that date.

Sec. 38. **[168.1287] MINNESOTA BLACKOUT PLATES.**

Subdivision 1. **Issuance of plates.** The commissioner must issue blackout 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 \$30 annually to the driver and vehicle services operating account; and

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

Subd. 2. **Design.** The commissioner must adopt a suitable plate design that includes a black background with white text.

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.** Contributions collected under subdivision 1, clause (5), must be deposited in the driver and vehicle services operating account under section 299A.705.

EFFECTIVE DATE. This section is effective January 1, 2024, for blackout special plates issued on or after that date.

Sec. 39. **[168.1288] MINNESOTA MISSING AND MURDERED INDIGENOUS RELATIVES PLATES.**

Subdivision 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 \$25 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 annually 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, 2024, for Minnesota missing and murdered Indigenous relatives special plates issued on or after that date.

Sec. 40. Minnesota Statutes 2022, 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, 2017 2023, through June 30, 2020 2024, 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, 2020 2024, through June 30, 2025, 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, 2025, 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, 2023.

Sec. 41. Minnesota Statutes 2022, section 168.326, is amended to read:

168.326 EXPEDITED DRIVER AND VEHICLE SERVICES; FEE.

(a) When an applicant requests and pays an expedited service fee of \$20, in addition to other specified and statutorily mandated fees and taxes, the commissioner shall expedite the processing of an application for a driver's license, driving instruction permit, Minnesota identification card, or vehicle title transaction.

(b) A driver's license agent or deputy registrar may retain \$10 of the expedited service fee for each expedited service request processed by the licensing agent or deputy registrar.

(c) When expedited service is requested, materials must be mailed or delivered to the requester within three days of receipt of the expedited service fee excluding Saturdays, Sundays, or the holidays listed in section 645.44, subdivision 5. The requester shall comply with all relevant requirements of the requested document.

(d) The commissioner may decline to accept an expedited service request if it is apparent at the time it is made that the request cannot be granted.

(e) The expedited service fees collected under this section for an application for a driver's license, driving instruction permit, or Minnesota identification card minus any portion retained by a licensing agent or deputy registrar under paragraph (b) must be paid into the driver and vehicle services operating account in the special revenue fund specified under section 299A.705.

~~(f) The expedited service fees collected under this section for a transaction for a vehicle service minus any portion retained by a licensing agent or deputy registrar under paragraph (b) must be paid into the vehicle services operating account in the special revenue fund specified under section 299A.705.~~

Sec. 42. Minnesota Statutes 2022, section 169.011, subdivision 27, is amended to read:

Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a bicycle with two or three wheels that:

- (1) has a saddle and fully operable pedals for human propulsion;
- (2) meets the requirements for bicycles under Code of Federal Regulations, title 16, part 1512, or successor requirements;
- (3) is equipped with an electric motor that has a power output of not more than 750 watts; and
- (4) meets the requirements of a class 1, class 2, or class 3 electric-assisted bicycle; and
- (5) has a battery or electric drive system that has been tested to an applicable safety standard by a third-party testing laboratory.

Sec. 43. **[169.065] SAFE ROAD ZONES.**

Subdivision 1. **Definition.** For purposes of this section, "local request" means a formal request collectively submitted by the chief law enforcement officer of a political subdivision serving the proposed safe road zone, the local road authority for the proposed safe road zone, and the chief executive officer, board, or designee by resolution of the political subdivision encompassing the proposed safe road zone.

Subd. 2. **Establishment.** (a) The commissioner may designate a safe road zone as provided in this section.

(b) Upon receipt of a local request, the commissioner, in consultation with the commissioner of public safety, must consider designating a segment of a street or highway as a safe road zone. In determining the designation of a safe road zone, the commissioner must evaluate traffic safety concerns for the street or highway, including but not limited to: excessive speed; crash history; safety of pedestrians, bicyclists, or other vulnerable road users; intersection risks; and roadway design.

Subd. 3. **Implementation.** The Advisory Council on Traffic Safety under section 4.076 must make recommendations to the commissioners of public safety and transportation on supporting the local authority with implementation of safety measures for each safe road zone through education, public awareness, behavior modification, and traffic engineering efforts. Safety measures for a safe road zone may include:

- (1) providing safe road zone signs to the local authority for use in the zone;
- (2) consulting with the local authority on roadway design modifications to improve safety;
- (3) performing statewide safe road zone public awareness and educational outreach;
- (4) providing safe road zone outreach materials to the local authority for distribution to the general public;
- (5) working with the local authority to enhance safety conditions in the zone;

(6) establishing a speed limit as provided under section 169.14, subdivision 5i, with supporting speed enforcement and education measures; and

(7) evaluating the impacts of safety measures in the zone on: crashes; injuries and fatalities; property damage; transportation system disruptions; safety for vulnerable roadway users, including pedestrians and bicyclists; and other measures as identified by the commissioner.

Subd. 4. **Traffic enforcement.** The commissioner of public safety must coordinate with local law enforcement agencies to determine implementation of enhanced traffic enforcement in a safe road zone designated under this section.

Subd. 5. **Program information.** The commissioner of transportation must maintain information on a website that summarizes safe road zone implementation, including but not limited to identification of requests for and designations of safe road zones, an overview of safety measures and traffic enforcement activity, and a review of annual expenditures.

Sec. 44. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to read:

Subd. 5i. **Speed limits in safe road zone.** (a) Upon request by the local authority, the commissioner may establish a temporary or permanent speed limit in a safe road zone designated under section 169.065, other than the limits provided in subdivision 2, based on an engineering and traffic investigation.

(b) The speed limit under this subdivision is effective upon the erection of appropriate signs designating the speed and indicating the beginning and end of the segment on which the speed limit is established. Any speed in excess of the posted limit is unlawful.

Sec. 45. Minnesota Statutes 2022, section 169.18, subdivision 11, is amended to read:

Subd. 11. **Passing parked authorized vehicle; citation; probable cause.** (a) For purposes of this subdivision, "authorized vehicle" means an authorized emergency vehicle, as defined under section 169.011, subdivision 3; a tow truck or towing vehicle, as defined under section 168B.011, subdivision 12a; a freeway service patrol vehicle; a road maintenance vehicle; a utility company vehicle; a construction vehicle; a postal service vehicle; a solid waste vehicle; or a recycling vehicle.

(b) When approaching and before passing an authorized vehicle with its emergency, flashing, or warning lights activated that is parked or otherwise stopped on or next to a street or highway having two lanes in the same direction, the driver of a vehicle ~~shall~~ must safely move the vehicle to the lane farthest away from the authorized vehicle, if it is possible to do so.

(c) When approaching and before passing an authorized vehicle with its emergency, flashing, or warning lights activated that is parked or otherwise stopped on or next to a street or highway having more than two lanes in the same direction, the driver of a vehicle ~~shall~~ must safely move the vehicle so as to leave a full lane vacant between the driver and any lane in which the authorized vehicle is completely or partially parked or otherwise stopped, if it is possible to do so.

(d) If a lane change under paragraph (b) or (c) is impossible, or when approaching and before passing an authorized vehicle with its emergency, flashing, or warning lights activated that is parked or otherwise stopped on or next to a street or highway having only one lane in the same direction, the driver of a vehicle must reduce the speed of the motor vehicle to a speed that is reasonable and prudent under the conditions until the motor vehicle has completely passed the parked or stopped authorized vehicle, if it is possible to do so.

(e) A peace officer may issue a citation to the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of this subdivision within the four-hour period following the termination of the incident or a receipt of a report under paragraph (f). The citation may be issued even though the violation was not committed in the presence of the peace officer.

(f) Although probable cause may be otherwise satisfied by other evidentiary elements or factors, probable cause is sufficient for purposes of this subdivision when the person cited is operating the vehicle described by a member of the crew of an authorized emergency vehicle or a towing vehicle as defined in section 168B.011, subdivision 12a, responding to an incident in a timely report of the violation of this subdivision, which includes a description of the vehicle used to commit the offense and the vehicle's license plate number. For the purposes of issuance of a citation under paragraph (e), "timely" means that the report must be made within a four-hour period following the termination of the incident.

Sec. 46. Minnesota Statutes 2022, section 169.18, is amended by adding a subdivision to read:

Subd. 11a. **Passing stalled or disabled vehicle.** (a) For purposes of this subdivision, "stalled vehicle" means any motor vehicle that is disabled, parked, inoperable, or otherwise stopped on or next to a street or highway.

(b) When approaching and before passing a stalled vehicle with either its hazard lights activated or people visibly present outside the vehicle on or next to a street or highway having two lanes in the same direction, the driver of a vehicle must, if it is possible to do so, safely move the vehicle to the lane farthest away from the stalled vehicle.

(c) When approaching and before passing a stalled vehicle with either its hazard lights activated or people visibly present outside the vehicle on or next to a street having two or more lanes in the same direction, the driver of a vehicle must, if it is possible to do so, safely move the vehicle so as to leave a full lane vacant between the driver and any lane in which the stalled vehicle is completely or partially parked or otherwise stopped.

(d) If a lane change under paragraph (b) or (c) is impossible when approaching and before passing a stalled vehicle with either its hazard lights activated or people visibly present outside the vehicle on or next to a street or highway having only one lane in the same direction, the driver of a vehicle must reduce the speed of the motor vehicle to a speed that is reasonable and prudent under the conditions until the motor vehicle has completely passed the stalled vehicle, if it is possible to do so.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 47. Minnesota Statutes 2022, section 169.222, subdivision 4, is amended to read:

Subd. 4. **Riding rules.** (a) Every person operating a bicycle upon a roadway shall on a road must ride as close as practicable to the right-hand curb or edge of the roadway except under any of the following situations road as the bicycle operator determines is safe. A person operating a bicycle is not required to ride as close to the right-hand curb or edge when:

- (1) when overtaking and passing another vehicle proceeding in the same direction;
- (2) when preparing for a left turn at an intersection or into a private road or driveway;

(3) ~~when reasonably necessary to avoid conditions that make it unsafe to continue along the right-hand curb or edge, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width narrow-width lanes, that make it unsafe to continue along the right hand curb or edge; or;~~

(4) ~~when~~ operating on the shoulder of a roadway or in a bicycle lane; or

(5) operating in a right-hand turn lane before entering an intersection.

(b) If a bicycle is traveling on a shoulder of a roadway, the bicycle ~~shall~~ operator must travel in the same direction as adjacent vehicular traffic.

(c) Persons riding bicycles upon a roadway or shoulder ~~shall~~ must not ride more than two abreast and ~~shall not impede the normal and reasonable movement of traffic and~~, on a laned roadway, shall ride within a single lane.

(d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, ~~shall~~ must yield the right-of-way to any pedestrian and ~~shall~~ give an audible signal when necessary before overtaking and passing any pedestrian. ~~No~~ A person ~~shall~~ must not ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

(e) An individual operating a bicycle or other vehicle on a bikeway ~~shall~~ must (1) give an audible signal a safe distance prior to overtaking a bicycle or individual, (2) leave a safe clearance distance when overtaking a bicycle or individual proceeding in the same direction ~~on the bikeway~~, and ~~shall~~ (3) maintain clearance until safely past the overtaken bicycle or individual.

(f) Notwithstanding section 169.06, subdivision 4, a bicycle operator may cross an intersection proceeding from the leftmost one-third of a dedicated right-hand turn lane without turning right.

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

Sec. 48. Minnesota Statutes 2022, section 169.222, is amended by adding a subdivision to read:

Subd. 4a. **Stopping requirements.** (a) For purposes of this subdivision, "in the vicinity" means located in an intersection or approaching an intersection in a manner that constitutes a hazard of collision during the time that a bicycle operator would occupy the intersection.

(b) A bicycle operator who approaches a stop sign must slow to a speed that allows for stopping before entering the intersection or the nearest crosswalk. Notwithstanding subdivision 1 and section 169.06, subdivision 4, if there is not a vehicle in the vicinity, the operator may make a turn or proceed through the intersection without stopping.

(c) Nothing in this subdivision alters the right-of-way requirements under section 169.20. The provisions under this subdivision do not apply when traffic is controlled by a peace officer or a person authorized to control traffic under section 169.06.

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

Sec. 49. Minnesota Statutes 2022, section 169.345, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purpose of section 168.021 and this section, the following terms have the meanings given them in this subdivision.

(b) "Health professional" means a licensed physician, licensed physician assistant, advanced practice registered nurse, licensed physical therapist, or licensed chiropractor.

(c) "Long-term certificate" means a certificate issued for a period greater than 12 months but not greater than 71 months.

(d) "Organization certificate" means a certificate issued to an entity other than a natural person for a period of three years.

(e) "Permit" refers to a permit that is issued for a period of 30 days, in lieu of the certificate referred to in subdivision 3, while the application is being processed.

(f) "Physically disabled person" means a person who:

(1) because of disability cannot walk without significant risk of falling;

(2) because of disability cannot walk 200 feet without stopping to rest;

(3) because of disability cannot walk without the aid of another person, a walker, a cane, crutches, braces, a prosthetic device, or a wheelchair;

(4) is restricted by a respiratory disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one liter;

(5) has an arterial oxygen tension (PaO_2) of less than 60 mm/Hg on room air at rest;

(6) uses portable oxygen;

(7) has a cardiac condition to the extent that the person's functional limitations are classified in severity as class III or class IV according to standards set by the American Heart Association;

(8) has lost an arm or a leg and does not have or cannot use an artificial limb; or

(9) has a disability that would be aggravated by walking 200 feet under normal environmental conditions to an extent that would be life threatening; or

(10) is legally blind.

(g) A pregnant person experiencing any of the conditions described in paragraph (f) is eligible for parking privileges pursuant to this section.

~~(g)~~ (h) "Short-term certificate" means a certificate issued for a period greater than six months but not greater than 12 months.

~~(h)~~ (i) "Six-year certificate" means a certificate issued for a period of six years.

~~(h)~~ (j) "Temporary certificate" means a certificate issued for a period not greater than six months.

Sec. 50. Minnesota Statutes 2022, section 169.475, subdivision 2, is amended to read:

Subd. 2. **Prohibition on use; penalty.** (a) Except as provided in subdivision 3, when a motor vehicle is in motion or a part of traffic, the person operating the vehicle upon a street or highway is prohibited from:

(1) holding a wireless communications device with one or both hands; or

(2) using a wireless communications device to:

~~(1)~~(i) initiate, compose, send, retrieve, or read an electronic message;

~~(2)~~(ii) engage in a cellular phone call, including initiating a call, talking or listening, and participating in video calling; and

~~(3)~~(iii) access the following types of content stored on the device: video content, audio content, images, games, or software applications.

(b) A person who violates paragraph (a) a second or subsequent time must pay a fine of \$275.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to violations committed on or after that date.

Sec. 51. Minnesota Statutes 2022, section 169.475, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The prohibitions in subdivision 2 do not apply if a person uses a wireless communications device:

(1) solely in a voice-activated or hands-free mode to (i) initiate or participate in a cellular phone call, provided that the person does not hold the device with one or both hands; or to (ii) initiate, compose, send, or listen to an electronic message;

(2) to view or operate a global positioning system or navigation system in a manner that does not require the driver to type while the vehicle is in motion or a part of traffic, provided that the person does not hold the device with one or both hands;

(3) to listen to audio-based content in a manner that does not require the driver to scroll or type while the vehicle is in motion or a part of traffic, provided that the person does not hold the device with one or both hands;

(4) to obtain emergency assistance to (i) report a traffic accident, medical emergency, or serious traffic hazard, or (ii) prevent a crime about to be committed;

(5) in the reasonable belief that a person's life or safety is in immediate danger; or

(6) in an authorized emergency vehicle while in the performance of official duties.

(b) The exception in paragraph (a), clause (1), does not apply to accessing nonnavigation video content, engaging in video calling, engaging in live-streaming, accessing gaming data, or reading electronic messages.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to violations committed on or after that date.

Sec. 52. Minnesota Statutes 2022, section 169.8261, is amended to read:

169.8261 GROSS WEIGHT LIMITATIONS; FOREST PRODUCTS SPECIAL PERMIT.

Subdivision 1. **Exemption Definition.** (a) For purposes of this section, "raw or unfinished forest products" include wood chips, paper, pulp, oriented strand board, laminated strand lumber, hardboard, treated lumber, untreated lumber, or barrel staves.

~~(b) In compliance with this section, a person may operate a vehicle or combination of vehicles to haul raw or unfinished forest products by the most direct route to the nearest paved highway on any highway with gross weights permitted under sections 169.823 to 169.829.~~

Subd. 1a. Six-axle and over-width vehicle permit. (a) A road authority may issue an annual permit authorizing a vehicle or combination of vehicles with a total of six or more axles to haul raw or unfinished forest products by the most direct route to the nearest paved highway on any highway with gross weights permitted under sections 169.823 to 169.829 and be operated with:

(1) a gross vehicle weight of up to:

(i) 90,000 pounds; and

(ii) 99,000 pounds during the period set by the commissioner under section 169.826, subdivision 1; and

(2) a total outside width of the vehicle or the load that does not exceed 114 inches.

(b) In addition to the conditions in subdivision 2, a vehicle or combination of vehicles that is operated with a permit under this subdivision and transporting a load that exceeds 108 inches must:

(1) display red or orange flags, 18 inches square, as markers at the front and rear and on both sides of the load; and

(2) not be operated on any road in a metropolitan county, as defined in section 473.121, subdivision 4.

(c) A vehicle or combination of vehicles with a permit under this subdivision may only be operated on an interstate highway:

(1) as provided under United States Code, title 23, section 127(q), for operation on the specified segment of marked Interstate Highway 35; or

(2) if the gross vehicle weight does not exceed 80,000 pounds.

Subd. 2. Conditions. (a) A vehicle or combination of vehicles described in subdivision 1 operated under this section must:

(1) comply with seasonal load restrictions in effect between the dates set by the commissioner under section 169.87, subdivision 2;

(2) comply with bridge load limits posted under section 169.84;

(3) be equipped and operated with six or more axles and brakes on all wheels;

(4) not exceed 90,000 pounds gross vehicle weight, or 99,000 pounds gross vehicle weight during the time when seasonal increases are authorized under section 169.826;

(5) not be operated on interstate highways;

(6) obtain an annual permit from the commissioner of transportation;

(4) be operated under a permit issued by each road authority having jurisdiction over a road on which the vehicle is operated, if required by the road authority;

(7) (5) obey all road and bridge postings, including those pertaining to lane or roadway width; and

(8) (6) not exceed 20,000 pounds gross weight on any single axle.

(b) A vehicle operated under this section may exceed the legal axle weight limits listed in section 169.824 by not more than 12.5 percent; except that, the weight limits may be exceeded by not more than 23.75 percent during the time when seasonal increases are authorized under section 169.826, subdivision 1.

~~(e) Notwithstanding paragraph (a), clause (5), a vehicle or combination of vehicles hauling raw or unfinished forest products may operate on the segment of marked Interstate Highway 35 provided under United States Code, title 23, section 127(q)(2)(D).~~

Subd. 3. **Expiration date.** Upon request of the permit applicant, the expiration date for a permit issued under this section must be the same as the expiration date of the permitted vehicle's registration.

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

Sec. 53. [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 who meets any other conditions prescribed by the commissioner. The proceeds of this fee must be deposited in the trunk highway fund. The permit authorizes the tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or safekeeping, to exceed the length and weight limitations of this chapter.

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

Subd. 3. **Seasonal load restrictions; exemption.** (a) For purposes of this subdivision, "recovery vehicle" means a vehicle equipped with a boom that is used to move or recover an inoperable vehicle.

(b) The seasonal load restrictions under section 169.87, subdivisions 1 and 2, do not apply to a tow truck, towing vehicle, or a 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.

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

Sec. 54. Minnesota Statutes 2022, 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. 55. Minnesota Statutes 2022, section 171.042, is amended to read:

171.042 DRIVER'S LICENSE FOR MEDICAL REASON.

(a) For purposes of this section, "relative" means the applicant's grandparent, parent, sibling, or legal guardian, including adoptive, half, step, and in-law relationships.

(b) Notwithstanding any provisions of section 171.04, relating to the age of an applicant, the commissioner may issue a driver's license to a person who has attained the age of 15 years but is under the age of 16 years, who, except for age, is qualified to hold a driver's license and who needs to operate a motor vehicle because of:

(1) personal or family medical reasons;

(2) medical reasons of a relative; or

(3) a disabled relative who has a disability that makes it difficult to drive or who does not have a driver's license due to a disability.

(c) The applicant is not required to comply with the six-month instruction permit possession provisions of sections 171.04, subdivision 1, clause (2), and 171.05, subdivision 2a, or with the 12-month provisional license possession provision of section 171.04, subdivision 1, clause (1), item (i).

(d) Applicants shall must apply to the commissioner for the license on forms prescribed by the commissioner. The application shall must be accompanied by written verified statements by from the applicant's parent or guardian and by relative or a doctor setting forth the necessity reason the applicant is qualified for the license. The commissioner in issuing such license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to applications submitted on or after that date.

Sec. 56. Minnesota Statutes 2022, section 171.05, subdivision 2, is amended to read:

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:

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

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

(ii) has completed:

(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

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

~~(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~~ home school diploma, the ~~student is taking~~ home-classroom driver training with ~~classroom~~ materials ~~are~~ 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;

(D) a teleconference driver education program authorized by section 171.395; or

(E) an online driver education program authorized by section 171.396;

~~(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)~~ (2) has passed a test of the applicant's eyesight;

~~(4)~~ (3) has passed a department-administered test of the applicant's knowledge of traffic laws;

~~(5)~~ (4) 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)~~ (5) 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~~ home school 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.

~~(d)~~ (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. 57. Minnesota Statutes 2022, section 171.06, subdivision 3, as amended by Laws 2023, chapter 13, article 1, section 3, and Laws 2023, chapter 34, article 1, section 2, is amended to read:

Subd. 3. Contents of application; other information. (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant elects not to specify a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7;

(5) include a method for the applicant to:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under subdivision 3b, paragraph (e);

(iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c; and

(iv) indicate emergency contacts as provided under section 171.12, subdivision 5b; and

(v) indicate the applicant's race and ethnicity; and

(6) meet the requirements under section 201.161, subdivision 3.

(b) Applications must be accompanied by satisfactory evidence demonstrating:

(1) identity, date of birth, and any legal name change if applicable; and

(2) for driver's licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:

(i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;

(ii) Social Security number, or related documentation as applicable; and

(iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

(c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:

(1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and

(2) a photographic identity document.

(d) A valid Department of Corrections or Federal Bureau of Prisons identification card containing the applicant's full name, date of birth, and photograph issued to the applicant is an acceptable form of proof of identity in an application for an identification card, instruction permit, or driver's license as a secondary document for purposes of Minnesota Rules, part 7410.0400, and successor rules.

(e) An application form must not provide for identification of (1) the accompanying documents used by an applicant to demonstrate identity, or (2) except as provided in paragraphs (b) and (c), the applicant's citizenship, immigration status, or lawful presence in the United States. The commissioner and a driver's license agent must not inquire about an applicant's citizenship, immigration status, or lawful presence in the United States, except as provided in paragraphs (b) and (c).

EFFECTIVE DATE. This section is effective January 1, 2024, for driver's license and identification card applications submitted on or after that date.

Sec. 58. Minnesota Statutes 2022, section 171.06, subdivision 7, is amended to read:

Subd. 7. Remote application. (a) The commissioner must establish a process for an eligible individual to apply remotely for a driver's license or Minnesota identification card, whether through a website or other means, or a combination, as provided in this subdivision.

(b) The commissioner may issue or reinstate an expired driver's license or Minnesota identification card and may renew a driver's license or Minnesota identification card for an eligible individual who does not apply in-person if:

(1) the applicant submits documentation to demonstrate eligibility, as prescribed by the commissioner;

(2) there is not a material change to the applicant's name, date of birth, signature, and driver's license or identification number since the most recent driver's license or Minnesota identification card issuance;

(3) the application is not for a different type or class of driver's license or Minnesota identification card, as identified in sections 171.019, subdivision 2, and 171.02, subdivision 2;

(4) one of the following requirements is met:

(i) the commissioner has a previous photograph of the applicant on file that was taken within the last five years or in conjunction with the most recent issuance; or

(ii) for a noncompliant license or identification card, the applicant submits a photograph that meets the requirements of sections 171.07 and 171.071, Minnesota Rules, part 7410.1810, subpart 1, and any other technical requirements established by the commissioner, which may include but are not limited to background color, lighting and visibility standards, and electronic file size;

(5) for a driver's license, the commissioner has a record that the applicant has undergone an examination of the applicant's eyesight within the last two years, or the applicant submits a vision examination certificate that:

(i) has been completed within the last two years;

(ii) is signed by a licensed physician or an optometrist, including one who holds a similar license in a jurisdiction outside the United States; and

(iii) is in a form as prescribed by the commissioner;

(6) for an expired driver's license or Minnesota identification card:

(i) expiration was within the past five years;

(ii) expiration was due to driver's license or identification card issuance by another jurisdiction; and

(iii) the application includes surrender or invalidation of a valid driver's license or identification card issued by another jurisdiction; and

(7) the most recent issuance, reinstatement, or renewal was not performed under this subdivision.

(c) A person who applies for a driver's license or Minnesota identification card under this subdivision is not required to:

(1) take a knowledge examination;

(2) take a road examination to demonstrate ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and

(3) appear in-person for an updated photograph upon return to Minnesota or release from incarceration, as appropriate.

(d) For purposes of this subdivision, "eligible individual" means:

(1) a person 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 serving outside Minnesota as a volunteer in the Peace Corps;

(3) a person who is an employee of a federal department or agency who 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); or

(5) a person who applies for renewal and is serving a sentence of longer than six months in a Minnesota jail or correctional facility that has no existing agreement on renewals with the commissioner.

Sec. 59. Minnesota Statutes 2022, 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 provide a certified copy of the veteran's applicant'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.

(e) The commissioner of public safety is required to issue drivers' 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, 2023, and applies to applications submitted on or after that date.

Sec. 60. Minnesota Statutes 2022, section 171.26, is amended to read:

171.26 MONEY CREDITED TO FUNDS.

Subdivision 1. **Driver and vehicle services operating account.** Unless otherwise specified, all money received under this chapter must be paid into the state treasury and credited to deposited in the driver and vehicle services operating account in the special revenue fund specified under sections section 299A.705, except as provided in subdivision 2 of that section; 171.06, subdivision 2a; 171.07, subdivision 11, paragraph (g); 171.20, subdivision 4, paragraph (d); and 171.29, subdivision 2, paragraph (b).

Sec. 61. **[171.301] REINTEGRATION LICENSE.**

Subdivision 1. Conditions of issuance. (a) The commissioner may issue a reintegration driver's license to any person:

(1) who is 18 years of age or older;

(2) who has been released from a period of at least 180 consecutive days of confinement or incarceration in:

(i) an adult correctional facility under the control of the commissioner of corrections or licensed by the commissioner of corrections under section 241.021;

(ii) a federal correctional facility for adults; or

(iii) an adult correctional facility operated under the control or supervision of any other state; and

(3) whose license has been suspended or revoked under the circumstances listed in section 171.30, subdivision 1, paragraph (a), clauses (1) to (4), for a violation that occurred before the individual was incarcerated for the period described in clause (2).

(b) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a reintegration driver's 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.

(c) If the person's driver's license or permit to drive has been suspended under section 171.186, the commissioner may only issue a reintegration driver's license to the person after the commissioner receives notice of a court order provided pursuant to section 518A.65, paragraph (e), showing that the person's driver's license or operating privileges should no longer be suspended.

(d) If the person's driver's license has been revoked under section 171.17, subdivision 1, paragraph (a), clause (1), the commissioner may only issue a reintegration driver's license to the person after the person has completed the applicable revocation period.

(e) The commissioner must not issue a reintegration driver's license:

(1) to any person described in section 171.04, subdivision 1, clause (7), (8), (10), or (11);

(2) to any person described in section 169A.55, subdivision 5;

(3) if the person has committed a violation after the person was released from custody that results in the suspension, revocation, or cancellation of a driver's license, including suspension for nonpayment of child support or maintenance payments as described in section 171.186, subdivision 1; or

(4) if the issuance would conflict with the requirements of the nonresident violator compact.

(f) The commissioner must not issue a class A, class B, or class C reintegration driver's license.

Subd. 2. **Application.** (a) Application for a reintegration driver's license must be made in the form and manner approved by the commissioner.

(b) A person seeking a reintegration driver's license who was released from confinement or incarceration on or after April 1, 2024, must apply for the license within one year of release. A person seeking a reintegration driver's license who was released from confinement or incarceration before April 1, 2024, must apply for the license by April 1, 2025.

Subd. 3. **Fees prohibited.** (a) For a reintegration driver's license under this section:

(1) the commissioner must not impose:

(i) a fee, surcharge, or filing fee under section 171.06, subdivision 2; or

(ii) an endorsement fee under section 171.06, subdivision 2a; and

(2) a driver's license agent must not impose a filing fee under section 171.061, subdivision 4.

(b) Issuance of a reintegration driver's license does not forgive or otherwise discharge any unpaid fees or fines.

Subd. 4. **Cancellation of license.** (a) The commissioner must cancel the reintegration driver's license of any person who commits a violation that would result in the suspension, revocation, or cancellation of a driver's license, including suspension for nonpayment of child support or maintenance payments as described in section 171.186, subdivision 1. The commissioner must not cancel a reintegration driver's license for payment of a fine or resolution of a criminal charge if the underlying incident occurred before the reintegration driver's license was issued, unless the conviction would have made the person ineligible to receive a reintegration driver's license. Except as described in paragraph (b), a person whose reintegration driver's

license is canceled under this subdivision may not be issued another reintegration driver's license and may not operate a motor vehicle for the remainder of the period of suspension or revocation or 30 days, whichever is longer.

(b) A person whose reintegration driver's license is canceled under paragraph (a) may apply for a new reintegration driver's license if the person is incarcerated or confined for a period of at least 180 consecutive days after the cancellation and the person meets the conditions described in subdivision 1.

(c) Nothing in this section prohibits cancellation and reinstatement of a reintegration driver's license for any other reason described in section 171.14 provided any factor making the person not eligible for a driver's license under section 171.04 occurred or became known to the commissioner after issuance of the reintegration driver's license.

Subd. 5. **Expiration.** A reintegration driver's license expires 15 months from the date of issuance of the license. A reintegration driver's license may not be renewed.

Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license to a person who possesses a reintegration driver's license if:

(1) the person has possessed the reintegration driver's license for at least one full year;

(2) the reintegration driver's license has not been canceled under subdivision 4 and has not expired under subdivision 5;

(3) the person meets the application requirements under section 171.06, including payment of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and 2a, and 171.061, subdivision 4; and

(4) issuance of the license does not conflict with the requirements of the nonresident violator compact.

(b) The commissioner must forgive any outstanding balance due on a fee or surcharge under section 171.29, subdivision 2, for a person who is eligible and applies for a license under paragraph (a).

EFFECTIVE DATE. This section is effective April 1, 2024.

Sec. 62. **[171.395] TELECONFERENCE DRIVER EDUCATION PROGRAM.**

Subdivision 1. **Authorization.** A licensed driver education program that provides both classroom and behind-the-wheel instruction may offer teleconference driver education as provided in this section. For purposes of this section, the driver education program must offer both classroom and behind-the-wheel instruction. If a program partners or contracts with a second program to provide any portion of classroom or behind-the-wheel instruction, the first program is not eligible to offer teleconference driver education instruction.

Subd. 2. **Curriculum and instruction requirements.** (a) A teleconference driver education program must:

(1) meet the requirements as provided in section 171.0701, subdivision 1, and Minnesota Rules, chapter 7411, or successor rules;

(2) use teleconferencing, or another similar method, that provides live synchronous distance learning and ensures that student questions and comments can be addressed in real time;

- (3) link all locations together with picture and sound;
- (4) use classroom instruction curriculum identical to the curriculum used by the driver education program in an in-person setting;
- (5) offer teleconference instruction to any student enrolled in the approved driver education program; and
- (6) provide teleconference interactive supplemental parent curriculum consistent with section 171.0701, subdivision 1a.

(b) A student may receive teleconference instruction only if the driver education instructor verifies the student can interact with the instructor in real time with picture and sound.

Sec. 63. [171.396] ONLINE DRIVER EDUCATION PROGRAM.

(a) A licensed driver education program may offer 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. 64. Minnesota Statutes 2022, section 174.01, is amended by adding a subdivision to read:

Subd. 3. Greenhouse gas emissions targets. (a) In association with the goals under subdivision 2, clauses (10) and (13) to (16), the commissioner of transportation must establish targets for the statewide greenhouse gas emissions reduction goal under section 216H.02, subdivision 1.

(b) The targets must include:

(1) establishment of proportional emissions reduction performance targets for the transportation sector;

(2) specification of the performance targets on a five-year or more frequent basis; and

(3) allocation across the transportation sector, which:

(i) must provide for an allocation to the metropolitan area, as defined in section 473.121, subdivision 2;

(ii) must account for differences in the feasibility and extent of emissions reductions across forms of land use and across regions of the state; and

(iii) may include performance targets based on Department of Transportation district, geographic region, a per capita calculation, or transportation mode, or a combination.

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

Sec. 65. Minnesota Statutes 2022, section 174.03, subdivision 1c, is amended to read:

Subd. 1c. **Minnesota state highway investment plan.** Within one year of each revision of the statewide multimodal transportation plan under subdivision 1a, the commissioner must prepare a 20-year Minnesota state highway investment plan that:

(1) incorporates performance measures and targets for assessing progress and achievement of the state's transportation goals, objectives, and policies identified in this chapter for the state trunk highway system, and those goals, objectives, and policies established in the statewide multimodal transportation plan. Performance targets must be based on objectively verifiable measures, and address, at a minimum:

(i) preservation and maintenance of the structural condition of state highway roadways, bridges, pavements, roadside infrastructure, and traveler-related facilities;

(ii) safety; and

(iii) mobility;

(2) summarizes trends and impacts for each performance target over the past five years;

(3) summarizes the amount and analyzes the impact of the department's capital investments and priorities over the past five years on each performance target, including a comparison of prior plan projected costs with actual costs;

(4) identifies the investments required to meet the established performance targets over the next 20-year period;

(5) projects available state and federal funding over the 20-year period, including any unique, competitive, time-limited, or focused funding opportunities;

(6) identifies strategies to ensure the most efficient use of existing transportation infrastructure, and to maximize the performance benefits of projected available funding;

(7) establishes investment priorities for projected funding, which must:

(i) provide for cost-effective preservation, maintenance, and repair to address the goal under section 174.01, subdivision 2, clause (9), in a manner that aligns with other goals in that section;

(ii) as appropriate, provide a schedule of major projects or improvement programs for the 20-year period; and

(iii) identify resulting projected costs and impact on performance targets; ~~and~~

(8) identifies those performance targets identified under clause (1) not expected to meet the target outcome over the 20-year period together with alternative strategies that could be implemented to meet the targets; and

(9) establishes procedures and guidance for capacity expansion project development to conform with section 161.178, subdivision 2, paragraph (a).

EFFECTIVE DATE. This section is effective February 1, 2025, and applies to plan revisions adopted on or after that date.

Sec. 66. [174.375] ACTIVE TRANSPORTATION ADVISORY COMMITTEE.

Subdivision 1. Committee established; duties. (a) The commissioner of transportation must establish an active transportation advisory committee. The advisory committee must make recommendations to the commissioner on items related to:

(1) active transportation, including safety, education, and development programs;

(2) the active transportation program under section 174.38; and

(3) the safe routes to school program under section 174.40.

(b) The committee must review and analyze issues and needs relating to active transportation on public rights-of-way and identify solutions and goals for addressing identified issues and needs.

(c) For purposes of this section, "active transportation" includes bicycling, pedestrian activities, and other forms of nonmotorized transportation.

Subd. 2. Membership. (a) The advisory committee consists of the members specified in this subdivision.

(b) The commissioner of transportation must appoint up to 18 public members as follows: one member from each of the department's seven greater Minnesota districts; four members from the department's metropolitan district; and no more than seven members at large. Each of the members at large must represent nonmotorized interests or organizations.

(c) The commissioners of each of the following state agencies must appoint an employee of the agency to serve as a member: administration, education, health, natural resources, public safety, transportation, and pollution control. The chair of the Metropolitan Council must appoint an employee of the council to serve as a member. The director of Explore Minnesota Tourism must appoint an employee of the agency to serve as a member.

(d) The division administrator of the Federal Highway Administration may appoint an employee of the agency to serve as a member.

(e) Each member of the committee serves a four-year term at the pleasure of the appointing authority.

(f) The committee must select a chair from its membership.

Subd. 3. Meetings; staffing. (a) The advisory committee must establish a meeting schedule and meet at least annually.

(b) The commissioner of transportation must provide department staff support to the advisory committee.

Subd. 4. Expenses. (a) Members of the advisory committee serve without compensation, but members who are not employees of government agencies must be reimbursed for expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2.

(b) To provide compensation under paragraph (a), the commissioner of transportation may expend the amount necessary from general fund appropriations.

Subd. 5. Reports. The advisory committee must submit an annual report to the commissioner of transportation.

Subd. 6. Expiration. The advisory committee expires June 30, 2033.

EFFECTIVE DATE. This section is effective the day following final enactment. The commissioner of transportation must convene the first meeting by October 15, 2023.

Sec. 67. Minnesota Statutes 2022, section 174.38, subdivision 3, is amended to read:

Subd. 3. Active transportation account. An active transportation account is established in the special revenue fund. The account consists of funds 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 and must be expended only on a project projects that receives receive financial assistance under this section.

Sec. 68. Minnesota Statutes 2022, section 174.38, subdivision 6, is amended to read:

Subd. 6. Use of funds. (a) The commissioner must determine permissible uses of financial assistance under this section, which are limited to:

(1) construction and maintenance of bicycle, trail, and pedestrian infrastructure, including but not limited to safe routes to school infrastructure and bicycle facilities and centers; and

(2) noninfrastructure programming, including activities as specified in section 174.40, subdivision 7a, paragraph (b).

(b) Of the amount made available in each fiscal year, the first \$500,000 is for grants to develop, maintain, and implement active transportation safety curriculum for youth ages five to 14 years old, and if remaining funds are available, for (1) youth ages 15 to 17 years old, (2) adult active transportation safety programs, and (3) adult learn-to-ride programs. The curriculum must include resources for teachers and must meet the model training materials requirements under section 123B.935, subdivision 4.

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

Sec. 69. **[174.47] ELECTRIC VEHICLE INFRASTRUCTURE PROGRAM.**

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Program" means the electric vehicle infrastructure program established in this section.

(d) "Project" includes but is not limited to planning, predesign, design, preliminary and final engineering, environmental analysis, property acquisition, construction, and maintenance.

Subd. 2. **Electric vehicle infrastructure program.** The commissioner must establish a statewide electric vehicle infrastructure program for the purpose of implementing the National Electric Vehicle Infrastructure Formula Program and successor programs to maximize the use of federal funds available to the state.

Subd. 3. **Authority to contract.** The commissioner may enter into an agreement with any private or public entity to provide financial assistance for, or engage in the planning, designing, developing, hosting, constructing, equipping, operating, or maintaining of, electric vehicle infrastructure, including but not limited to environmental studies, preliminary engineering, final design, construction, and developing financial and operating plans.

Subd. 4. **Program requirements.** (a) The commissioner must require that electric vehicle infrastructure funded under the program is constructed, installed, and maintained in conformance with the requirements under Code of Federal Regulations, title 23, section 680.106, paragraph (j), or successor requirements.

(b) An electric vehicle infrastructure project that receives funds under the program is subject to the requirement of paying the prevailing wage rate as defined in section 177.42, and the requirements and enforcement provisions in sections 177.27, 177.30, 177.32, 177.41 to 177.435, and 177.45.

Subd. 5. **Report.** (a) Every even-numbered year by February 1, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance regarding the electric vehicle infrastructure program. At a minimum, the report must include:

(1) an itemization of federal funds spent for the program, including the purpose of the expenditure and the recipient of the expenditure;

(2) an itemization of state funds spent for the program, including the purpose of the expenditure and the recipient of the expenditure;

(3) the amount of money, from any source, that was used for department staff related to the program;

(4) any changes to the plan that were made since the previous report was submitted;

(5) the locations of electric vehicle infrastructure created with the program, including the type of infrastructure and whether the infrastructure is on public or private property;

(6) a description of how projects were selected; and

(7) a description of how the commissioner is ensuring electric vehicle infrastructure is regionally balanced.

(b) The commissioner is not required to submit a report pursuant to this subdivision if, since the previous report was submitted, no money has been spent pursuant to this section.

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

Sec. 70. [174.59] OPERATION COSTS FOR CENTRAL OFFICE BUILDING.

The cost of operation and maintenance of the central office building for the Department of Transportation, or the portion that is properly attributable to the Department of Transportation, must be paid as follows:

- (1) 75 percent from the trunk highway fund, from available departmental resources; and
- (2) 25 percent from the general fund, for which an amount sufficient is annually appropriated from the general fund to the commissioner.

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

Sec. 71. Minnesota Statutes 2022, section 174.634, is amended to read:

174.634 PASSENGER RAIL; FUNDING.

Subdivision 1. General. (a) The commissioner may apply for funding from federal, state, regional, local, and private sources to carry out the commissioner's duties in section 174.632.

(b) Section 174.88, subdivision 2, does not apply to the commissioner's performance of duties and exercise of powers under sections 174.632 to 174.636.

Subd. 2. Passenger rail account; transfers; appropriation. (a) A passenger rail account is established in the special revenue fund. The account consists of funds as provided in this subdivision and any other money donated, allotted, transferred, or otherwise provided to the account.

(b) By July 15 annually, the commissioner of revenue must transfer an amount from the general fund to the passenger rail account that equals 50 percent of the portion of the state general tax under section 275.025 levied on railroad operating property, as defined under section 273.13, subdivision 24, in the prior calendar year.

(c) Money in the account is annually appropriated to the commissioner of transportation for the net operating and capital maintenance costs of intercity passenger rail, after accounting for operating revenue, federal funds, and other sources.

EFFECTIVE DATE. This section is effective July 1, 2027.

Sec. 72. Minnesota Statutes 2022, section 219.015, subdivision 2, is amended to read:

Subd. 2. Railroad company assessment; account; appropriation. (a) As provided in this subdivision, the commissioner shall must annually assess railroad companies that are (1) defined as common carriers under section 218.011; (2) classified by federal law or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II Rail Carriers; and (3) operating in this state.

(b) The assessment must be calculated to allocate state rail safety inspection program costs proportionally among carriers based on route miles operated in Minnesota at the time of assessment. The commissioner must include in the assessment calculation all state rail safety inspection program costs to support up to ~~four~~ ~~six~~ rail safety inspector positions, including but not limited to salary, administration, supervision, travel, equipment, training, and ongoing state rail inspector duties.

(c) The assessments collected under this subdivision must be deposited in a state rail safety inspection account, which is established in the special revenue fund. The account consists of funds provided by this

subdivision and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is appropriated to the commissioner to administer the state rail safety inspection program.

Sec. 73. [219.055] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS AND INFORMATION.

Subdivision 1. Definitions. (a) The definitions in section 115E.01 apply to this section except as otherwise provided in this subdivision. For purposes of this section, the following terms have the meanings given.

(b) "Applicable emergency manager" means an emergency manager having jurisdiction along the routes over which oil or other hazardous substance cargo is transported by a rail carrier.

(c) "Applicable fire department officer" means a fire chief or other senior officer of a fire department having jurisdiction along the routes over which oil or other hazardous substance cargo is transported by a rail carrier.

(d) "Emergency manager" means the director of a local organization for emergency management under section 12.25.

(e) "Hazardous substance" means any material identified in the definition of hazardous substance under section 115B.02, subdivision 8, or Code of Federal Regulations, title 49, section 171.8.

(f) "Incident commander" means the official who has responsibility under National Incident Management System guidelines for all aspects of emergency response operations at an incident scene.

(g) "Rail carrier" means a railroad company that:

(1) is defined as a common carrier under section 218.011, subdivision 10;

(2) is classified by federal law or regulation as a Class I railroad, Class I rail carrier, Class II railroad, Class II rail carrier, Class III railroad, or Class III rail carrier; and

(3) operates unit trains or a train with at least one rail car carrying oil or hazardous substance cargo in this state.

(h) "Unit train" has the meaning given in section 115E.01, subdivision 11d.

Subd. 2. Traffic review. Within ten business days of receiving a written request, a rail carrier must provide a traffic review to the commissioner of public safety, a requesting emergency manager, or a fire chief having jurisdiction along the routes over which oil or other hazardous substances are transported. The traffic review under this subdivision must include information on the types and volumes of oil or other hazardous substances transported through the requester's jurisdiction during the prior calendar year.

Subd. 3. Emergency response planning; information sharing. Upon written request, a rail carrier must provide to the commissioner of public safety, an emergency manager, or a fire chief having jurisdiction along the routes over which oil or other hazardous substances are transported:

(1) a complete copy of prevention and response plans submitted under section 115E.042, subdivision 6; and

(2) a copy of the data and information, including risk assessment information, used to develop the rail carrier's route analysis as required under Code of Federal Regulations, title 49, section 172.820, or successor requirements.

Subd. 4. Emergency response planning; coordination meetings. (a) Within 30 days of receiving a written request, a rail carrier must be available to meet with the commissioner of public safety, a requesting emergency manager, or a fire chief having jurisdiction along the routes over which oil or other hazardous substances are transported concerning emergency response planning and coordination.

(b) At a meeting held under this subdivision, a rail carrier must provide:

(1) a review of the rail carrier's emergency response planning and capability, including railroad response timelines and resources to provide:

(i) technical advice and recommendations;

(ii) trained response personnel;

(iii) specialized equipment; and

(iv) any other available resources to support an incident commander who conducts a public safety emergency response under the National Incident Management System; and

(2) inventory information on emergency responses involving oil or other hazardous substances, consisting of:

(i) equipment owned by the rail carrier, including equipment type and location;

(ii) the rail carrier's response personnel, including contact information and location; and

(iii) resources available to the rail carrier through contractual agreements.

Subd. 5. Real-time emergency response information; report required. (a) The commissioner of public safety must, through the Minnesota Fusion Center, receive and disseminate emergency response information as provided through the AskRail application or other wireless communication device application described in paragraphs (b) and (c) under section 7302 of the FAST Act of 2015, Public Law 114-94, and federal regulations adopted under that section.

(b) By July 1, 2024, the state fire marshal and the Division of Homeland Security and Emergency Management, along with interested emergency management organizations and fire chiefs, may encourage the adoption of the AskRail application or other wireless communication device application for incorporation into emergency response capabilities and to provide information on the transportation of oil or other hazardous substances by rail.

(c) On and after July 1, 2024, all rail carriers subject to this section and section 115E.042 must collectively provide information on the transportation of oil or other hazardous substances in a digital format through a wireless communication device application.

(d) By March 1, 2025, the commissioner of public safety must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and public safety policy and finance regarding the effectiveness of efforts to adopt the AskRail application or other wireless communication device application required under paragraph (c).

Subd. 6. Public safety emergency response exercises. (a) For purposes of this subdivision, "tabletop exercise" and "full-scale exercise" have the meanings given in section 115E.042, subdivision 1a.

(b) By July 1, 2025, each rail carrier, upon request, must conduct one tabletop public safety emergency exercise in each emergency management region, as established by the Division of Homeland Security and Emergency Management, where the rail carrier transports oil or other hazardous substances. After July 1, 2025, each rail carrier, upon request, must conduct one tabletop public safety emergency exercise every two years and must alternate emergency management regions where the exercise is conducted.

(c) Exercises conducted by a railroad under this subdivision must include at least one representative from the Department of Public Safety, the regional program coordinator from the Division of Homeland Security and Emergency Management where the exercise is conducted, local emergency management organizations, fire departments, and local units of government that each have jurisdiction along the routes over which oil or hazardous substances are transported by railroad. Each exercise conducted under this subdivision must be attended by safety representatives of railroad employees governed by the Railway Labor Act, United States Code, title 45, section 151, et seq.

(d) To the extent feasible, a rail carrier may conduct tabletop public safety exercises concurrently with the exercises required in subdivision 7.

(e) If the commissioner of the Pollution Control Agency requires a rail carrier to conduct a tabletop public safety emergency response exercise as part of the annual exercise requirements in section 115E.042, subdivision 5, the rail carrier is not required to conduct an additional public safety emergency response exercise in the emergency management region where the exercise took place for that calendar year. If a rail carrier opts to conduct a full-scale exercise, the rail carrier is not required to conduct an additional tabletop public safety emergency exercise in that calendar year if the tabletop exercise occurs after the full-scale exercise is completed.

Subd. 7. Incident commander response site exercises. (a) For purposes of this subdivision, "tabletop exercise" and "full-scale exercise" have the meanings given in section 115E.042, subdivision 1a.

(b) By July 1, 2025, each rail carrier, upon request, must conduct one tabletop incident commander response site exercise in each emergency management region, as established by the Division of Homeland Security and Emergency Management, where the rail carrier transports oil or other hazardous substances. After July 1, 2025, each rail carrier, upon request, must conduct one tabletop incident commander response site exercise every two years and must alternate emergency management regions where the exercise is conducted.

(c) Exercises conducted by a railroad under this subdivision must include at least one representative from the Department of Public Safety, the regional program coordinator from the Division of Homeland Security and Emergency Management where the exercise is being conducted, local emergency management organizations, fire departments, and local units of government that each have jurisdiction along the routes over which oil or hazardous substances are transported by railroad. Each exercise conducted under this subdivision must be attended by safety representatives of railroad employees governed by the Railway Labor Act, United States Code, title 45, section 151, et seq.

(d) To the extent feasible, a rail carrier may conduct tabletop incident commander response site exercises concurrently with the exercises required in subdivision 6.

(e) If the commissioner of the Pollution Control Agency requires a rail carrier to conduct a tabletop incident commander response site exercise as part of the annual exercise requirements in section 115E.042,

subdivision 5, the rail carrier is not required to conduct an additional exercise in the emergency management region where the exercise took place for that calendar year.

Subd. 8. Full-scale exercises; requirement. (a) For purposes of this subdivision, "full-scale exercise" has the meaning given in section 115E.042, subdivision 1a.

(b) On and after July 1, 2023, each Class I railroad, Class I rail carrier, Class II railroad, or Class II rail carrier must, upon request, conduct a full-scale exercise every five years. Upon notification by the commissioner of public safety or the commissioner of the Pollution Control Agency, a Class III railroad or Class III rail carrier that transports oil or other hazardous substances by rail in Minnesota must participate in the full-scale exercise if the exercise occurs in the emergency management region along the routes where the Class III railroad or Class III rail carrier transports oil or other hazardous substances. To the extent feasible, a rail carrier may not conduct consecutive full-scale exercises in the same emergency management region.

(c) A full-scale exercise must be conducted under the time limits provided for a response to a confirmed discharge of oil or hazardous substances under section 115E.042, subdivision 4. The administration of a full-scale exercise must be conducted under the requirements of section 115E.042, subdivision 5, paragraphs (c) and (d). If the commissioner of the Pollution Control Agency requires a rail carrier to participate in a full-scale exercise as provided under section 115E.042, subdivision 5, a rail carrier may conduct the full-scale exercise with any other rail carrier that carries oil or hazardous substances in the emergency management region where the full-scale exercise is to take place.

(d) Each full-scale exercise conducted under this section must be attended by safety representatives of railroad employees governed by the Railway Labor Act, United States Code, title 45, section 151, et seq.

(e) A rail carrier must provide by telephone a qualified company representative with knowledge of the rail carrier's response resources during the exercises.

Subd. 9. Transportation and response planning data. (a) Any data provided under subdivisions 2 to 8 to an emergency manager, incident commander, emergency first responder, fire chief, or the commissioner of public safety are nonpublic data, as defined under section 13.02, subdivision 9.

(b) Any prevention and response plan data created under section 115E.042, subdivision 6, that is in the possession of an emergency manager, incident commander, emergency first responder, or fire chief are nonpublic data, as defined in section 13.02, subdivision 9.

Sec. 74. Minnesota Statutes 2022, section 219.1651, is amended to read:

219.1651 GRADE CROSSING SAFETY ACCOUNT.

A Minnesota grade crossing safety account is created in the special revenue fund, consisting of money credited to the account by law. Money in the account is appropriated to the commissioner of transportation for rail-highway grade crossing safety projects on public streets and highways, including engineering costs and other costs associated with administration and delivery of grade crossing safety projects. At the discretion of the commissioner of transportation, money in the account at the end of each biennium may cancel to the trunk highway fund.

Sec. 75. [219.752] MINIMUM CREW SIZE.

Subdivision 1. **Class I or Class II railroad.** A Class I railroad or Class II railroad must not operate a train or light engine used in connection with the movement of freight unless it has a crew of a minimum of two individuals.

Subd. 2. **Class III railroad.** (a) For purposes of this subdivision, "shared corridor" means a segment of railroad track in which light rail transit operates within or adjacent to right-of-way used in freight rail operation.

(b) A Class III railroad while operating in a shared corridor must not operate a train or light engine used in connection with the movement of freight unless it has a crew of a minimum of two individuals.

Subd. 3. **Exemption.** The requirements of this section do not apply to hostler services or utility employees.

Subd. 4. **Penalty; action.** (a) Any railroad that willfully violates this section must pay a fine of not less than \$250 or more than \$1,000 for a first offense, not less than \$1,000 or more than \$5,000 for a second offense committed within three years of the first offense, and not less than \$5,000 nor more than \$10,000 for a third or subsequent offense committed within three years of the first offense.

(b) Fines prescribed in this section must be recovered in a civil action before a judge of the county in which the violation occurs.

EFFECTIVE DATE. This section is effective 30 days following final enactment.

Sec. 76. Minnesota Statutes 2022, section 221.0269, is amended by adding a subdivision to read:

Subd. 4. **Intrastate transportation; heating fuel.** (a) If a regional emergency has been declared by the President of the United States or by the Federal Motor Carrier Safety Administration pursuant to United States Code, title 49, section 390.23(a), and the declaration includes heating fuel as a covered commodity, the federal regulations incorporated into section 221.0314, subdivision 9, for hours of service do not apply to drivers engaged in intrastate transportation of heating fuel.

(b) Notwithstanding the relief provided in paragraph (a), a driver may not exceed a total of 14 hours combined on-duty and driving time after coming on duty following at least ten consecutive hours off-duty.

(c) If a driver is operating under the relief provided by paragraph (a), and the declaration is in effect for more than 30 calendar days, the driver must take a 34-hour restart before the driver has been on duty for 30 consecutive days.

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

Sec. 77. Minnesota Statutes 2022, section 222.37, subdivision 1, is amended to read:

Subdivision 1. **Use requirements.** Any water power, telegraph, telephone, pneumatic tube, pipeline, community antenna television, cable communications or electric light, heat, power company, entity that receives a route permit under chapter 216E for a high-voltage transmission line necessary to interconnect an electric power generating facility with transmission lines or associated facilities of an entity that directly, or through its members or agents, provides retail electric service in the state, or fire department may use public roads for the purpose of constructing, using, operating, and maintaining lines, subways, canals, conduits, transmission lines, hydrants, or dry hydrants, for their business, but such lines shall be so located

as in no way to interfere with the safety and convenience of ordinary travel along or over the same; and, in the construction and maintenance of such line, subway, canal, conduit, transmission lines, hydrants, or dry hydrants, the company entity shall be subject to all reasonable regulations imposed by the governing body of any county, town or city in which such public road may be. If the governing body does not require the company entity to obtain a permit, a company an entity shall notify the governing body of any county, town, or city having jurisdiction over a public road prior to the construction or major repair, involving extensive excavation on the road right-of-way, of the company's entity's equipment along, over, or under the public road, unless the governing body waives the notice requirement. A waiver of the notice requirement must be renewed on an annual basis. For emergency repair a company an entity shall notify the governing body as soon as practical after the repair is made. Nothing herein shall be construed to grant to any person any rights for the maintenance of a telegraph, telephone, pneumatic tube, community antenna television system, cable communications system, or light, heat, power system, electric power generating system, high-voltage transmission line, or hydrant system within the corporate limits of any city until such person shall have obtained the right to maintain such system within such city or for a period beyond that for which the right to operate such system is granted by such city.

Sec. 78. **[289A.51] ELECTRIC-ASSISTED BICYCLE REBATE.**

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

(b) "Electric-assisted bicycle" has the meaning given in section 169.011, subdivision 27, except that the term is limited to a new electric-assisted bicycle purchased from an eligible retailer.

(c) "Eligible expenses" means the amount paid for an electric-assisted bicycle and any qualifying accessories purchased at the same time as the electric-assisted bicycle, inclusive of sales tax but exclusive of any other related charges, including charges for a warranty, service, or delivery.

(d) "Eligible individual" means an individual who:

(1) is at least 15 years old;

(2) is a resident individual taxpayer at the time of application for a rebate certificate and in the previous calendar year; and

(3) was not claimed as a dependent on another return in the taxable year described in subdivision 3, paragraph (c).

(e) "Eligible retailer" means a person who has engaged in the business of retail sales of new electric-assisted bicycles for at least six months prior to receiving the approval of the commissioner under subdivision 5.

(f) "Qualifying accessories" means a bicycle helmet, lights, lock, luggage rack, basket, bag or backpack, fenders, or reflective clothing.

Subd. 2. Rebate established. An eligible retailer that has been assigned a rebate certificate by an eligible individual may apply to the commissioner for a rebate, as provided in this section.

Subd. 3. Amount of rebate. (a) The amount of a rebate under this section equals the lesser of:

(1) the applicable percentage, multiplied by the amount of eligible expenses paid by an eligible individual; or

(2) \$1,500.

(b) The applicable percentage equals 75 percent, but is reduced by one percentage point until the percentage equals 50 percent, for each \$4,000 of the eligible individual's adjusted gross income in excess of:

(1) \$50,000 for a married taxpayer filing a joint return; and

(2) \$25,000 for all other filers.

(c) For the purposes of determining the applicable percentage under paragraph (b) and subdivision 4, paragraph (a), the commissioner must use the eligible individual's adjusted gross income for the taxable year ending in the calendar year prior to the year in which the individual applied for a rebate certificate.

Subd. 4. Commissioner to issue rebate certificates. (a) To qualify for a rebate under this section, an eligible individual must apply to the commissioner for a rebate certificate in the manner specified by the commissioner prior to purchasing an electric-assisted bicycle. As part of the application, the eligible individual must include proof of the individual's adjusted gross income for the taxable year specified in subdivision 3, paragraph (c). The commissioner must issue a rebate certificate to an eligible individual stating the issuance date, the applicable percentage, and the maximum rebate for which the taxpayer is eligible. For a married taxpayer filing a joint return, each spouse may apply to the commissioner separately, and the commissioner must issue each spouse a separate rebate certificate.

(b) The commissioner of revenue may determine the date on which to open applications for a rebate certificate, and applications must not be submitted before the date determined by the commissioner. Beginning July 1, 2024, and July 1 of each subsequent calendar year for which there is an allocation of rebate certificates, the commissioner must allocate rebate certificates on a first-come, first-served basis. The commissioner must reserve 40 percent of the certificates for a married taxpayer filing a joint return with an adjusted gross income of less than \$78,000 or any other filer with an adjusted gross income of less than \$41,000. Any portion of the reserved amount under this paragraph that is not allocated by September 30 is available for allocation to other rebate certificate applications beginning on October 1.

(c) The commissioner must not issue rebate certificates totaling more than \$2,000,000 in each of calendar years 2024 and 2025, except any amount authorized but not allocated in any calendar year does not cancel and is added to the allocation for the next calendar year. When calculating the amount of remaining allocations, the commissioner must assume that each allocated but unclaimed certificate reduces the available allocations by \$1,500.

(d) A rebate certificate that is not assigned to a retailer expires two months after the date the certificate was issued and may not be assigned to a retailer after expiration. The amount of any expired rebate certificates is added to the available allocation under paragraph (c).

Subd. 5. Certification of eligible retailers. To be eligible to be assigned a rebate certificate under this section, an eligible retailer must apply to the commissioner of revenue to be certified as an eligible retailer in the manner specified by the commissioner. The application must include proof that the person applying has been actively involved in the business of retail sales of new electric-assisted bicycles for at least six months.

Subd. 6. Application for rebate. (a) An eligible individual who purchases an electric-assisted bicycle may assign a rebate certificate to an eligible retailer at the time of purchase. The retailer must reduce the price of the electric-assisted bicycle by the amount of the rebate determined under subdivision 3.

(b) The commissioner must establish the form and manner by which a taxpayer may assign a rebate certificate to a retailer. The commissioner must establish a process through which retailers may quickly verify the validity of a rebate certificate at the time of purchase.

(c) An eligible retailer that was assigned a rebate certificate may apply to the commissioner for a rebate within one month of the date of the sale. The application must be in the manner specified by the commissioner. The commissioner must pay to an eligible retailer who meets the requirements of this section the amount of the rebate determined under subdivision 3.

(d) Only an eligible retailer may apply for a rebate under this subdivision. To receive the benefit of a rebate under this section, an eligible individual must assign a rebate certificate to an eligible retailer.

(e) A rebate certificate under this section must not be assigned or transferred more than once.

(f) The commissioner must not pay any rebates under this section after June 30, 2026.

Subd. 7. Limitations. (a) The commissioner must not issue an eligible individual a rebate certificate more than one time. This limitation does not apply to a rebate certificate that expired.

(b) If an eligible individual purchases an electric-assisted bicycle using a rebate under this section and returns the bicycle to an eligible retailer, the eligible retailer must repay to the commissioner the amount of the rebate received.

(c) The commissioner must not issue a rebate certificate to an eligible individual who is subject to a claim for a refund under chapter 270A.

(d) For electric-assisted bicycles purchased using rebates under this section:

(1) an eligible retailer must charge the same retail price for an electric-assisted bicycle as the retailer charges for the same bicycle if it is purchased without a rebate; and

(2) an eligible retailer must not charge a retail price in excess of the manufacturer's suggested retail price.

Subd. 8. Appropriation. \$4,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner to implement the requirements under this section, including but not limited to administration and payment of refunds. This is a onetime appropriation and is available until June 30, 2026.

Subd. 9. Sunset. This section expires June 30, 2026. The expiration of this section does not affect the commissioner's authority to audit or power of examination and assessment for rebates claimed under this section.

Sec. 79. Minnesota Statutes 2022, section 297A.993, is amended by adding a subdivision to read:

Subd. 2a. Uses reporting. By February 15 of each even-numbered year, a metropolitan county, as defined in section 473.121, subdivision 4, that imposes the taxes under this section 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 revenue that is estimated to be collected by the county in the current year and for the next ten calendar years; and

(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 revenue expended or proposed to be expended for each of the following:

(A) planning, construction, operation, or maintenance of guideways, as defined in section 473.4485, subdivision 1, paragraph (d);

(B) nonguideway transit and active transportation uses;

(C) highway uses; and

(D) uses not otherwise specified in subitems (A) to (C); and

(ii) an estimated balance of unspent or undesignated county sales tax revenue.

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

Sec. 80. Minnesota Statutes 2022, section 299A.01, is amended by adding a subdivision to read:

Subd. 8. **Traffic safety report.** Annually by January 15, the commissioner of public safety must submit a traffic safety report to the governor and the chairs and ranking minority members of the legislative committees with jurisdiction over traffic safety and enforcement. In preparing the report, the commissioner must seek advice and comments from the Advisory Council on Traffic Safety under section 4.076. The report must analyze the safety of Minnesota's roads and transportation system, including but not limited to:

(1) injuries and fatalities that occur on or near a roadway or other transportation system facility;

(2) factors that caused crashes resulting in injuries and fatalities;

(3) roadway and system improvements broadly and at specific locations that could reduce injuries and fatalities;

(4) enforcement and education efforts that could reduce injuries and fatalities;

(5) other safety improvements or programs to improve the quality of the roadway and transportation use experience; and

(6) existing resources and resource gaps for roadway and transportation system safety improvements.

Sec. 81. Minnesota Statutes 2022, section 299A.55, is amended to read:

299A.55 RAILROAD AND PIPELINE SAFETY; OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.

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

(b) "Applicable rail carrier" means a railroad company that is subject to an assessment under section 219.015, subdivision 2.

(c) "Emergency manager" has the meaning given in section 219.055, subdivision 1.

~~(d) "Hazardous substance" has the meaning given in section 115B.02, subdivision 8 means any material identified in the definition of hazardous substance under section 115B.02, subdivision 8, or Code of Federal Regulations, title 49, section 171.8.~~

~~(e) "Incident compelling a significant response" means an event involving rail carrier or pipeline company operations and a derailment, collision, discharge, or other similar activity resulting in applicable response actions performed by firefighters, peace officers, incident commanders, emergency managers, or emergency first responders. For purposes of this paragraph, "applicable response actions" consist of one or more of the following: a request for mutual aid or special response resources, establishment of an exclusion zone, an order for evacuation or shelter in place, or emergency notification to the general public.~~

(f) "Oil" has the meaning given in section 115E.01, subdivision 8.

~~(g) "Pipeline company" means any individual, partnership, association, or public or private corporation who owns and operates pipeline facilities and is required to show specific preparedness under section 115E.03, subdivision 2.~~

Subd. 2. Railroad and pipeline safety account. (a) A railroad and pipeline safety account is created in the special revenue fund. The account consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or otherwise provided to the account.

(b) ~~\$104,000 \$560,000~~ is annually appropriated from the railroad and pipeline safety account to the commissioner of the Pollution Control Agency for environmental protection activities related to railroad discharge preparedness under chapter 115E.

~~(c) \$600,000 in fiscal year 2018 and \$600,000 in fiscal year 2019 are appropriated \$750,000 in fiscal year 2024 and \$1,500,000 in each subsequent fiscal year are transferred from the railroad and pipeline safety account to the commissioner of transportation for improving safety at railroad grade crossings grade crossing safety account under section 219.1651.~~

(d) Following the appropriation in ~~paragraph~~ paragraph (b) and ~~the transfer in~~ paragraph (c), the remaining money in the account is annually appropriated to the commissioner of public safety for the purposes specified in subdivision 3.

~~(e) By January 15, 2026, the commissioner of public safety must submit a report on the railroad and pipeline safety account to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must list detailed revenues to and expenditures from the account for the previous two fiscal years and must include information on the purpose of each expenditure.~~

~~(f) If the balance of the account at the end of a fiscal biennium is greater than \$2,000,000, the amount above \$2,000,000 must be transferred to the grade crossing safety account under section 219.1651.~~

Subd. 3. Allocation of funds. (a) Subject to funding appropriated for this subdivision, the commissioner shall provide funds for training and response preparedness related to (1) derailments, discharge incidents, or spills involving trains carrying oil or other hazardous substances, and (2) pipeline discharge incidents or spills involving oil or other hazardous substances.

(b) The commissioner ~~shall~~ must allocate available funds as follows:

(1) \$100,000 annually for emergency response teams; and

(2) the remaining amount to the Board of Firefighter Training and Education under section 299N.02 and₂ the Division of Homeland Security and Emergency Management, and the State Fire Marshal Division.

(c) Prior to making allocations under paragraph (b), the commissioner shall must consult with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

(d) The commissioner and the entities identified in paragraph (b), clause (2), shall must prioritize uses of funds based on:

(1) firefighter training needs for firefighters, emergency managers, incident commanders, and emergency first responders;

(2) community risk from discharge incidents or spills;

(3) geographic balance;

(4) risks to the general public; and

(5) recommendations of the Fire Service Advisory Committee.

(e) The following are permissible uses of funds provided under this subdivision:

(1) training costs, which may include, but are not limited to, training curriculum, trainers, trainee overtime salary, other personnel overtime salary, and tuition;

(2) costs of gear and equipment related to hazardous materials readiness, response, and management, which may include, but are not limited to, original purchase, maintenance, and replacement;

(3) supplies related to the uses under clauses (1) and (2); and

(4) emergency preparedness planning and coordination;

(5) emergency response team costs;

(6) public safety emergency response exercises under section 219.055, subdivision 6;

(7) incident commander and response site response exercises under section 219.055, subdivision 7;

(8) education and outreach to encourage the adoption of the AskRail wireless communication device application under section 219.055, subdivision 5;

(9) postincident review and analysis under subdivision 5, based on costs incurred to state agencies and local units of government; and

(10) public education and outreach, including but not limited to:

(i) informing and engaging the public regarding hazards of derailments and discharge incidents;

(ii) assisting the development of evacuation readiness;

(iii) undertaking public information campaigns; and

(iv) providing accurate information to the media on likelihood and consequences of derailments and discharge incidents.

(f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline safety account provided for the purposes under this subdivision, the commissioner may retain a balance in the account for budgeting in subsequent fiscal years.

Subd. 4. Assessments. (a) The commissioner of public safety ~~shall~~ must annually assess ~~\$2,500,000~~ \$4,000,000 to railroad and pipeline companies based on the formula specified in paragraph (b). The commissioner ~~shall~~ must deposit funds collected under this subdivision in the railroad and pipeline safety account under subdivision 2.

(b) The assessment for each railroad is ~~50~~ 70 percent of the total annual assessment amount, divided in equal proportion between applicable rail carriers based on route miles operated in Minnesota. The assessment for each pipeline company is ~~50~~ 30 percent of the total annual assessment amount, divided in equal proportion between companies based on the yearly aggregate gallons of oil and other hazardous ~~substance~~ substances transported by pipeline in Minnesota.

(c) ~~The assessments under this subdivision expire July 1, 2017. In addition to the amount identified in paragraph (a), the commissioner must assess the rail carrier or pipeline company involved in an incident compelling a significant response for all postincident review and analysis costs under subdivision 5 incurred by the state and local units of government. This paragraph applies regardless of whether an assessment is imposed under paragraph (a) in a fiscal year.~~

Subd. 5. Postincident review and analysis; legislative report; data. (a) After an incident compelling a significant response, or upon request of a fire chief or emergency manager after an incident, the commissioner must ensure a postincident review and analysis is performed in a timely manner. The review and analysis must be undertaken under an agreement with an entity having relevant knowledge and experience that is fully independent of the state, any local units of government involved in the incident, rail carriers, and pipeline companies.

(b) The review and analysis process must include an after action review and must evaluate, at a minimum, processes occurring during the incident for emergency assessment, hazard operations, population protection, and incident management. The review and analysis must be designed to minimize duplication of topics and issues addressed in any federal review of the incident.

(c) By March 1 following any calendar year in which one or more postincident reviews and analyses are performed, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and public safety policy and finance. The report must:

- (1) provide a summary of the incidents;
- (2) identify findings, lessons learned, and process changes; and
- (3) make recommendations for legislative changes, if any.

(d) Except for the report under paragraph (c), any data under this subdivision are nonpublic data, as defined under section 13.02, subdivision 9.

Sec. 82. Minnesota Statutes 2022, section 299A.705, subdivision 1, is amended to read:

Subdivision 1. Driver and vehicle services operating account. (a) The ~~driver and~~ vehicle services operating account is created in the special revenue fund, ~~consisting~~. The account consists of all money from

the vehicle services fees specified in chapters 168, 168A, and 168D, all money collected under chapter 171, 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:

(1) the driver services specified in chapters 169A and 171, including the activities associated with producing and mailing drivers' licenses and identification cards and notices relating to issuance, renewal, or withdrawal of driving and identification card privileges for any fiscal year or years and for the testing and examination of drivers; and

(2) the vehicle services specified in chapters 168, 168A, and 168D, and section 169.345, including:

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

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

(3) (iii) transferring vehicle registration plates and titles;

(4) (iv) maintaining vehicle records;

(5) (v) issuing disability certificates and plates;

(6) (vi) licensing vehicle dealers;

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

(8) (viii) inspecting vehicles when required by law.

(c) In conjunction with each forecast under section 16A.103, the submission of the governor's budget under section 16A.11, and the completion of a legislative session, the commissioner of management and budget must publish a supplemental statement for the account. The statement must include:

(1) categorization of revenue and expenditures for recent, current, and upcoming fiscal years, with breakouts by anticipated expenditures under statutory and direct appropriations;

(2) specification of the account balance actuals or estimates in each fiscal year; and

(3) identification of changes in comparison to the most recent prior forecast.

Sec. 83. Minnesota Statutes 2022, section 299F.60, subdivision 1, is amended to read:

Subdivision 1. **Money penalty.** Any person who violates any provision of sections 299F.56 to 299F.641, or any rule issued thereunder, is subject to a civil penalty to be imposed by the commissioner not to exceed \$100,000 for each violation for each day that the violation persists, except that the maximum civil penalty must not exceed \$1,000,000 for any related series of violations the maximum penalties listed in Code of Federal Regulations, title 49, part 190, and any successor regulations and standards that may be amended or adopted.

Sec. 84. Minnesota Statutes 2022, section 299J.16, subdivision 1, is amended to read:

Subdivision 1. **Civil penalty.** (a) A pipeline operator who violates section 299J.07, subdivision 1, or 299J.15, or the rules of the commissioner implementing those sections, shall forfeit and pay to the state a civil penalty in an amount to be determined by the court, up to \$100,000 for each day that the operator remains in violation, subject to a maximum of \$1,000,000 for a related series of violations the maximum

penalties listed in Code of Federal Regulations, title 49, part 190, and any successor regulations and standards that may be amended or adopted.

(b) The penalty provided under this subdivision may be recovered by an action brought by the attorney general at the request of the commissioner, in the name of the state, in connection with an action to recover expenses of the director under section 299J.13, subdivision 4:

- (1) in the District Court of Ramsey County; or
- (2) in the county of the defendant's residence.

Sec. 85. Minnesota Statutes 2022, section 357.021, subdivision 6, is amended to read:

Subd. 6. Surcharges on criminal and traffic offenders. (a) Except as provided in this subdivision, the court shall impose and the court administrator shall collect a \$75 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, other than a violation of: (1) a law or ordinance relating to vehicle parking, for which there shall be is a \$12 surcharge; and (2) section 609.855, subdivision 1, 3, or 3a, for which there is a \$25 surcharge. When a defendant is convicted of more than one offense in a case, the surcharge shall be imposed only once in that case. In the Second Judicial District, the court shall impose, and the court administrator shall collect, an additional \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The surcharge shall be imposed whether or not the person is sentenced to imprisonment or the sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty misdemeanor for which no fine is imposed.

(b) The court may reduce the amount or waive payment of the surcharge required under this subdivision on a showing of indigency or undue hardship upon the convicted person or the convicted person's immediate family. Additionally, the court may permit the defendant to perform community work service in lieu of a surcharge.

(c) The court administrator or other entity collecting a surcharge shall forward it to the commissioner of management and budget.

(d) If the convicted person is sentenced to imprisonment and has not paid the surcharge before the term of imprisonment begins, the chief executive officer of the correctional facility in which the convicted person is incarcerated shall collect the surcharge from any earnings the inmate accrues from work performed in the facility or while on conditional release. The chief executive officer shall forward the amount collected to the court administrator or other entity collecting the surcharge imposed by the court.

(e) A person who enters a diversion program, continuance without prosecution, continuance for dismissal, or stay of adjudication for a violation of chapter 169 must pay the surcharge described in this subdivision. A surcharge imposed under this paragraph shall be imposed only once per case.

(f) The surcharge does not apply to administrative citations issued pursuant to section 169.999.

(g) The surcharge does not apply to administrative citations issued by transit rider investment program personnel pursuant to section 473.4075.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 86. Minnesota Statutes 2022, section 357.021, subdivision 7, is amended to read:

Subd. 7. Disbursement of surcharges by commissioner of management and budget. (a) Except as provided in paragraphs (b) to (d), the commissioner of management and budget shall disburse surcharges received under subdivision 6 as follows:

(1) one percent shall be credited to the peace officer training account in the game and fish fund to provide peace officer training for employees of the Department of Natural Resources who are licensed under sections 626.84 to 626.863, and who possess peace officer authority for the purpose of enforcing game and fish laws; and

(2) 99 percent shall be credited to the general fund.

(b) The commissioner of management and budget shall credit \$3 of each surcharge received under subdivision 6 to the general fund.

(c) In addition to any amounts credited under paragraph (a), the commissioner of management and budget shall credit the following to the general fund: \$47 of each surcharge received under subdivision 6 and; the \$12 parking surcharge, to the general fund; and the \$25 surcharge for a violation of section 609.855, subdivision 1, 3, or 3a.

(d) If the Ramsey County Board of Commissioners authorizes imposition of the additional \$1 surcharge provided for in subdivision 6, paragraph (a), the court administrator in the Second Judicial District shall transmit the surcharge to the commissioner of management and budget. The \$1 special surcharge is deposited in a Ramsey County surcharge account in the special revenue fund and amounts in the account are appropriated to the trial courts for the administration of the petty misdemeanor diversion program operated by the Second Judicial District Ramsey County Violations Bureau.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 87. Minnesota Statutes 2022, section 360.915, subdivision 6, is amended to read:

Subd. 6. Administration. (a) The commissioner must maintain records on stand-alone meteorological towers under this section and must provide information on stand-alone meteorological tower locations on the department's website.

(b) ~~The commissioner must deposit revenue received under this section in the state airports fund.~~

Sec. 88. Minnesota Statutes 2022, section 473.145, is amended to read:

473.145 DEVELOPMENT GUIDE.

(a) The Metropolitan Council ~~shall~~ must prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development guide for the metropolitan area. It ~~shall~~ must consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development, public and private, of the metropolitan area. The comprehensive development guide ~~shall~~ must recognize and encompass physical, social, or economic needs of the metropolitan area and those future developments which will have an impact on the entire area including but not limited to such matters as land use, climate mitigation and adaptation, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.

(b) For the purposes of this section, "climate mitigation and adaptation" includes mitigation goals and strategies that meet or exceed the greenhouse gas emissions-reduction goals established by the state under section 216H.02, subdivision 1, and transportation targets established by the commissioner of transportation, including vehicle miles traveled reduction targets established in the statewide multimodal transportation plan under section 174.03, subdivision 1a, as well as plans and policies to address climate adaptation in the region. The commissioner of transportation must consult with the Metropolitan Council on transportation targets prior to establishing the targets.

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. 89. Minnesota Statutes 2022, section 473.39, is amended by adding a subdivision to read:

Subd. 1x. **Obligations.** In addition to other authority in this section, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$104,545,000 for capital expenditures as prescribed in the council's transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations. Of this authorization, after July 1, 2023, the council may issue certificates of indebtedness, bonds, or other obligations in an amount not exceeding \$51,500,000, and after July 1, 2024, the council may issue certificates of indebtedness, bonds, or other obligations in an additional amount not exceeding \$53,045,000.

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. 90. Minnesota Statutes 2022, section 473.39, subdivision 6, is amended to read:

Subd. 6. **Limitation; light rail transit.** The council is prohibited from expending any proceeds from certificates of indebtedness, bonds, or other obligations under subdivisions 1u ~~and~~, 1w, and 1x for project development, land acquisition, or construction to (1) establish a light rail transit line; or (2) expand a light rail transit line, including by extending a line or adding additional stops.

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. 91. Minnesota Statutes 2022, section 473.3999, is amended to read:

473.3999 LIGHT RAIL TRANSIT CONSTRUCTION; COUNCIL AUTHORITY; STAFF ASSISTANCE; PROJECT MANAGER QUALIFICATIONS.

(a) The Metropolitan Council may exercise the powers granted in this chapter and in other applicable law, as necessary, to plan, design, acquire, construct, and equip light rail transit facilities in the metropolitan area as defined in section 473.121, subdivision 2.

(b) Notwithstanding any cooperative agreement between the commissioner of transportation and the Metropolitan Council in section 473.3994, subdivision 1a, if the council is the responsible authority, the commissioner of transportation must provide staff assistance to the council. To the extent practicable, the Metropolitan Council must utilize the Department of Transportation staff assistance for:

(1) delivery method selection for the design, planning, acquisition, construction, and equipping of light rail transit projects;

(2) risk assessment analysis in the planning, designing, and construction of a light rail transit facility or a new light rail transit project;

(3) contractor and subcontractor schedule analysis and contractual requirements;

(4) light rail transit project cost management and budget analysis for the planning, designing, and construction of a light rail transit facility or new light rail transit project; and

(5) any other technical areas of expertise that the Department of Transportation may offer.

(c) If the Metropolitan Council is the responsible authority, the council must select a qualified project manager and lead project engineer with at least ten years' transportation industry experience to lead the planning, design, acquisition, construction, or equipping of a new light rail transit project.

Sec. 92. [473.4065] TRANSIT RIDER ACTIVITY.

Subdivision 1. **Code of conduct; establishment.** (a) The council must adopt a rider code of conduct for transit passengers. The council must post a copy of the code of conduct in a prominent location at each light rail transit station, bus rapid transit station, and transit center.

(b) The code of conduct must not prohibit sleeping in a manner that does not otherwise violate conduct requirements.

(c) Prior to adoption of the rider code of conduct, or a revision, the council must perform a stakeholder engagement process. At a minimum, the process must include solicitation and consideration of public comments on conduct requirements and the rider experience.

Subd. 2. **Code of conduct; violations.** An authorized transit representative, as defined in section 609.855, subdivision 7, paragraph (g), may order a person to depart a transit vehicle or transit facility for a violation of the rider code of conduct established under subdivision 1 if the person continues to act in violation of the code of conduct after being warned once to stop.

Subd. 3. **Paid fare zones.** The council must establish and clearly designate paid fare zones at each light rail transit station where the council utilizes self-service barrier-free fare collection.

Subd. 4. **Light rail transit facility monitoring.** (a) The council must implement and maintain public safety monitoring and response activities at light rail transit facilities that include:

(1) placement of security cameras and sufficient associated lighting that provide live coverage for the entire area at each light rail transit station and each light rail transit vehicle;

(2) installation of a public address system at each light rail transit station that is capable of providing information and warnings to passengers; and

(3) real-time active monitoring of passenger activity and potential violations throughout the light rail transit system.

(b) The monitoring activities must include timely maintenance or replacement of malfunctioning cameras or public address systems.

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. 93. [473.4075] TRANSIT RIDER INVESTMENT PROGRAM.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms and the terms defined in section 609.855, subdivision 7, have the meanings given.

(b) "Transit official" means an individual who is authorized as TRIP personnel, a community service officer, or a peace officer, as defined in section 626.84, subdivision 1, paragraph (c).

(c) "TRIP personnel" means persons specifically authorized by the council for the transit rider investment program under this section, including but not limited to fare inspection and enforcement, who are not peace officers or community service officers.

(d) "TRIP" or "program" means the transit rider investment program established in this section.

Subd. 2. **Program established.** (a) Subject to available funds, the council must implement a transit rider investment program that provides for TRIP personnel deployment, fare payment inspection, administrative citation issuance, rider education and assistance, and improvements to the transit experience.

(b) As part of program implementation, the council must:

(1) adopt a resolution that establishes the program and establishes fine amounts in accordance with subdivision 8;

(2) establish policies and procedures that govern authorizing and training TRIP personnel, TRIP personnel uniforms, issuing an administrative citation, and contesting an administrative citation;

(3) consult with stakeholders on the design of the program;

(4) develop a TRIP personnel recruitment plan that includes informing and supporting potential applicants who are:

(i) representative of transit users; and

(ii) from cultural, ethnic, and racial communities that are historically underrepresented in state or local public service;

(5) develop a TRIP personnel strategic deployment plan that:

(i) requires teams of at least two individuals; and

(ii) targets deployment to times and locations with identified concentrations of activity that are subject to administrative citations, other citations, or arrest or that negatively impact the rider experience; and

(6) provide for training to peace officers who provide law enforcement assistance under an agreement with the council on the program and issuance of administrative citations.

Subd. 3. **TRIP manager.** The council must appoint a TRIP manager to manage the program. The TRIP manager must have managerial experience in social services, transit service, or law enforcement. The TRIP manager is a TRIP personnel staff member.

Subd. 4. **TRIP personnel; duties; requirements.** (a) The duties of the TRIP personnel include:

(1) monitoring and responding to passenger activity, including:

(i) informing passengers about and specifying expectations related to the council's rider code of conduct; and

(ii) assisting passengers in obtaining social services, such as through information and referrals;

(2) acting as a liaison to social service agencies;

(3) providing information to passengers on using the transit system;

(4) providing direct navigation assistance and accompaniment to passengers who have a disability, are elderly, or request enhanced personal aid;

(5) performing fare payment inspections;

(6) issuing administrative citations as provided in subdivision 6; and

(7) obtaining assistance from peace officers or community service officers as necessary.

(b) An individual who is authorized as TRIP personnel must wear the uniform as established by the council at all times when on duty.

Subd. 5. TRIP personnel; training. Training for TRIP personnel must include the following topics:

(1) early warning techniques, crisis intervention, conflict de-escalation, and conflict resolution;

(2) identification of persons likely in need of social services;

(3) locally available social service providers, including services for homelessness, mental health, and addiction;

(4) policies and procedures for administrative citations; and

(5) administration of opiate antagonists in a manner that meets the requirements under section 151.37, subdivision 12.

Subd. 6. Administrative citations; authority; issuance. (a) A transit official has the exclusive authority to issue an administrative citation to a person who commits a violation under section 609.855, subdivision 1, paragraph (a), clause (1), or 3.

(b) An administrative citation must include notification that the person has the right to contest the citation, basic procedures for contesting the citation, and information on the timeline and consequences for failure to contest the citation or pay the fine.

(c) The council must not mandate or suggest a quota for the issuance of administrative citations under this section.

(d) Issuance and resolution of an administrative citation is a bar to prosecution under section 609.855, subdivision 1, paragraph (a), clause (1), or 3, or for any other violation arising from the same conduct.

Subd. 7. Administrative citations; disposition. (a) A person who commits a violation under section 609.855, subdivision 1, paragraph (a), clause (1), or 3, and is issued an administrative citation under this section must, within 90 days of issuance, pay the fine as specified or contest the citation. A person who fails to either pay the fine or contest the citation within the specified period is considered to have waived the contested citation process and is subject to collections.

(b) The council must provide a civil process for a person to contest the administrative citation before a neutral third party. The council may employ a council employee not associated with its transit operations to hear and rule on challenges to administrative citations or may contract with another unit of government or a private entity to provide the service.

(c) The council may contract with credit bureaus, public and private collection agencies, the Department of Revenue, and other public or private entities providing collection services as necessary for the collection of fine debts under this section. As determined by the council, collection costs are added to the debts referred to a public or private collection entity for collection. Collection costs include the fees of the collection entity and may include, if separately provided, skip tracing fees, credit bureau reporting charges, and fees assessed by any public entity for obtaining information necessary for debt collection. If the collection entity collects an amount less than the total due, the payment is applied proportionally to collection costs and the underlying debt.

Subd. 8. **Administrative citations; penalties.** (a) The amount of a fine under this section must be set at no less than \$35 and no more than \$100.

(b) Subject to paragraph (a), the council may adopt a graduated structure that increases the fine amount for second and subsequent violations.

(c) The council may adopt an alternative resolution procedure under which a person may resolve an administrative citation in lieu of paying a fine by complying with terms established by the council for community service, prepayment of future transit fares, or both. The alternative resolution procedure must be available only to a person who has committed a violation under section 609.855, subdivision 1, paragraph (a), clause (1), or 3, for the first time, unless the person demonstrates financial hardship under criteria established by the council.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2023, except that subdivisions 1 and 3 are effective the day following final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 94. [473.4077] LEGISLATIVE REPORT; TRANSIT SAFETY AND RIDER EXPERIENCE.

Subdivision 1. **Definitions.** For purposes of this section, the terms defined in section 473.4075 have the meanings given.

Subd. 2. **Legislative report.** (a) Annually by February 15, the council must submit a report on transit safety and rider experience to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

(b) At a minimum, the report must:

(1) provide an overview of transit safety issues and actions taken by the council to improve safety, including improvements made to equipment and infrastructure;

(2) provide an overview of the rider code of conduct and measures required under section 473.4065;

(3) provide an overview of the transit rider investment program under section 473.4075 and the program's structure and implementation;

(4) provide an overview of the activities of TRIP personnel, including specifically describing the activities of uniformed transit safety officials;

(5) provide a description of all policies adopted pursuant to section 473.4075, the need for each policy, and a copy of each policy;

(6) if the council adopted an alternative resolution procedure pursuant to section 473.4075, subdivision 8, provide:

(i) a description of that procedure;

(ii) the criteria used to determine financial hardship; and

(iii) for each of the previous three calendar years, how frequently the procedure was used, the number of community service hours performed, and the total amount paid as prepayment of transit fares;

(7) for each of the previous three calendar years:

(i) identify the number of fare compliance inspections that were completed, including the total number and the number as a percentage of total rides;

(ii) state the number of warnings and citations issued by the Metro Transit Police Department and transit agents, including a breakdown of which type of officer or official issued the citation, the statutory authority for issuing the warning or citation, the reason given for each warning or citation issued, and the total number of times each reason was given;

(iii) state the number of administrative citations that were appealed pursuant to section 473.4075, the number of those citations that were dismissed on appeal, and a breakdown of the reasons for dismissal;

(iv) include data and statistics on crime rates occurring on public transit vehicles and surrounding transit stops and stations;

(v) state the number of peace officers employed by the Metro Transit Police Department;

(vi) state the average number of peace officers employed by the Metro Transit Police Department; and

(vii) state the number of uniformed transit safety officials and community service officers who served as transit agents;

(8) analyze impacts of the transit rider investment program on fare compliance and customer experience for riders, including rates of fare violations; and

(9) make recommendations on the following:

(i) changes to the administrative citation program; and

(ii) methods to improve safety on public transit and transit stops and stations.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2023, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 95. [473.412] METRO TRANSIT CLEANING AND REPAIR STANDARDS; REPORT REQUIRED.

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

(b) "Cleaning" means the removal of litter, refuse, food, glass, bodily fluids, offensive odors, or other debris.

(c) "Graffiti" has the meaning given in section 617.90, subdivision 1.

(d) "Transit station" means a wholly or partially enclosed structure provided for public use as a waiting area in conjunction with light rail transit, bus rapid transit, or regular route transit and includes any property, structures, fixtures, equipment, appurtenances, improvements, heating elements, lighting, fare collection, or any other property that is owned, leased, held, or used for the purpose of providing and supporting public transit.

(e) "Transit vehicle" means light rail transit trains, bus rapid transit vehicles, buses servicing regular route intervals, or any other vehicle owned or operated by a public entity for the purpose of providing public transit.

(f) "Vandalism" means a person defacing, marring, damaging, removing, injuring, displacing, destroying, or tampering with any transit facility or transit vehicle equipment, property, structures, fixtures, or appurtenances.

Subd. 2. **Standards established.** (a) By October 1, 2023, the Metropolitan Council must adopt standards on cleanliness and repair of transit vehicles and stations. To the extent practicable, the standards must address:

(1) cleaning requirements for transit stations and vehicles operated by the council;

(2) a strategy for discovering and removing vandalism, graffiti, or other defacement to transit stations or vehicles operated by the council;

(3) a proposal for the timely repair of damage to transit stations and transit vehicle fixtures, structures, or other property used for the purpose of supporting public transit; and

(4) any other cleanliness standards necessary to provide a quality ridership experience for all transit users.

(b) By February 1, 2024, the Metropolitan Council must provide information on the council's website on how the council solicits public feedback on cleanliness and rider experience at transit stations and on transit vehicles. The council must post conspicuous notice of the public feedback options at each light rail transit station and bus rapid transit station operated by the council.

Subd. 3. **Report required; cleaning standards and expenditures.** (a) By October 1, 2023, and every two years thereafter, the Metropolitan Council must report to the chairs and ranking minority members of the legislative committees with jurisdiction over transit policy and finance on transit cleanliness and the ridership experience.

(b) The first report due under paragraph (a) must provide the council's adopted cleanliness standards required under subdivision 2. The first report must also provide information on how the council developed the cleanliness standards, the stakeholders it consulted in drafting the cleanliness standards, and the financial resources needed to implement the cleaning and repair standards. The first report must also identify the council's proposal for soliciting public feedback on cleanliness and rider experience at transit stations and on transit vehicles operated by the council.

(c) For reports submitted on October 1, 2025, and every two years thereafter, the report must include:

(1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

- (2) a report on the frequency, type, and location of repairs;
- (3) a report on whether specific transit stations needed a higher proportion of cleaning or repairs;
- (4) a report on workforce challenges for maintaining the cleanliness standards adopted by the council;
- (5) whether the council has adopted preventative measures against vandalism or graffiti; and
- (6) any recommendations for additions to the transit rider code of conduct adopted by the council under section 473.4065.

(d) The council must collect and summarize the public comments it receives and incorporate those comments into the report required under paragraph (c).

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. 96. [473.615] REPORT; CLIMATE MITIGATION AND ADAPTATION.

(a) By January 31 annually, the commission must submit a report on climate mitigation and adaptation to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

(b) At a minimum, the report must:

(1) summarize activities and evaluate performance at the Minneapolis-St. Paul International Airport in support of the following 2030 goals adopted by the commission:

(i) a reduction of greenhouse gas emissions to a level that is at least 80 percent below 2015 levels;

(ii) a reduction in water usage per airline passenger to a level that is at least 15 percent below 2015 levels; and

(iii) diversion of at least 75 percent of all waste through waste reduction, reuse, recycling, and composting programs; and

(2) summarize findings from the commission's 2023 waste characterization study.

(c) The report due by January 31, 2024, must also include a plan and timeline for the reduction of single-use plastics, including but not limited to a potential ban on plastic water bottles. The commission must develop the plan following a stakeholder engagement process.

(d) This section expires June 30, 2030.

Sec. 97. Minnesota Statutes 2022, section 473.859, subdivision 2, is amended to read:

Subd. 2. Land use plan. (a) A land use plan shall must include the water management plan required by section 103B.235, and shall designate the existing and proposed location, intensity and extent of use of land and water, including lakes, wetlands, rivers, streams, natural drainage courses, and adjoining land areas that affect water natural resources, for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes.

(b) A land use plan ~~shall~~ must contain a protection element, as appropriate, for historic sites, the matters listed in the water management plan required by section 103B.235, and an element for protection and development of access to direct sunlight for solar energy systems.

(c) A land use plan ~~shall~~ must also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing.

(d) A land use plan ~~shall~~ must also include the local government's goals, intentions, and priorities concerning aggregate and other natural resources, transportation infrastructure, land use compatibility, habitat, agricultural preservation, and other planning priorities, considering information regarding supply from the Minnesota Geological Survey Information Circular No. 46.

(e) A land use plan must also include an inventory and projections pertaining to greenhouse gas emissions and vehicle miles traveled that are generated from activity that occurs within the local government's jurisdiction. The inventory and projections must include the emission sources from transportation, land use, energy use, solid waste, and, where available and applicable, livestock and agriculture. The inventory and projections must include the estimated impact of strategies, including efficient land use and compact growth, that reduce or naturally sequester greenhouse gas emissions across sectors.

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. 98. Minnesota Statutes 2022, section 473.859, is amended by adding a subdivision to read:

Subd. 7. Climate mitigation and adaptation. The council must specify how climate mitigation and adaptation information required pursuant to subdivision 2 and section 473.145 must be incorporated into comprehensive plan content.

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. 99. Minnesota Statutes 2022, section 609.855, subdivision 1, is amended to read:

Subdivision 1. **Unlawfully obtaining services; petty misdemeanor.** (a) A person is guilty of a petty misdemeanor who intentionally obtains or attempts to obtain service for himself, herself, or another person from a provider of public transit or from a public conveyance by doing any of the following:

(1) occupies or rides in any public transit vehicle without paying the applicable fare or otherwise obtaining the consent of the transit provider including:

(i) the use of a reduced fare when a person is not eligible for the fare; or

(ii) the use of a fare medium issued solely for the use of a particular individual by another individual;

(2) presents a falsified, counterfeit, photocopied, or other deceptively manipulated fare medium as fare payment or proof of fare payment;

(3) sells, provides, copies, reproduces, or creates any version of any fare medium without the consent of the transit provider; or

(4) puts or attempts to put any of the following into any fare box, pass reader, ticket vending machine, or other fare collection equipment of a transit provider:

- (i) papers, articles, instruments, or items other than fare media or currency; or
- (ii) a fare medium that is not valid for the place or time at, or the manner in, which it is used.

(b) Where self-service barrier-free fare collection is utilized by a public transit provider, it is a violation of this subdivision to intentionally fail to exhibit proof of fare payment upon the request of an authorized transit representative when entering, riding upon, or leaving a transit vehicle or when present in a designated paid fare zone located in a transit facility.

(c) A person who violates this subdivision must pay a fine of no more than \$10.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 100. Minnesota Statutes 2022, section 609.855, subdivision 3, is amended to read:

Subd. 3. Prohibited activities; petty misdemeanor. (a) ~~A person is guilty of a misdemeanor who, while riding in a vehicle providing public transit service:~~

~~(1) operates a radio, television, tape player, electronic musical instrument, or other electronic device, other than a watch, which amplifies music, unless the sound emanates only from earphones or headphones and except that vehicle operators may operate electronic equipment for official business;~~

~~(2) smokes or carries lighted smoking paraphernalia;~~

~~(3) consumes food or beverages, except when authorized by the operator or other official of the transit system;~~

~~(4) (a) A person who throws or deposits litter; or while riding in a vehicle providing public transit service is guilty of a petty misdemeanor.~~

~~(5) carries or is in control of an animal without the operator's consent.~~

(b) A person is guilty of a violation of this subdivision only if the person continues to act in violation of this subdivision after being warned once by an authorized transit representative to stop the conduct.

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 101. Minnesota Statutes 2022, section 609.855, is amended by adding a subdivision to read:

Subd. 3a. Prohibited activities; misdemeanor. (a) A person who performs any of the following while in a transit vehicle or at a transit facility is guilty of a misdemeanor:

(1) smokes, as defined in section 144.413, subdivision 4;

(2) urinates or defecates;

(3) consumes an alcoholic beverage, as defined in section 340A.101, subdivision 2;

(4) damages a transit vehicle or transit facility in a manner that meets the requirements for criminal damage to property in the fourth degree under section 609.595, subdivision 3, and is not otherwise a violation under section 609.595, subdivision 1, 1a, or 2;

(5) performs vandalism, defacement, or placement of graffiti, as defined in section 617.90, subdivision 1; or

(6) engages in disorderly conduct as specified in section 609.72, subdivision 1, clause (3).

(b) A peace officer, as defined in section 626.84, subdivision 1, paragraph (c), may order a person to depart a transit vehicle or transit facility for a violation under paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2023, and applies to violations committed on or after that date.

Sec. 102. Minnesota Statutes 2022, section 609.855, subdivision 7, is amended to read:

Subd. 7. **Definitions.** (a) The definitions in this subdivision apply in this section.

(b) "Public transit" or "transit" has the meaning given in section 174.22, subdivision 7.

(c) "Public transit vehicle" or "transit vehicle" means any vehicle used for the purpose of providing public transit, whether or not the vehicle is owned or operated by a public entity.

(d) "Public transit facilities" or "transit facilities" means any vehicles, equipment, property, structures, stations, improvements, plants, parking or other facilities, or rights that are owned, leased, held, or used for the purpose of providing public transit, whether or not the facility is owned or operated by a public entity.

(e) "Fare medium" means a ticket, smart card, pass, coupon, token, transfer, or other medium sold or distributed by a public transit provider, or its authorized agents, for use in gaining entry to or use of the public transit facilities or vehicles of the provider.

(f) "Proof of fare payment" means a fare medium valid for the place or time at, or the manner in, which it is used. If using a reduced-fare medium, proof of fare payment also includes proper identification demonstrating a person's eligibility for the reduced fare. If using a fare medium issued solely for the use of a particular individual, proof of fare payment also includes an identification document bearing a photographic likeness of the individual and demonstrating that the individual is the person to whom the fare medium is issued.

(g) "Authorized transit representative" means the person authorized by the transit provider to operate the transit vehicle, a peace officer, a transit official under section 473.4075, subdivision 1, or any other person designated by the transit provider as an authorized transit provider representative under this section.

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

Sec. 103. Laws 2005, First Special Session chapter 6, article 3, section 103, is amended to read:

Sec. 103. ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR HENNEPIN COUNTY.

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy

registrar office or the annual volume of transactions processed by any deputy registrar within Hennepin County before or after the proposed appointment, the commissioner of public safety shall appoint a new deputy registrar of motor vehicles and driver's license agent for Hennepin County to operate a new full-service office of deputy registrar, with full authority to function as a registration and motor vehicle tax collection and driver's license bureau, at the Midtown Exchange Building and the North Minneapolis Service Center at 1001 Plymouth Avenue North in the city of Minneapolis. The addition of a deputy registrar establishes the North Minneapolis Service Center as a full-service office with full authority to function as a registration and motor vehicle tax collection and driver's license bureau. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles and driver's license agent under Minnesota Statutes, sections 168.33 and 171.061, and Minnesota Rules, chapter 7406, apply to the office.

Sec. 104. Laws 2013, chapter 127, section 63, is amended to read:

Sec. 63. CONVEYANCE OF STATE LAND; LE SUEUR COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, 92.45, 161.43, and 161.44, or any other law to the contrary, the commissioner of transportation may convey and quitclaim to a private party all right, title, and interest of the state of Minnesota, in the land described in paragraph (e). The consideration for a conveyance shall be the cost of planning, designing, acquiring, constructing, and equipping a comparable rest area facility on terms acceptable to the commissioner of transportation.

(b) Proceeds from the sale of real estate or buildings under this section shall be deposited in the safety rest area account established in Minnesota Statutes, section 160.2745.

(c) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance may take place only upon conditions determined by the commissioner of transportation.

(d) No direct access shall be permitted between marked Trunk Highway 169 and the land conveyed under this section.

(e) The land to be conveyed is located in Le Sueur County and is described as tracts A, B, and C:

Tract A consists of that part of the West Half of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southeasterly of the southeasterly right-of-way line of marked Trunk Highway 169 as the same was located prior to January 1, 1990, and northerly of the northerly right-of-way line of old marked Trunk Highway 169 (now known as County State-Aid Highway 28); excepting therefrom that part thereof lying southwesterly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the east quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds from said east section line (measured from south to west) for 3332.5 feet; thence deflect to the right on a 01 degree 00 minute 00 second curve (delta angle 40 degrees 11 minutes 00 seconds) having a length of 4018.3 feet for 133.6 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds to the tangent of said curve at said point for 1000 feet and there terminating.

Tract B consists of that part of the East Half of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southerly of the southeasterly right-of-way line of marked Trunk Highway 169 as located prior to January 1, 1990, northerly of the northerly right-of-way line of old marked Trunk Highway 169 (now known as County State-Aid Highway 28) and westerly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the East

Quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds from said east section line (measured from south to west) for 2318 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds for 400 feet; thence deflect to the right at an angle of 43 degrees 00 minutes 00 seconds for 1100 feet and there terminating.

Tract C consists of that part of the Southwest Quarter of the Southeast Quarter of Section 19, Township 112 North, Range 25 West, Le Sueur County, Minnesota, lying southeasterly of marked Trunk Highway 169 as located prior to January 1, 1971, and northwesterly of old marked Trunk Highway 169 (now known as County State-Aid Highway 28) and southwesterly of the following described line: From a point on the east line of said Section 19, distant 1273 feet north of the East Quarter corner thereof, run southwesterly at an angle of 37 degrees 47 minutes 00 seconds with said east section line for 3332.5 feet; thence deflect to the right on a 01 degree 00 minute 00 second curve (delta angle 40 degrees 11 minutes 00 seconds) having a length of 4018.3 feet for 133.6 feet to the point of beginning of the line to be described; thence deflect to the left at an angle of 90 degrees 00 minutes 00 seconds with the tangent of said curve at said point for 1000 feet and there terminating.

Sec. 105. 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~~ Using existing resources, the Metropolitan Council 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~~ throughout 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 ~~for the public transit system in the metropolitan area, as defined in~~ Minnesota Statutes, section 473.121, subdivision 2, 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 ~~2024~~, the ~~commissioner~~ 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; 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. 106. Laws 2022, chapter 39, section 2, is amended to read:

Sec. 2. SOUTHWEST LIGHT RAIL TRANSIT; EXPENDITURES AND SCHEDULE.

(a) Annually by January 1 and July 1, the Metropolitan Council must provide status updates on the Southwest light rail transit project to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. Each status update must include:

- (1) total expenditures on the project during the previous six months as compared to projections;
- (2) total expenditures on the project anticipated over the next six months; ~~and~~
- (3) total expenditures on the project to date;
- (4) the total project cost estimate; and
- (5) any change in the date of anticipated project completion.

(b) The Metropolitan Council must notify the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance within seven calendar days of making a determination that:

- (1) the anticipated Southwest light rail project completion date is delayed by six months or more beyond the estimated completion date determined as of the effective date of this section;
- (2) the anticipated Southwest light rail project completion date is delayed by six months or more beyond the most recent estimated completion date;
- (3) the total Southwest light rail project cost is anticipated to increase by five percent or more above the project cost estimate determined as of the effective date of this section; or
- (4) the total Southwest light rail project cost is anticipated to increase by five percent or more above the most recent cost estimate.

(c) On a quarterly basis, the Metropolitan Council must submit a summary of expenditures since the last quarterly report for review and comment to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and to the members of the Legislative Commission on Metropolitan Government. A summary must include the following for each expenditure or for a subtotal of related expenditures:

- (1) the expenditure or subtotal amount;
- (2) the specific standard cost category; and
- (3) identification or a brief summary of the nature of the expenditure.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to expenditures made on or after October 1, 2023. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 107. RETROACTIVE DRIVER'S LICENSE REINSTATEMENT.

(a) The commissioner of public safety must make an individual's driver's license eligible for reinstatement if the license is solely suspended pursuant to:

(1) Minnesota Statutes 2020, section 169.92, subdivision 4, if the person did not appear in court (i) in compliance with the terms of a citation for a petty misdemeanor, or (ii) for a violation of Minnesota Statutes, section 171.24, subdivision 1;

(2) Minnesota Statutes 2020, section 171.16, subdivision 2, if the person was convicted only under Minnesota Statutes, section 171.24, subdivision 1 or 2;

(3) Minnesota Statutes 2020, section 171.16, subdivision 3; or

(4) any combination of clauses (1), (2), and (3).

(b) By December 1, 2023, the commissioner must provide written notice to an individual whose license has been made eligible for reinstatement under paragraph (a), addressed to the licensee at the licensee's last known address.

(c) Notwithstanding any law to the contrary, before the license is reinstated, an individual whose driver's license is eligible for reinstatement under paragraph (a) must pay a single reinstatement fee of \$20.

(d) The following applies for an individual who is eligible for reinstatement under paragraph (a) and whose license was suspended, revoked, or canceled under any other provision in Minnesota Statutes:

(1) the suspension, revocation, or cancellation under any other provision in Minnesota Statutes remains in effect;

(2) subject to clause (1), the individual may become eligible for reinstatement under paragraph (a); and

(3) the commissioner is not required to send the notice described in paragraph (b).

(e) Paragraph (a) applies notwithstanding Minnesota Statutes 2020, sections 169.92, subdivision 4; and 171.16, subdivision 2 or 3; or any other law to the contrary.

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

Sec. 108. ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR RAMSEY COUNTY.

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar within Ramsey County before or after the proposed appointment, the commissioner of public safety must appoint a new private deputy registrar of motor vehicles to operate a new office of deputy registrar, with full authority to function as a registration and motor vehicle tax collection bureau, at or in the vicinity of the Hmong Village shopping center at 1001 Johnson Parkway in the city of St. Paul. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, apply to the office.

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

Sec. 109. TRAFFIC SAFETY VIOLATIONS DISPOSITION ANALYSIS.

(a) The commissioner of public safety must enter into an agreement with the Center for Transportation Studies at the University of Minnesota to conduct an evaluation of the disposition in recent years of citations

for speeding, impairment, distraction, and seatbelt violations. The evaluation under the agreement must include but is not limited to analysis of:

(1) rates of citations issued compared to rates of citations contested in court and the outcomes of the cases;

(2) amounts of fines imposed compared to counts and amounts of fine payments; and

(3) any related changes in patterns of traffic enforcement from 2017 to 2022.

(b) The agreement must require the Center for Transportation Studies to submit an interim progress report by July 1, 2024, and a final report by July 1, 2025, to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and public safety.

Sec. 110. **FEDERAL TRANSPORTATION GRANTS TECHNICAL ASSISTANCE.**

Subdivision 1. **Definition.** For purposes of this section, "commissioner" means the commissioner of transportation.

Subd. 2. Technical assistance grants. (a) The commissioner must establish a process to provide grants for technical assistance to a requesting local unit of government or Tribal government that seeks to submit an application for a federal discretionary grant for a transportation-related purpose.

(b) A transportation-related purpose includes but is not limited to a project, a program, planning, program delivery, administrative costs, ongoing operations, and other related expenditures. Technical assistance includes but is not limited to hiring consultants for identification of available grants, grant writing, analysis, data collection, technical review, legal interpretations necessary to complete an application, planning, pre-engineering, application finalization, and similar activities.

Subd. 3. Evaluation criteria. (a) The commissioner must establish a process for solicitation, submission of requests for technical assistance, screening requests, and award of technical assistance grants.

(b) The process must include criteria for projects or purposes that:

(1) address or mitigate the impacts of climate change, including through:

(i) reduction in transportation-related pollution or emissions; and

(ii) improvements to the resiliency of infrastructure that is subject to long-term risks from natural disasters, weather events, or changing climate conditions;

(2) are located in areas of persistent poverty or historically disadvantaged communities as measured and defined in federal law, guidance, and notices of funding opportunity;

(3) improve safety for motorized and nonmotorized users;

(4) are located in townships or in cities that are eligible for small cities assistance aid under Minnesota Statutes, section 162.145;

(5) support grants to Tribal governments; and

(6) provide for geographic balance of grants throughout the state.

Subd. 4. Requirements. (a) A technical assistance grant may not exceed \$30,000.

(b) The commissioner may not award more than one grant to each unit of government in a calendar year.
The commissioner may award multiple grants to a Tribal government in a calendar year.

(c) From available funds in each fiscal year, the commissioner must reserve:

(1) at least 15 percent for Tribal governments; and

(2) at least 15 percent for cities that are eligible for small cities assistance aid under Minnesota Statutes, section 162.145.

(d) Money reserved under paragraph (c) that is unused at the end of a fiscal year may be used for grants to any eligible recipient in the following fiscal year.

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

Sec. 111. INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA) DISCRETIONARY MATCH.

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Federal discretionary grant" means federal funds under a discretionary grant program enacted or authorized in the Infrastructure Investment and Jobs Act (IIJA), Public Law 117-58, and federal funds under any subsequent federal appropriations acts directly associated with a spending authorization or appropriation under the IIJA.

(d) "Federal grant recipient" means an entity that receives a federal discretionary grant under the applicable federal program.

Subd. 2. General requirements. (a) The commissioner must establish a process to allocate funds made available for purposes of this section.

(b) The commissioner must allocate available funds in the order of (1) requests submitted by federal grant recipients, followed by (2) announcement or notification of the federal grant award. The commissioner may allocate funds for a federal discretionary grant awarded prior to the effective date of this section.

(c) The commissioner must only allocate available funds:

(1) to a federal grant recipient for match requirements under federal discretionary grants;

(2) for a transportation-related purpose, including but not limited to a project, a program, planning, program delivery, administrative costs, ongoing operations, and other related expenditures; and

(3) in an amount not to exceed the lesser of (i) the amount necessary for the federal match requirements, or (ii) \$10,000,000.

Subd. 3. Uses of funds. (a) From available funds under this section, the commissioner may:

(1) expend funds for the trunk highway system;

(2) allocate funds among any transportation modes and programs, including but not limited to local roads and bridges, transit, active transportation, aeronautics, alternative fuel corridors, electric vehicle infrastructure, and climate-related programs; and

(3) make grants to a federal grant recipient, which as appropriate includes but is not limited to federally recognized Tribal governments, local units of government, and metropolitan planning organizations.

(b) Funds under this section are available regardless of the eligible uses of federal funds under the federal discretionary grant award.

Subd. 4. Public information. The commissioner must maintain information on a public website that details funds allocated under this section. The information must include:

(1) a summary of federal grant recipients, projects including a general status, and the amounts of match funding requested and provided;

(2) identification of any unfunded requests; and

(3) a fiscal review that provides breakouts by type of project or purpose, transportation mode, federal program, and region of the state.

Subd. 5. Expiration. This section expires June 30, 2029.

Sec. 112. RAIL CORRIDOR SERVICE.

Subdivision 1. Commuter rail extension. The commissioner of transportation, in collaboration with the Metropolitan Council, must conduct an assessment of a project to extend Northstar Commuter Rail service to the city of St. Cloud. The assessment must include but is not limited to project scoping; documentation of the necessary steps to apply for and receive federal funding; estimation of the project scope and costs of predesign, design, project development, construction, rolling stock, and equipment; and a detailed summary of all necessary steps to complete the rail extension to St. Cloud prior to construction, including but not limited to any additional analysis, outreach, predesign, and design.

Subd. 2. Corridor development analysis. (a) Of the amount appropriated under subdivision 1 that remains following the assessment under this subdivision, the commissioner must conduct a comprehensive analysis and evaluation of options for development of transit and rail service improvements in the corridor between the cities of St. Paul, Minneapolis, Coon Rapids, St. Cloud, Fargo, and Moorhead.

(b) At a minimum, the analysis must:

(1) identify and evaluate alternatives for service in the corridor, including but not limited to:

(i) intercity passenger rail, commuter rail, bus service, other public transportation alternatives identified by the commissioner, or a combination of service between Minneapolis and St. Paul;

(ii) extension of current Amtrak train service between Minneapolis and St. Paul and Chicago to St. Cloud;

(iii) intercity passenger rail service between St. Paul, Minneapolis, Coon Rapids, St. Cloud, Fargo, and Moorhead; and

(iv) intercity passenger rail service through Minnesota on a line with origins and destinations outside the state;

(2) evaluate elimination of Northstar Commuter Rail service in conjunction with options under clause (1), including but not limited to a comprehensive fiscal review of costs and reductions in expenditures, analysis of barriers, and any other considerations;

(3) provide for estimation of:

(i) ridership, including potential impacts of stops in the vicinity of St. Cloud State University and the Department of Veterans Affairs health care center in St. Cloud;

(ii) capital and operating costs; and

(iii) revenue impacts;

(4) consider project barriers and risks;

(5) examine transit service administration, which may include jurisdictional transfers and contracting for service; and

(6) make recommendations for rail service development in the corridor.

Subd. 3. **Legislative reports.** (a) By February 15, 2024, the commissioner of transportation must submit a report on the commuter rail extension assessment under subdivision 2 to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must:

(1) include the results of the assessment; and

(2) provide an overview of the status of the corridor analysis under subdivision 2.

(b) By February 1, 2025, the commissioner of transportation must submit a report on the corridor analysis and evaluation under subdivision 2 to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must:

(1) provide a summary of the corridor analysis;

(2) review each of the elements specified under subdivision 2, paragraph (b); and

(3) provide recommendations for legislative changes, if any.

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

Sec. 113. TRANSIT SERVICE INTERVENTION PROJECT.

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

(b) "Council" means the Metropolitan Council established under Minnesota Statutes, chapter 473.

(c) "Intervention project" means the Transit Service Intervention Project established in this section.

Subd. 2. **Establishment.** A Transit Service Intervention Project is established to provide coordinated, high-visibility interventions on light rail transit lines that provide for enhanced social services outreach and engagement, code of conduct regulation, and law enforcement.

Subd. 3. Project management. The council must implement the intervention project.

Subd. 4. Participating organizations. The council must seek the participation of the following entities to provide for coordination on the intervention project:

- (1) the Department of Human Services;
- (2) the Department of Public Safety;
- (3) the Minnesota State Patrol;
- (4) the Metropolitan Council;
- (5) the Metro Transit Police Department;
- (6) each county within which a light rail transit line operates;
- (7) each city within which a light rail transit line operates;
- (8) the Metropolitan Airports Commission;
- (9) the National Alliance on Mental Illness Minnesota;
- (10) the exclusive representative of transit vehicle operators; and
- (11) other interested community-based social service organizations.

Subd. 5. Duties. (a) In collaboration with the participating organizations under subdivision 5, the council must:

(1) establish social services intervention teams that consist of county-based social services personnel, as available, and personnel from nonprofit organizations having mental health services or support capacity to perform on-site social services engagement with (i) transit riders experiencing homelessness, (ii) transit riders with substance use disorders or mental or behavioral health disorders, or (iii) a combination;

(2) establish coordinated intervention teams that consist of personnel under clause (1), community service officers, and peace officers;

(3) implement interventions in two phases as follows:

(i) by June 1, 2023, and for a period of three weeks, deploy the social services intervention teams on a mobile basis on light rail transit lines and facilities; and

(ii) beginning at the conclusion of the period under item (i), and for a period of at least nine weeks, deploy the coordinated intervention teams on a mobile basis on light rail transit lines and facilities, utilizing both social services and law enforcement partners; and

(4) evaluate impacts of the intervention teams related to social services outreach, code of conduct violations, and rider experience.

(b) Social services engagement under paragraph (a) includes but is not limited to outreach, preliminary assessment and screening, information and resource sharing, referral or connections to service providers, assistance in arranging for services, and precrisis response.

Subd. 6. Administration. Using existing resources, the council must provide staff assistance and administrative support for the project.

Subd. 7. Reports. By the 15th of each month, the council must submit a status report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, each report must include:

- (1) a summary of activities under the intervention project;
- (2) a fiscal review of expenditures; and
- (3) analysis of impacts and outcomes related to social services outreach, violations under Minnesota Statutes, sections 473.4065 and 609.855, and rider experience.

Subd. 8. Expiration. The intervention project under this section expires June 30, 2024.

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. 114. OPERATING AND CAPITAL ASSISTANCE; GREATER MINNESOTA TRANSIT.

(a) Notwithstanding Minnesota Statutes, section 174.24, subdivision 3b, the commissioner of transportation must fund the operating costs of any eligible public transit system under Minnesota Statutes, section 174.24, subdivision 2, such that the percentage of total contracted operating costs paid by any recipient from local sources will not exceed five percent.

(b) Notwithstanding Minnesota Statutes, section 174.24, subdivision 3c, and Minnesota Rules, part 8835.0320, the commissioner of transportation must fund 90 percent of the capital costs approved by the commissioner under the public transit participation program under Minnesota Statutes, section 174.24. The recipient must provide the remaining ten percent of the approved capital costs from local sources.

EFFECTIVE DATE. This section is effective July 21, 2023, and expires June 30, 2025.

Sec. 115. SOUTHWEST LIGHT RAIL TRANSIT; EXPENDITURE LIMITATIONS.

Notwithstanding encumbrances or other spending commitments made or currently applied for in a grant prior to the effective date of this section, the Metropolitan Council is prohibited from expending any Coronavirus Response and Relief Supplemental Appropriations Act funds for the Southwest light rail transit (Green Line Extension) project.

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. 116. BLUE LINE LIGHT RAIL EXTENSION ENGAGEMENT MEETINGS.

(a) The Blue Line light rail extension project office must, at least quarterly, organize and facilitate community engagement meetings in consultation with community groups located along the Blue Line extension alignment route, primarily focused on Minneapolis neighborhoods, including the Lyn-Park, Willard-Hay, Near North, and Jordan communities. Information requested by community groups in the meetings or in correspondence to the project office must be supplied in a timely manner and, if practicable, before the next quarterly meeting. Information, concerns, and requests presented by the community at the community engagement meetings or provided directly to the extension project office must be documented in the official meeting minutes and must be provided to the project Corridor Management Committee and posted on the Blue Line extension project website.

(b) Representatives from the Metropolitan Council, Hennepin County, and the Department of Transportation must participate in the community engagement meetings and all other meetings relating to antidisplacement initiatives connected to the Blue Line light rail extension project. Representatives from the cities of Minneapolis, Robbinsdale, Crystal, and Brooklyn Park must attend meetings that occur in their respective cities, attend all meetings relating to antidisplacement initiatives, and attend other project-related meetings as requested.

(c) By July 1, 2023, the Blue Line light rail extension project office must coordinate with community groups to establish a framework for community engagement meetings. The framework must at a minimum include project information, light rail impacts on and opportunities for businesses and residents, and business mitigation and antidisplacement strategies. The framework must also include a process for community feedback on project design options.

(d) State funds for the Blue Line light rail extension project must be available no sooner than August 1, 2023.

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

Sec. 117. BLUE LINE LIGHT RAIL EXTENSION ROUTE ALIGNMENT CONSULTATION.

The commissioner of transportation and the city of Minneapolis must consult with the Metropolitan Council and Hennepin County to evaluate the possible redesign of the overpass or the entrance and exit ramps of marked Interstate Highway 94, 10th Avenue, or Washington Avenue between downtown Minneapolis and West Broadway Avenue for a possible route of the Blue Line light rail extension project in the area between Interstate Highway 94 and the Mississippi River. All cities along the corridor must have the opportunity to present their concerns and proposals to the Blue Line extension project's Corridor Management Committee for consideration.

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

Sec. 118. MICROTRANSIT SERVICE.

From sales tax revenue, as defined in Minnesota Statutes, section 473.4465, subdivision 1, the Metropolitan Council must provide financial assistance to replacement service providers under Minnesota Statutes, section 473.388, for improvements related to demand response transit service. The council must make grants in fiscal year 2024 as follows:

- (1) \$2,300,000 to Minnesota Valley Transit Authority for vehicle costs;
- (2) \$3,500,000 to Minnesota Valley Transit Authority for infrastructure and other capital costs;
- (3) \$3,000,000 to SouthWest Transit for vehicle costs, infrastructure, and other capital costs, and
- (4) \$200,000 to Maple Grove Transit for vehicle costs.

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

Sec. 119. TRANSIT SIGNAL PRIORITY SYSTEM PLANNING.

Subdivision 1. **Establishment.** From sales tax revenue, as defined in section 473.4465, subdivision 1, the Metropolitan Council must convene a working group by August 1, 2023, to perform planning on transit

signal priority systems and related transit advantage improvements on high-frequency and high-ridership bus routes in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2.

Subd. 2. **Membership.** The Metropolitan Council must solicit the following members to participate in the working group:

- (1) one member representing Metro Transit, appointed by the Metropolitan Council;
- (2) one member representing the Department of Transportation, appointed by the commissioner of transportation;
- (3) one member representing Minneapolis, appointed by the Minneapolis City Council;
- (4) one member representing St. Paul, appointed by the St. Paul City Council;
- (5) one member representing Hennepin County, appointed by the Hennepin County Board;
- (6) one member representing Ramsey County, appointed by the Ramsey County Board;
- (7) one member from a city participating in the replacement service program under Minnesota Statutes, section 473.388, appointed by the Suburban Transit Association;
- (8) one member from the Center for Transportation Studies at the University of Minnesota;
- (9) one member from Move Minnesota; and
- (10) other members as identified by the Metropolitan Council.

Subd. 3. **Duties.** At a minimum, the working group must:

- (1) assess the current status and capability of transit signal priority systems among the relevant road authorities;
- (2) identify key barriers and constraints and measures to address the barriers;
- (3) explore methods for ongoing coordination among the relevant road authorities;
- (4) estimate costs of potential improvements; and
- (5) develop a proposal or recommendations to implement transit signal priority systems and related transit advantage improvements, including a prioritized listing of locations or routes.

Subd. 4. **Administration.** Upon request of the working group, the Metropolitan Council and the commissioner of transportation must provide administrative and technical support for the working group.

Subd. 5. **Report.** By February 15, 2024, the Metropolitan Council must submit a report on transit signal priority system improvements to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must summarize the results of the working group and provide information on each of the activities specified in subdivision 3.

Subd. 6. **Expiration.** The working group under this section expires June 30, 2024.

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. 120. **MIDTOWN GREENWAY BICYCLE AND PEDESTRIAN TRAIL EXPANSION PLANNING.**

(a) The Metropolitan Council must plan continuous and dedicated bicycle and pedestrian trails from the current eastern terminus of the Midtown Greenway in Hennepin County to 27th Avenue Southeast in Hennepin County and to Allianz Field in Ramsey County. The Metropolitan Council may use available funding to support project management and implementation, data collection, legal analysis, community engagement, and use of consultants.

(b) When planning the trail expansions, the Metropolitan Council must coordinate with the Hennepin County Regional Railroad Authority, the Ramsey County Regional Railroad Authority, other local governments, and affected property owners.

(c) The bicycle and pedestrian trails to be planned must include the following segments:

(1) Segment 1 from the eastern terminus of the Midtown Greenway extending eastward over the Short Line Bridge on the railroad right-of-way to Cleveland Avenue North in the city of St. Paul. Segment 1 must include a connection to the existing bicycle facility on Pelham Boulevard via a new trail on St. Anthony Avenue;

(2) Segment 2 from the eastern end of the Short Line Bridge extending over marked Interstate Highway 94 to the existing bicycle facility on 27th Avenue Southeast in the city of Minneapolis. Segment 2 must include connections to Franklin Avenue Southeast, Cecil Street Southeast, Seymour Avenue Southeast, and the existing pedestrian bridge at Seymour Avenue Southeast over marked Interstate Highway 94;

(3) Segment 3 from Cleveland Avenue North extending eastward on Gilbert Avenue to Prior Avenue North and on Prior Avenue North northward to the intersection of Prior Avenue North and St. Anthony Avenue;

(4) Segment 4 from Prior Avenue North extending eastward on St. Anthony Avenue to the existing bicycle and pedestrian bridge at Aldine Street over marked Interstate Highway 94; and

(5) Segment 5 from the intersection of Aldine Street and St. Anthony Avenue to Allianz Field on a route to be determined that does not include railroad right-of-way.

(d) East of Cleveland Avenue, the Metropolitan Council may also consider alternative routes for the bicycle and pedestrian trail that still connect to Allianz Field.

(e) At a minimum, the developed plans must include:

(1) a project layout that provides a safe and consistent two-way, curb-separated trail protected from motor vehicle traffic wherever possible;

(2) features of the existing Midtown Greenway that provide safety and wayfinding, including but not limited to lighting, signage, and emergency call boxes;

(3) an analysis of which portions of the planned trails can be completed independently of other portions. In completing this analysis, the Metropolitan Council may subdivide the segments listed in paragraph (c) as needed;

(4) an analysis of what portions of the planned trails can be completed either without using railroad right-of-way or on railroad right-of-way without significantly affecting current rail operations;

(5) a recommendation for a reasonable easement or shared use agreement for the Short Line Bridge between the railroad and the entity responsible for operating the trail, which may include but is not limited to Hennepin County, the Metropolitan Council, the Minneapolis Park Board, the Department of Transportation, or other trail operator, that maintains active rail tracks on the upstream side of the bridge while accommodating a bicycle and pedestrian trail on the downstream side of the bridge; and

(6) estimates for construction costs broken out by segments and features.

(f) The council must allocate revenues collected under Minnesota Statutes, section 297A.9915, for the purpose of the planning activities in paragraphs (a) to (e).

(g) The council may contract with a third party to perform the planning activities in paragraphs (a) to (e) with revenues collected under Minnesota Statutes, section 297A.9915.

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

Sec. 121. METRO MOBILITY ENHANCEMENT PILOT PROGRAM.

Subdivision 1. **Definition.** For purposes of this section, "pilot program" means the Metro Mobility enhancement pilot program established in this section.

Subd. 2. **Establishment.** Subject to available funds, the Metropolitan Council must implement a pilot program to enhance the existing service levels of Metro Mobility under Minnesota Statutes, section 473.386.

Subd. 3. **Requirements.** The pilot program must:

(1) commence by September 1, 2023, and operate until December 31, 2025;

(2) provide for advanced scheduling of enhanced Metro Mobility service;

(3) to the extent feasible, provide service outside of the current Metro Mobility hours of service, as follows:

(i) on weekdays from 6:00 a.m. to 10:00 p.m.;

(ii) on Saturdays from 7:00 a.m. to 11:00 p.m.; and

(iii) on Sundays from 7:00 a.m. to 10:00 p.m.;

(4) cover the entirety of the geographic area specified in Minnesota Statutes, section 473.386, subdivision 3, clause (9); and

(5) establish rider eligibility and fares in a manner that is substantially comparable to the requirements under Metro Mobility.

Subd. 4. **Legislative report.** By February 1, 2026, the Metropolitan Council must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the pilot program. At a minimum, the report must:

(1) summarize pilot program implementation;

(2) provide a fiscal review that identifies uses of funds;

(3) analyze results under the pilot program, including improvements to service and customer experience;

- (4) evaluate accessibility impacts and constraints for riders who use a wheelchair or otherwise require specialized equipment or service;
- (5) consider service models, technologies, partnership models, and anticipated industry changes;
- (6) identify findings, practices, and considerations for replication in communities throughout the state;
- (7) review any modifications under consideration, planned, or implemented for the Metro Mobility program; and
- (8) make any recommendations on service improvements related to Metro Mobility, including fiscal implications.

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. 122. TRANSIT FARE ELIMINATION PILOT PROGRAM.

Subdivision 1. Pilot program established. From sales tax revenue, as defined in section 473.4465, subdivision 1, the Metropolitan Council must establish a pilot program to provide transit service for free or at a reduced fare for all riders, as specified in this section.

Subd. 2. Requirements. The Metropolitan Council must implement the pilot program:

- (1) from July 1, 2023, to December 31, 2024;
- (2) for two regular route bus lines, which may include express bus and bus rapid transit;
- (3) on the entirety of each selected route; and
- (4) during both peak and nonpeak service hours.

Subd. 3. Metro Mobility customers. (a) During the pilot program, the Metropolitan Council must provide regular route transit, as defined in Minnesota Statutes, section 473.385, subdivision 1, free of charge to an individual who is (1) certified as disabled under the Americans with Disabilities Act requirements of the Federal Transit Administration; or (2) certified by the Metropolitan Council under Minnesota Statutes, section 473.386, subdivision 2a.

(b) The requirements under this subdivision apply to all regular route service and are not limited to those lines selected under the pilot program.

Subd. 4. Legislative report. (a) By February 15, 2025, the Metropolitan Council must submit a report on the pilot program to the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must include:

- (1) an overview of pilot program implementation;
- (2) evaluation of the effects on (i) ridership, (ii) travel time, (iii) service equity, and (iv) rider experience and other measures of quality of life;
- (3) a review of fiscal impacts, including foregone revenue, costs related to service changes, and potential cost efficiencies;
- (4) analysis of barriers, best practices, economic impacts, and other relevant considerations; and

(5) any recommendations regarding any subsequent implementation of free or reduced-fare transit service.

(b) For purposes of this subdivision, "staff" means those employees who are identified in any of the following roles for the legislative committees: committee administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan research.

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. 123. METROPOLITAN GOVERNANCE TASK FORCE.

Subdivision 1. Established. A Metropolitan Governance Task Force is established to study and make recommendations to the legislature on reform and governance of the Metropolitan Council.

Subd. 2. Membership. (a) The task force consists of the following members:

(1) four members of the senate, with two appointed by the senate majority leader and two appointed by the senate minority leader;

(2) four members of the house of representatives, with two appointed by the speaker of the house and two appointed by the minority leader of the house of representatives;

(3) one person representing cities in the metropolitan area, appointed by the Association of Metropolitan Municipalities;

(4) one county commissioner representing counties in the metropolitan area, appointed by the Association of Minnesota Counties;

(5) one person representing townships in the metropolitan area, appointed by the Minnesota Association of Townships;

(6) one person representing an employee collective bargaining unit of the Metropolitan Council, appointed by the Minnesota AFL-CIO;

(7) one person appointed by the governor;

(8) one person representing transit, appointed by Move Minnesota;

(9) one person representing institutions of higher education, appointed by the Office of Higher Education; and

(10) two members of the public, appointed by the Legislative Coordinating Commission.

(b) The appointing authorities under paragraph (a) must make the appointments by July 15, 2023.

Subd. 3. Chair; other officers. The task force must elect from among its legislative members a chair and vice-chair and any other officers that the task force determines would be necessary or convenient.

Subd. 4. Duties. The task force must study and evaluate options to reform and reconstitute governance of the Metropolitan Council. The study must include an analysis of the costs and benefits of:

(1) direct election of members to the Metropolitan Council;

(2) a combination of directly elected and appointed members to the Metropolitan Council;

- (3) a council of governments which would replace the current Metropolitan Council;
- (4) reapportioning responsibilities of the Metropolitan Council to state agencies and local units of government;
- (5) adoption of a home rule charter for governance of the Metropolitan Council; and
- (6) any other regional governance approaches that are viable alternatives to the current structure of the Metropolitan Council.

Subd. 5. State; metropolitan agencies must cooperate; subcommittees. The Metropolitan Council and state and metropolitan agencies must cooperate with the task force and provide information requested in a timely fashion. The task force may establish subcommittees and invite other stakeholders to participate in the task force's study and development of recommendations.

Subd. 6. Compensation. Member compensation and reimbursement for expenses are governed by Minnesota Statutes, section 15.059, subdivision 3.

Subd. 7. Grants. The task force may accept grant funds from any federal, state, local, or nongovernmental source to support its work and offset any costs, provided accepting the money does not create a conflict of interest for the task force or its members. The Legislative Coordinating Commission may administer any grant money given to the task force.

Subd. 8. Administrative support; staff. The Legislative Coordinating Commission must provide meeting space, administrative support, and staff support for the task force. The task force may hold meetings in any publicly accessible location in the Capitol Complex that is equipped with technology that can facilitate remote testimony.

Subd. 9. Open meeting law. Meetings of the task force are subject to Minnesota Statutes, chapter 13D.

Subd. 10. Report. The task force shall report its findings and recommendations to the chairs and ranking minority members of the legislative committees with responsibility for or jurisdiction over the Metropolitan Council and metropolitan agencies. The report is due by February 1, 2024.

Subd. 11. Expiration. The task force expires on June 30, 2024.

EFFECTIVE DATE; EXPIRATION; APPLICATION. This section is effective the day following final enactment. Subdivision 5 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 124. CLEAN TRANSPORTATION FUEL STANDARD WORKING GROUP; REPORT REQUIRED.

Subdivision 1. Creation. By August 1, 2023, the commissioners of the Pollution Control Agency, transportation, commerce, and agriculture must convene a Clean Transportation Fuel Standard Working Group to study and address information gaps and opportunities related to a clean transportation fuel standard that requires the aggregate carbon intensity of transportation fuel supplied to Minnesota be reduced to at least 25 percent below the 2018 baseline level by the end of 2030, by 75 percent by the end of 2040, and by 100 percent by the end of 2050.

Subd. 2. Membership. (a) Appointments to the working group are made pursuant to Minnesota Statutes, section 15.0597.

(b) Appointments to the working group must include two individuals representing each of the following:

(1) renewable fuel producers;

(2) renewable natural gas and organic waste interests, including at least one local government that manages organic waste;

(3) general farm organizations;

(4) agricultural commodity groups;

(5) conventional transportation fuel producers and retailers;

(6) Tribal governments;

(7) environmental science organizations;

(8) environmental justice organizations;

(9) automotive manufacturers;

(10) forestry interests;

(11) electric utilities or cooperatives;

(12) electric vehicle charging infrastructure companies;

(13) aviation interests;

(14) water quality interests;

(15) a statewide organization of environmental and natural resource organizations;

(16) organizations with expertise in renewable energy and low-carbon transportation fuel policy;

(17) conservation organizations;

(18) organizations representing sustainable agriculture or regenerative biofuels producers;

(19) public health interests; and

(20) labor unions.

Subd. 3. Administration. Appointments and designations to the working group authorized by this section must be completed by July 1, 2023. Public members serve without compensation or payment of expenses. The members of the working group must select a chair from its membership who must not be a commissioner or their designee. Any of the commissioners convening the working group may contract with a third-party facilitator.

Subd. 4. Report. By February 1, 2024, the working group must submit its findings and recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and energy policy.

Subd. 5. Expiration. The working group expires on January 1, 2025, or upon submission of the report required under subdivision 4, whichever is earlier.

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

Sec. 125. GREENHOUSE GAS EMISSIONS IMPACT MITIGATION WORKING GROUP.

Subdivision 1. **Establishment; purpose.** By August 1, 2023, the commissioner of transportation must convene a Greenhouse Gas Emissions Impact Mitigation Working Group to assist the commissioner with:

- (1) development of a process for impact assessment under Minnesota Statutes, section 161.178;
- (2) development of an impact mitigation plan;
- (3) consideration of options related to funding greenhouse gas emissions mitigation activities in conjunction with transportation capacity expansion projects; and
- (4) consideration of options for alternative mitigation options.

Subd. 2. **Membership; chair.** (a) At a minimum, the working group must include:

- (1) the commissioner of transportation, or a designee;
- (2) the chair of the Metropolitan Council, or a designee;
- (3) two representatives from the Department of Transportation Sustainable Transportation Advisory Council;
- (4) two representatives from the Minnesota County Engineers Association;
- (5) two representatives from the City Engineers Association of Minnesota;
- (6) one representative from a metropolitan planning organization or regional development organization in greater Minnesota; and
- (7) one representative from Move Minnesota.

(b) Appointments and designations to the working group must be completed by July 1, 2023.

(c) The members of the working group must select a chair from its membership.

Subd. 3. **Administration.** (a) The working group must meet a minimum of six times.

(b) Members serve without compensation or payment of expenses. The commissioner must provide administrative support to the working group.

(c) Appointments and designations to the working group must not include a member of the legislature.

Subd. 4. **Legislative report.** By February 1, 2024, the working group must submit its findings and recommendations, including any recommendations for legislation, to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

Subd. 5. **Expiration.** The working group expires on the earlier of February 15, 2025, or upon submission of the report required under subdivision 4.

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

Sec. 126. LEGISLATIVE REPORT; SPEED SAFETY CAMERAS.

(a) By November 1, 2024, the commissioner of public safety must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and

finance that identifies a process and associated policies for issuance of a mailed citation to the owner or lessee of a motor vehicle that a speed safety camera system detects is operated in violation of a speed limit.

(b) The commissioner must convene a task force to assist in the development of the report. The task force must include the Advisory Council on Traffic Safety under Minnesota Statutes, section 4.076, a representative from the Minnesota County Attorneys Association, and a person with expertise in data privacy and may include other members as the commissioner determines are necessary to develop the report.

(c) At a minimum, the report must include consideration and analysis of:

- (1) methods to identify the owner, operator, and any lessee of the motor vehicle;
- (2) compliance with federal enforcement requirements related to holders of a commercial driver's license;
- (3) authority of individuals who are not peace officers to issue citations;
- (4) data practices, including but not limited to concerns related to data privacy;
- (5) due process, an appeals process, the judicial system, and other legal issues;
- (6) technology options, constraints, and factors; and
- (7) recommendations regarding implementation, including but not limited to any legislative proposal and information on implementation costs.

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

Sec. 127. LEGISLATIVE REPORT; ROAD FUNDING GAP.

(a) By November 1, 2024, the commissioners of transportation and management and budget must submit a report on road funding to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

(b) At a minimum, the report must:

(1) analyze revenue options to address the funding gap over fiscal years 2025 to 2034 between (i) projected revenue to the highway user tax distribution fund, and (ii) revenue required to meet performance targets, or a metric for system maintenance, on each of the highway systems for which funding is allocated via the highway user tax distribution fund; and

(2) develop recommendations, including proposed legislative changes, following from the analysis under clause (1).

(c) In developing the report, the commissioners must evaluate a range of options that:

(1) analyze impacts across individuals and motor vehicles, accounting for factors that include but are not limited to vehicle class, power train, fuel or power type, vehicle age, vehicle weight, and annual miles traveled; and

(2) consider financial stability, social equity, user convenience, administrative efficiency, transparency, and other appropriate policy and finance principles.

Sec. 128. REVISOR INSTRUCTION.

(a) The revisor of statutes must change the terms "driver services operating account" and "vehicle services operating account" to "driver and vehicle services operating account" wherever the terms appear in Minnesota Statutes.

(b) The revisor of statutes shall recodify Minnesota Statutes, section 115E.042, subdivision 2, as Minnesota Statutes, section 219.055, subdivision 2a, and Minnesota Statutes, section 115E.042, subdivision 3, as Minnesota Statutes, section 219.055, subdivision 3a. The revisor shall correct any cross-references made necessary by this recodification.

Sec. 129. REPEALER.

(a) Minnesota Statutes 2022, sections 167.45; and 360.915, subdivision 5, are repealed.

(b) Minnesota Statutes 2022, sections 168B.15; and 169.829, subdivision 2, are repealed.

(c) Minnesota Statutes 2022, sections 168.121, subdivision 5; 168.1282, subdivision 5; 168.1294, subdivision 5; 168.1299, subdivision 4; and 299A.705, subdivision 2, are repealed.

(d) Minnesota Rules, parts 7411.0530; and 7411.0535, are repealed.

EFFECTIVE DATE. Paragraph (b) is effective August 1, 2023.

ARTICLE 5**SUPPLEMENTAL TRANSPORTATION POLICY**

Section 1. Minnesota Statutes 2022, section 160.27, subdivision 7, is amended to read:

Subd. 7. **Bicycle racks and bicycle storage** **Micromobility** facilities. (a) For purposes of this subdivision, "micromobility facility" means an installation for micromobility devices as defined in section 169.011, subdivision 40b, whether for personal use or shared mobility services, that provides one or more of the following: a rack or docking station, a battery charging or swapping station, or a storage facility.

(b) In cities of the first class a statutory or home rule charter city, advertisements, public art, and informational signs may be placed and maintained on **bicycle racks and bicycle storage facilities**, and on any enclosure around them, a micromobility facility if:

(1) a road authority has issued a permit to the city authorizing the **bicycle racks and storage facilities** micromobility facility to be placed within the right-of-way of a public highway;

(2) the city has recommended and the road authority has authorized in the permit the placement of advertisements, public art, and informational signs on the **bicycle racks and bicycle storage facilities**, micromobility facility; and

(3) the placement does not create an unsafe situation.

(c) Advertisements, public art, and information signs authorized under this subdivision are subject to the terms and conditions imposed by the road authority authorizing their placement.

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

Sec. 2. Minnesota Statutes 2022, section 160.27, is amended by adding a subdivision to read:

Subd. 7a. Shared electric vehicle facilities. (a) For purposes of this subdivision, "shared electric vehicle facility" means an installation for one or more parking spaces that is:

- (1) established as part of a shared mobility service;
- (2) identified for use by all-electric vehicles as defined in section 169.011, subdivision 1a; and
- (3) equipped to recharge an all-electric vehicle, recharge an all-electric vehicle energy storage device, or provide for swapping an all-electric vehicle battery.

(b) In a statutory or home rule charter city, advertisements, public art, and informational signs may be placed and maintained on a shared electric vehicle facility if:

- (1) a road authority has issued a permit to the city authorizing the shared electric vehicle facility to be placed within the right-of-way of a public highway;
- (2) the city has recommended and the road authority has authorized in the permit the placement of advertisements, public art, and informational signs on the shared electric vehicle facility; and
- (3) the placement does not create an unsafe situation.

(c) Advertisements, public art, and information signs authorized under this subdivision are subject to the terms and conditions imposed by the road authority authorizing their placement.

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

Sec. 3. Minnesota Statutes 2022, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. Town bridges and culverts; town road account. (a) Money in the town bridge account must be expended on replacement or rehabilitation of town road bridge structures that are ten feet or more in length and on town road culverts that replace existing town road bridges. In addition, if the present bridge structure is less than ten feet in length but a hydrological survey indicates that the replacement bridge structure or culvert must be ten feet or more in length, then the bridge or culvert is eligible for replacement funds.

(b) The town bridge account may be used to pay the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made. It may also be used to pay the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more cost-efficient than replacing the existing bridge. It may also be used to pay the costs for environmental documentation, preliminary design, and final design of historic bridges and for repurposing and restoring salvageable components of historic bridges, including disassembly, transportation to a new location, construction, and other associated costs.

(c) When bridge approach construction work exceeds \$10,000 in costs, or when the county engineer determines that the cost of the replacement culverts alone will not exceed \$20,000, or engineering costs exceed \$10,000, the town shall be eligible for financial assistance from the town bridge account. Financial assistance shall be requested by resolution of the county board and shall be limited to:

- (1) 100 percent of the cost of the bridge approach work that is in excess of \$10,000;

(2) 100 percent of the cost of the replacement culverts when the cost does not exceed \$20,000 and the town board agrees to be responsible for all the other costs, which may include costs for structural removal, installation, and permitting. The replacement structure design and costs shall be approved and certified by the county engineer; but need not be subsequently approved by the Department of Transportation; or

(3) 100 percent of all related engineering costs that exceed \$10,000, or in the case of towns with a net tax capacity of less than \$300,000, 100 percent of the engineering costs.

(d) Money in the town road account must be distributed as provided in section 162.081.

Sec. 4. Minnesota Statutes 2022, section 161.115, subdivision 265, is amended to read:

Subd. 265. **Route No. 334.** Beginning at a point on Route No. 116 at or near Inver Grove Heights; thence extending in a general northerly direction to a point ~~on Route No. 102 at or near Kellogg Boulevard East in St. Paul.~~

EFFECTIVE DATE. This section is 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. Paul to transfer jurisdiction of a portion of Legislative Route No. 334 and notifies the revisor of statutes electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 5. Minnesota Statutes 2022, section 161.115, is amended by adding a subdivision to read:

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

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

Sec. 6. Minnesota Statutes 2022, section 161.125, subdivision 1, is amended to read:

Subdivision 1. **Implementation.** The commissioner of transportation shall implement noise abatement measures within or along the perimeter of freeways and expressways ~~in incorporated areas~~ contingent on the availability of funding, in accordance with section 116.07, subdivision 2a.

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

Sec. 7. Minnesota Statutes 2022, section 161.32, subdivision 2, is amended to read:

Subd. 2. **Direct negotiation.** In cases where the estimated cost of construction work or maintenance work does not exceed \$250,000, the commissioner may enter into a contract for the work by direct negotiation; by obtaining two or more quotations for the work; and without advertising for bids or otherwise complying with the requirements of competitive bidding if the total contractual obligation of the state for the directly negotiated contract or contracts on any single project does not exceed \$250,000. All quotations obtained shall be kept on file for a period of at least one year after receipt of the quotation. For purposes of this subdivision only, "construction work or maintenance work" includes work on department-owned buildings or property.

Sec. 8. [161.369] INDIAN EMPLOYMENT PREFERENCE.

As authorized by United States Code, title 23, section 140, paragraph (d), the commissioner may implement an Indian employment preference for members of federally recognized Tribes on projects carried out under United States Code, title 23, on or near an Indian reservation. For purposes of this section, a project is near an Indian reservation if the project is within the distance a person seeking employment could reasonably be expected to commute to and from each workday. The commissioner, in consultation with federally recognized Minnesota Tribes, may determine when a project is near an Indian reservation.

Sec. 9. Minnesota Statutes 2022, section 161.41, is amended to read:

161.41 SURPLUS PROPERTY NOT NEEDED FOR HIGHWAY PURPOSES.

Subdivision 1. **Commissioner may declare surplus.** The commissioner is authorized to declare as surplus any property acquired by the state for highway purposes, excluding ~~real estate~~ land, which the commissioner determines to be no longer needed or necessary for state highway purposes.

Subd. 2. **Determination of value; disposition.** The commissioner shall administer all aspects of the disposition of property declared to be surplus under this section, including buildings used for trunk highway purposes. The commissioner shall first determine the value of the surplus property. The commissioner may then transfer the possession of the surplus property to any state agency or political subdivision of this state or to the United States government upon receipt of payment in an amount equal to the value of the surplus property.

The commissioner may also sell the surplus property under the competitive bidding provisions of chapter 16C if no state agency or political subdivision of this state offers to purchase the surplus property for its determined value.

Subd. 3. **Money credited to trunk highway fund.** The commissioner shall deposit all money received under this section with the commissioner of management and budget to be credited to the trunk highway fund.

Subd. 4. **Disposal of obsolete or unsafe buildings.** If the commissioner determines that the department is no longer using a building for trunk highway purposes or that the building is a safety or fire hazard, the commissioner may demolish the building.

Sec. 10. Minnesota Statutes 2022, 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 ~~in located and established by~~ that county. Costs incidental to construction, or a specified portion ~~thereof of those 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 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 2022, 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 ~~in 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~~ those 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 2022, section 162.13, subdivision 3, is amended to read:

Subd. 3. Screening board. On or before September 1 of each year, the engineer of each city having a population of 5,000 or more shall update the city's data and forward to the commissioner on forms prepared by the commissioner, all information relating to the money needs of the city that the commissioner deems necessary in order to apportion the municipal state-aid street fund in accordance with the apportionment formula ~~heretofore set forth under this section~~. Upon receipt of the information, the commissioner shall appoint a board of city engineers. The board shall be composed of the following:

(1) two city engineers from the metropolitan district;

(2) one city engineer from each state highway construction district, and in addition thereto, nonmetropolitan district; and

(3) one city engineer from each city of the first class.

The board shall investigate and review the information submitted by each city. On or before November 1 of each year, the board shall submit its findings and recommendations in writing as to each city's money needs to the commissioner on a form prepared by the commissioner. Final determination of the money needs of each city shall be made by the commissioner. In the event that any city shall fail to submit the required information provided for herein, the commissioner shall estimate the money needs of the city. The estimate shall be used in solving the apportionment formula. The commissioner may withhold payment of the amount apportioned to the city until the information is submitted.

Sec. 13. Minnesota Statutes 2022, 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. 14. Minnesota Statutes 2022, 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. 15. Minnesota Statutes 2022, section 168.1293, is amended by adding a subdivision to read:

Subd. 8. **Legislative report.** (a) By February 1 annually, the commissioner must submit a report on special plates to the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must:

(1) identify the number of special plate issuances and total plate counts for each type of special plate, with a breakout by each alternative or additional design; and

(2) for each special plate in which a onetime or annual contribution is required:

(i) provide a fiscal summary of the contributions, including to specify the appropriate contribution account, identify total contributions received in the two most recently completed fiscal years, and identify the direct recipients of contribution funds; and

(ii) provide a description of how contribution funds were spent in the prior fiscal or calendar year, as provided by each direct recipient.

(b) An entity that receives special plate special contribution funds under this chapter directly from the commissioner must submit information on contribution funds expenditures in the form and manner specified by the commissioner.

Sec. 16. Minnesota Statutes 2022, section 168.185, is amended to read:

168.185 USDOT NUMBERS.

(a) Except as provided in paragraph (d), an owner of a truck or truck-tractor having a gross vehicle weight of more than 10,000 pounds, as defined in section 169.011, subdivision 32, shall report to the commissioner at the time of registration its USDOT carrier number. ~~A person subject to this paragraph who does not have a USDOT number shall apply for the number at the time of registration by completing a form MCS-150 Motor Carrier Identification Report, issued by the Federal Motor Carrier Safety Administration, or comparable document as determined by the commissioner. The commissioner shall not assign a USDOT carrier number to a vehicle owner who is not subject to this paragraph.~~

(b) Assigned USDOT numbers must be displayed as required by section 221.031, subdivision 6. The vehicle owner shall notify the commissioner if there is a change to the owner's USDOT number.

(c) If an owner fails to report or apply for a USDOT number, the commissioner shall suspend the owner's registration.

(d) This section does not apply to (1) a farm truck that is not used in interstate commerce, (2) a vehicle that is not used in intrastate commerce or interstate commerce, or (3) a vehicle that is owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision.

Sec. 17. Minnesota Statutes 2022, 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 grant a 90-day temporary license. During the 90-day period following issuance of the temporary license, the commissioner shall 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~~ 180 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 vehicles, or convicted of violating United States Code, title 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; or

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

(f) A license may be denied if a dealer is not in compliance with location requirements under subdivision 10 or has intentionally misrepresented any information on the dealer license application that would be grounds for suspension or revocation under subdivision 12.

(f) (g) If the application is approved, the commissioner shall 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) (h) 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. 18. Minnesota Statutes 2022, section 168.27, subdivision 16, is amended to read:

Subd. 16. Dealer plates: distinguishing number, fee, tax, use. (a) The registrar shall issue to every motor vehicle dealer, upon a request from the motor vehicle dealer licensed as provided in subdivision 2 or

3, one or more plates displaying a general distinguishing number. This subdivision does not apply to a scrap metal processor, a used vehicle parts dealer, or a vehicle salvage pool. The fee for each of the first four plates is \$75 per registration year, of which \$60 must be paid to the registrar and the remaining \$15 is payable as sales tax on motor vehicles under section 297B.035. For each additional plate, the dealer shall pay the registrar a fee of \$25 and a sales tax on motor vehicles of \$15 per registration year. The registrar shall deposit the tax in the state treasury to be credited as provided in section 297B.09. Replacement plates are subject to the fees in section 168.12. Motor vehicles, new or used, owned by the motor vehicle dealership and bearing the number plate, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or ~~or customarily~~ used by the dealer as a tow truck, service truck, or parts vehicle, may be driven upon the streets and highways of this state:

- (1) by the motor vehicle dealer or dealer's spouse, or any full-time employee of the motor vehicle dealer for either private or business purposes;
- (2) by a part-time employee when the use is directly related to a particular business transaction of the dealer;
- (3) for demonstration purposes by any prospective buyer for a period of 48 hours or in the case of a truck, truck-tractor, or semitrailer, for a period of seven days; or
- (4) in a promotional event that lasts no longer than four days in which at least three motor vehicles are involved.

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

Sec. 19. Minnesota Statutes 2022, 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~~ established inspection hours 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. 20. Minnesota Statutes 2022, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. Salvage and prior salvage brands. (a) When an insurer, licensed to conduct business in Minnesota, acquires ownership of a vehicle, excluding a recovered intact vehicle, through payment of damages, the insurer must:

- (1) for a late-model or high-value vehicle, immediately apply for a certificate of title that bears a "salvage" brand or stamp the existing certificate of title with "salvage" 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) Notwithstanding any other law to the contrary, supporting documents used to transfer ownership of a vehicle to an insurer after payment of damages do not require a notarized signature and may be signed electronically. For purposes of this paragraph, supporting documents include but are not limited to power of attorney forms. The insurer shall indemnify and hold harmless the department for any claims resulting from issuing a certificate of title, salvage title, or junking certificate pursuant to this section.

~~(b)~~ (c) 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.

~~(e)~~ (d) Except as provided in section 168A.11, subdivision 1, a person must immediately apply for a certificate of title that bears a "salvage" brand if the person acquires a damaged late-model or high-value vehicle that:

- (1) was acquired by an insurer through payment of damages;
- (2) will incur a cost of repairs that exceeds the value of the damaged vehicle;
- (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)~~ (e) 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)~~ (f) A self-insured owner of a vehicle that sustains damage by collision or other occurrence which exceeds 80 percent of its actual cash value must:

- (1) for a late-model or high-value vehicle, immediately apply for a 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. 21. Minnesota Statutes 2022, 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. 22. Minnesota Statutes 2022, section 168B.07, subdivision 1, is amended to read:

Subdivision 1. Payment of charges. Except as provided in this subdivision, 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 45 days, as applicable under section 168B.051, subdivision 1, 1a, or 2, after the date of the notice required by section 168B.06. The registered owner of a vehicle who is homeless or receives relief based on need, as defined in section 168B.07, subdivision 3, is not liable for charges for recovery of cargo, storage of cargo, or accident site cleanup unless the costs are covered by the owner's motor vehicle insurance. For purposes of this subdivision, "cargo" means commercial goods or private property being transported by motor vehicle, as defined in section 168A.01, subdivision 24, or trailer, as defined in section 168.002, subdivision 35.

Sec. 23. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision to read:

Subd. 40b. Micromobility device. (a) "Micromobility device" means a vehicle that:

(1) is capable of: (i) being propelled solely by human power; (ii) being powered solely by an electric motor drawing current from rechargeable storage batteries, fuel cells, or other portable sources of electrical current; or (iii) both (i) and (ii);

(2) when solely powered by an electric motor, is not capable of propelling the vehicle at a speed greater than 30 miles per hour on a paved level surface; and

(3) has an unloaded weight of up to 500 pounds.

(b) Micromobility device includes a bicycle, a motorized foot scooter, and an electric personal assistive mobility device. Micromobility device includes a motorized bicycle that meets the requirements under paragraph (a).

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

Sec. 24. Minnesota Statutes 2022, section 169.09, subdivision 8, is amended to read:

Subd. 8. Officer to report accident to commissioner. A peace officer who, in the regular course of duty, investigates an accident that must be reported under this section shall, within ten days after the date of the accident, forward an electronic or written report of the accident as prescribed by the commissioner of public safety. Within two business days after identification of a fatality that resulted from an accident, the reporting agency must notify the commissioner of the basic circumstances of the accident using an electronic format as prescribed by the commissioner.

Sec. 25. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to read:

Subd. 5j. Speed limit on Trunk Highway 19 in the city of Lonsdale. Notwithstanding any provision to the contrary in this section, the speed limit on Trunk Highway 19 in the city of Lonsdale between 5th

Avenue Northwest and the northern city limits is 45 miles per hour. The commissioner must erect appropriate signs displaying the speed limit.

Sec. 26. Minnesota Statutes 2022, section 169.346, subdivision 2a, is amended to read:

Subd. 2a. Parking space free of obstruction; penalty. The owner or manager of the property on which the designated parking space is located ~~shall~~ must ensure that the parking space and associated access aisle are kept free of obstruction. If the owner or manager does not have the parking space properly posted or knowingly allows the parking space or access aisle to be blocked by plowed snow, merchandise, or similar obstructions for 24 hours after receiving a warning from a peace officer, the owner or manager is guilty of a misdemeanor and subject to a fine of up to \$500.

Sec. 27. Minnesota Statutes 2022, section 169.451, subdivision 2, is amended to read:

Subd. 2. Inspection certificate. Except as provided in subdivision 2a, no person shall drive, or no owner shall knowingly permit or cause to be driven, any school bus or Head Start bus unless there is displayed thereon a certificate issued by the commissioner of public safety stating that ~~on a certain date, which shall be within 13 months of the date of operation, in the month specified on the certificate~~, a member of the Minnesota State Patrol inspected the bus and found that on the date of inspection the bus complied with the applicable provisions of state law relating to construction, design, equipment, and color. The certificate is valid for 12 months after the month specified on the certificate.

Sec. 28. Minnesota Statutes 2022, section 169.451, subdivision 3, is amended to read:

Subd. 3. Inspection criteria. (a) The commissioner of public safety must inspect school buses in accordance with the School Bus Inspection Manual as prescribed in section 169.4501, subdivision 3. Upon completion of an inspection, the commissioner must provide a printed or electronic vehicle examination report to the carrier or school district.

(b) A school bus displaying a defect as defined in the "School Bus Recommended Out-of-Service Criteria" in the most recent edition of the "National School Transportation Specification and Procedures" adopted by the National Congress on School Transportation is deemed unsafe for student transportation. A member of the State Patrol must affix a rejection sticker to the lower left corner of the windshield. A person may remove the rejection sticker only upon authorization from a member of the State Patrol who has determined that all defects have been corrected. Pending reinspection and certification of the vehicle by a member of the State Patrol, a bus bearing a rejection sticker may be used to transport students if for up to 30 days provided the defects have been corrected and the vehicle examination report is signed by the owner or a designee certifying that all defects have been corrected. The signed report must be carried in the first aid kit on the bus.

(c) A school bus that has had an inspection completed in which no out-of-service defects were identified has passed the inspection and a member of the State Patrol must affix an inspection certificate to the lower left corner of the windshield. All defects identified must be repaired within 14 days of the inspection. The person completing the repairs must sign and date the inspection report indicating the repairs were made. The inspection report must be retained at the principal place of business of the carrier or school district for 12 months following the inspection and must be available for review by a representative of the commissioner of public safety.

(d) A defect discovered during an inspection that was identified by a member of the State Patrol during a previous inspection but has not been corrected results in a failed inspection. A member of the State Patrol must affix a rejection sticker to the lower left corner of the windshield.

Sec. 29. Minnesota Statutes 2022, section 169.451, subdivision 4, is amended to read:

Subd. 4. **Violation; penalty** **Violations; penalties.** (a) The State Patrol ~~shall~~ must enforce subdivisions 2 and 2a to 3.

(b) A person who operates a school bus without a valid inspection certificate issued pursuant to subdivision 2 or an interim inspection certificate issued pursuant to subdivision 2a is guilty of a misdemeanor.

(c) A person who operates, or an owner who knowingly permits the operation of, a school bus displaying a rejection sticker issued in accordance with subdivision 3, paragraph (b), and has not fulfilled all the requirements specified in subdivision 3, paragraph (b), is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 30. Minnesota Statutes 2022, section 169.454, subdivision 2, is amended to read:

Subd. 2. **Age of vehicle.** Vehicles ~~12 years or older~~ model year 2007 or older must not be used as type III vehicles to transport school children, except those vehicles that are manufactured to meet the structural requirements of federal motor vehicle safety standard 222, Code of Federal Regulations, title 49, part 571.

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

Sec. 31. Minnesota Statutes 2022, section 169.70, is amended to read:

169.70 REAR VIEW MIRROR.

Every motor vehicle ~~which is so~~ constructed, loaded, or connected with another vehicle ~~as to obstruct that obstructs~~ the driver's view to the rear ~~thereof~~ from the driver's position ~~shall~~ must be equipped with a mirror ~~so located as to reflect or other technology that reflects or displays~~ to the driver a view of the highway for a distance of at least 200 feet to the rear of ~~such the~~ vehicle.

Sec. 32. Minnesota Statutes 2022, section 169.781, subdivision 3, is amended to read:

Subd. 3. **Inspector certification; suspension and revocation; hearing.** (a) An inspection required by this section may be performed only by:

(1) an employee of the Department of Public Safety or Transportation who has been certified by the commissioner after having received training provided by the State Patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the State Patrol or other training approved by the commissioner.

(b) A person who is not an employee of the Department of Public Safety or Transportation may be certified by the commissioner if the person is:

(1) an owner, or employee of the owner, of one or more commercial motor vehicles that are power units;

(2) a dealer licensed under section 168.27 and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer;

(3) engaged in the business of repairing and servicing commercial motor vehicles; or

(4) employed by a governmental agency that owns commercial vehicles.

(c) Certification of persons described in paragraph (b), clauses (1) to (4), is effective for two years from the date of certification. The commissioner may require biennial retraining of persons holding a certificate under paragraph (b) as a condition of renewal of the certificate. The commissioner may charge a fee of not more than \$10 for each certificate issued and renewed. A certified person described in paragraph (b), clauses (1) to (4), may charge a reasonable fee for each inspection of a vehicle not owned by the person or the person's employer.

(d) Except as otherwise provided in subdivision 5, the standards adopted by the commissioner for commercial motor vehicle inspections under sections 169.781 to 169.783 must be the standards prescribed in Code of Federal Regulations, title 49, section 396.17, and in chapter III, subchapter B, appendix G A.

(e) The commissioner may classify types of vehicles for inspection purposes and may issue separate classes of inspector certificates for each class.

(f) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the State Patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the State Patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69.

Sec. 33. Minnesota Statutes 2022, section 169A.60, subdivision 13, is amended to read:

Subd. 13. Special registration plates. (a) At any time during the effective period of an impoundment order, a violator or registered owner may apply to the commissioner for new registration plates, which must bear a special series of numbers or letters so as to be readily identified by traffic law enforcement officers. ~~The commissioner may authorize the issuance of special plates if:~~

~~(1) the violator has a qualified licensed driver whom the violator must identify;~~

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

~~(3) the registered owner is not the violator and the registered owner has a valid or limited driver's license;~~

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

~~(5) the violator has been reissued a valid driver's license.~~

(b) The commissioner may not issue new registration plates for that vehicle subject to plate impoundment for a period of at least one year from the date of the impoundment order. In addition, if the owner is the violator, new registration plates may not be issued for the vehicle unless the person has been reissued a valid driver's license in accordance with chapter 171.

(c) A violator may not apply for new registration plates for a vehicle at any time before the person's driver's license is reinstated.

(d) The commissioner may issue the special plates on payment of a \$50 fee for each vehicle for which special plates are requested, except that a person who paid the fee required under paragraph (f) must not be required to pay an additional fee if the commissioner issued an impoundment order pursuant to paragraph (g).

(e) Paragraphs (a) to (d) notwithstanding, the commissioner must issue upon request new registration plates for any vehicle owned by a violator or registered owner for which the registration plates have been impounded if:

- (1) the impoundment order is rescinded;
- (2) the vehicle is transferred in compliance with subdivision 14; or

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

(f) Notwithstanding paragraphs (a) to (d), the commissioner, upon request and payment of a \$100 fee for each vehicle for which special plates are requested, must issue new registration plates for any vehicle owned by a violator or registered owner for which the registration plates have been impounded if the violator becomes a program participant in the ignition interlock program under section 171.306. This paragraph does not apply if the registration plates have been impounded pursuant to paragraph (g).

(g) The commissioner shall issue a registration plate impoundment order for new registration plates issued pursuant to paragraph (f) if, before a program participant in the ignition interlock program under section 171.306 has been restored to full driving privileges, the program participant:

- (1) either voluntarily or involuntarily ceases to participate in the program for more than 30 days; or
- (2) fails to successfully complete the program as required by the Department of Public Safety due to:
 - (i) two or more occasions of the participant's driving privileges being withdrawn for violating the terms of the program, unless the withdrawal is determined to be caused by an error of the department or the interlock provider; or
 - (ii) violating the terms of the contract with the provider as determined by the provider.

Sec. 34. Minnesota Statutes 2022, section 171.041, is amended to read:

171.041 RESTRICTED LICENSE FOR FARM WORK.

(a) Notwithstanding any provisions of section 171.04 relating to the age of an applicant to the contrary, the commissioner may issue a restricted farm work license to operate a motor vehicle to a person who has attained the age of 15 years and who, except for age, is qualified to hold a driver's license. The applicant is not required to comply with the six-month instruction permit possession provisions of sections 171.04, subdivision 1, clause (2), and 171.05, subdivision 2a, or with the 12-month provisional license possession provision of section 171.04, subdivision 1, clause (1), item (i).

(b) The restricted license must be issued solely for the purpose of authorizing the person to whom the restricted license is issued to assist ~~the person's parents or guardians~~ with farm work. An individual may perform farm work under the restricted license for any entity authorized to farm under section 500.24. A

person holding this restricted license may operate a motor vehicle only during daylight hours and only within a radius of 40 miles of the ~~parent's or guardian's~~ farmhouse on the farm where the person is working.

(c) An applicant for a restricted license must apply to the commissioner for the license on forms prescribed by the commissioner. The application must be accompanied by:

(1) a copy of a property tax statement showing that the applicant's parent ~~or~~, guardian, or employer owns land that is classified as agricultural land or a copy of a rental statement or agreement showing that the applicant's parent or guardian rents land classified as agricultural land; and

(2) a written verified statement by the applicant's parent or guardian setting forth the necessity for the license; and

(3) if the applicant is not working for a parent or guardian, a written verified statement by the farm owner setting forth the necessity for the license.

Sec. 35. Minnesota Statutes 2022, section 171.06, subdivision 3, as amended by Laws 2023, chapter 13, article 1, section 3, and Laws 2023, chapter 34, article 1, section 2, is amended to read:

Subd. 3. Contents of application; other information. (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant elects not to specify a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7; and

(5) include a method for the applicant to:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under subdivision 3b, paragraph (e);

(iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c; and

(iv) indicate emergency contacts as provided under section 171.12, subdivision 5b; and

(v) indicate caretaker information as provided under section 171.12, subdivision 5c; and

(6) meet the requirements under section 201.161, subdivision 3.

(b) Applications must be accompanied by satisfactory evidence demonstrating:

- (1) identity, date of birth, and any legal name change if applicable; and
- (2) for driver's licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:
 - (i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;
 - (ii) Social Security number, or related documentation as applicable; and
 - (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.
- (c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:
 - (1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and
 - (2) a photographic identity document.
- (d) A valid Department of Corrections or Federal Bureau of Prisons identification card containing the applicant's full name, date of birth, and photograph issued to the applicant is an acceptable form of proof of identity in an application for an identification card, instruction permit, or driver's license as a secondary document for purposes of Minnesota Rules, part 7410.0400, and successor rules.
- (e) An application form must not provide for identification of (1) the accompanying documents used by an applicant to demonstrate identity, or (2) except as provided in paragraphs (b) and (c), the applicant's citizenship, immigration status, or lawful presence in the United States. The commissioner and a driver's license agent must not inquire about an applicant's citizenship, immigration status, or lawful presence in the United States, except as provided in paragraphs (b) and (c).

Sec. 36. Minnesota Statutes 2022, section 171.0605, subdivision 3, is amended to read:

Subd. 3. Evidence; lawful status. Only a form of documentation identified under subdivision 2, paragraph (a), clauses (2) to (10), or a document issued by a federal agency that demonstrates the applicant's lawful status are satisfactory evidence of an applicant's lawful status under section 171.06, subdivision 3, paragraph (b), clause (2).

Sec. 37. Minnesota Statutes 2022, section 171.0605, subdivision 5, is amended to read:

Subd. 5. Evidence; residence in Minnesota. (a) Submission of two forms of documentation from the following is satisfactory evidence of an applicant's principal residence address in Minnesota under section 171.06, subdivision 3, paragraph (b):

- (1) a home utility services bill issued no more than 12 months before the application;
- (2) a home utility services hook-up work order issued no more than 12 months before the application;
- (3) United States bank or financial information issued no more than 12 months before the application, with account numbers redacted, including:
 - (i) a bank account statement;
 - (ii) a credit card or debit card statement;

- (iii) a brokerage account statement; ~~or~~
- (iv) a money market account statement;
- (v) a Health Savings Account statement; or
- (vi) a retirement account statement;

(4) a certified transcript from a United States high school, if issued no more than 180 days before the application;

(5) a certified transcript from a Minnesota college or university, if issued no more than 180 days before the application;

(6) a student summary report from a United States high school signed by a school principal or designated authority and issued no more than 180 days before the application;

~~(6)~~ (7) an employment pay stub issued no more than 12 months before the application that lists the employer's name and address;

~~(7)~~ (8) a Minnesota unemployment insurance benefit statement issued no more than 12 months before the application;

~~(8)~~ (9) a statement from an assisted living facility licensed under chapter 144G, nursing home licensed under chapter 144A, or a boarding care facility licensed under sections 144.50 to 144.56, that was issued no more than 12 months before the application;

~~(9)~~ (10) a current policy or card for health, automobile, homeowner's, or renter's insurance;

~~(10)~~ (11) a federal or state income tax return for the most recent tax filing year;

~~(11)~~ (12) a Minnesota property tax statement for the current or prior calendar year or a proposed Minnesota property tax notice for the current year that shows the applicant's principal residential address both on the mailing portion and the portion stating what property is being taxed;

~~(12)~~ (13) a Minnesota vehicle certificate of title;

~~(13)~~ (14) a filed property deed or title for current residence;

~~(14)~~ (15) a Supplemental Security Income award statement issued no more than 12 months before the application;

~~(15)~~ (16) mortgage documents for the applicant's principal residence;

~~(16)~~ (17) a residential lease agreement for the applicant's principal residence issued no more than 12 months before the application;

(18) an affidavit of residence for an applicant whose principal residence is a group home, communal living arrangement, cooperative, or a religious order issued no more than 90 days before the application;

(19) an assisted living or nursing home statement issued no more than 90 days before the application;

~~(17)~~ (20) a valid driver's license, including an instruction permit, issued under this chapter;

~~(18)~~ (21) a valid Minnesota identification card;

- ~~(19)~~ (22) an unexpired Minnesota professional license;
- ~~(20)~~ (23) an unexpired Selective Service card;
- ~~(21)~~ (24) military orders that are still in effect at the time of application;
- ~~(22)~~ (25) a cellular phone bill issued no more than 12 months before the application; or
- ~~(23)~~ (26) a valid license issued pursuant to the game and fish laws.

(b) In lieu of one of the two documents required by paragraph (a), an applicant under the age of 18 may use a parent or guardian's proof of principal residence as provided in this paragraph. The parent or guardian of the applicant must provide a document listed under paragraph (a) that includes the parent or guardian's name and the same address as the address on the document provided by the applicant. The parent or guardian must also certify that the applicant is the child of the parent or guardian and lives at that address.

(c) A document under paragraph (a) must include the applicant's name and principal residence address in Minnesota.

(d) For purposes of this section, Internet service and cable service are utilities under this section and Minnesota Rules, part 7410.0410, subpart 4a.

Sec. 38. Minnesota Statutes 2022, section 171.12, is amended by adding a subdivision to read:

Subd. 5c. **Caretaker information.** (a) Upon request by an applicant for a driver's license, instruction permit, or Minnesota identification card under section 171.06, subdivision 3, the commissioner must maintain electronic records of names and contact information for up to three individuals receiving exclusive care from the applicant. The request must be made on a form prescribed by the commissioner. The commissioner must make the form available on the department's website. The form must include a notice as described in section 13.04, subdivision 2.

(b) A person who has provided caretaker information under this subdivision may change, add, or delete the information at any time. Notwithstanding sections 171.06, subdivision 2; and 171.061, the commissioner or a driver's license agent must not charge a fee for a transaction described in this paragraph.

(c) Caretaker data are classified as private data on individuals, as defined in section 13.02, subdivision 12, except that the commissioner may share caretaker information with law enforcement agencies to notify the cared-for individuals regarding an emergency.

Sec. 39. Minnesota Statutes 2022, section 171.306, subdivision 4, is amended to read:

Subd. 4. Issuance of restricted license. (a) The commissioner shall issue a class D driver's license, subject to the applicable limitations and restrictions of this section, to a program participant who meets the requirements of this section and the program guidelines. The commissioner shall not issue a license unless the program participant has provided satisfactory proof that:

(1) a certified ignition interlock device has been installed on the participant's motor vehicle at an installation service center designated by the device's manufacturer; and

(2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. If the participant has previously been convicted of violating section 169.791, 169.793, or 169.797 or the participant's license has previously been suspended, revoked, or canceled under section 169.792 or 169.797,

the commissioner shall require the participant to present an insurance identification card that is certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(b) A license issued under authority of this section must contain a restriction prohibiting the program participant from driving, operating, or being in physical control of any motor vehicle not equipped with a functioning ignition interlock device certified by the commissioner. A participant may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner and with the employer's written consent.

(c) A program participant whose driver's license has been: (1) revoked under section 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph (a), clause (1), (2), or (3); 169A.54, subdivision 1, clause (1), (2), (3), or (4); or 171.177, subdivision 4, paragraph (a), clause (1), (2), or (3), or subdivision 5, paragraph (a), clause (1), (2), or (3); or (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended under section 171.187, for a violation of section 609.2113, subdivision 1, clause (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2), item (i) or (iii), (3), or (4); or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or 609.2114, subdivision 2, clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or great bodily harm, where the participant has fewer than two qualified prior impaired driving incidents within the past ten years or fewer than three qualified prior impaired driving incidents ever; may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction.

(d) A program participant whose driver's license has been: (1) revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6); 169A.54, subdivision 1, clause (5), (6), or (7); or 171.177, subdivision 4, paragraph (a), clause (4), (5), or (6), or subdivision 5, paragraph (a), clause (4), (5), or (6); or (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended under section 171.187, for a violation of section 609.2113, subdivision 1, clause (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2), item (i) or (iii), (3), or (4); or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or 609.2114, subdivision 2, clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or great bodily harm, where the participant has two or more qualified prior impaired driving incidents within the past ten years or three or more qualified prior impaired driving incidents ever; may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction, if the program participant is enrolled in a licensed substance use disorder treatment or rehabilitation program as recommended in a chemical use assessment. As a prerequisite to eligibility for eventual reinstatement of full driving privileges, a participant whose chemical use assessment recommended treatment or rehabilitation shall complete a licensed substance use disorder treatment or rehabilitation program. If the program participant's ignition interlock device subsequently registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall extend the time period that the participant must participate in the program until the participant has reached the required abstinence period described in section 169A.55, subdivision 4.

(e) Notwithstanding any statute or rule to the contrary, the commissioner has authority to determine when a program participant is eligible for restoration of full driving privileges, except that the commissioner shall not reinstate full driving privileges until the program participant has met all applicable prerequisites for reinstatement under section 169A.55 and until the program participant's device has registered no positive breath alcohol concentrations of 0.02 or higher during the preceding 90 days.

Sec. 40. [174.07] EXPIRATION OF REPORT MANDATES.

Subdivision 1. **Expiration.** (a) If submission of a report by the commissioner to the legislature, including but not limited to chairs and ranking minority members of a legislative committee or the Legislative Coordinating Commission, is required by law, the requirement to submit the report expires in accordance with this section.

(b) For a law enacted before January 1, 2023, the requirement to submit a report to the legislature expires as follows:

- (1) for an annual report, on January 1, 2025; or
- (2) for a biennial or less frequent report, on January 1, 2026.

(c) For a law enacted on or after January 1, 2023, the requirement to submit a report to the legislature expires as follows:

- (1) for an annual report, three years after the date of enactment; or
- (2) for a biennial or less frequent report, five years after the date of enactment.

Subd. 2. **Expirations list.** By February 15 annually, the commissioner must submit an expirations list to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy, the revisor of statutes, and the Legislative Reference Library. The list must identify (1) all reports set to expire under this section during the upcoming 12-month period, and (2) all reports in which the requirement for submission has expired in the past 12-month period.

Subd. 3. **Exceptions.** This section does not apply to:

(1) a law that establishes a requirement with general applicability for an agency or agencies to submit a report, including but not limited to reports and information under sections 14.05, subdivision 5, and 14.116;

(2) a law that specifies a reporting expiration date or a date for the submission of a final report;

(3) information required by law to be included in a budget submission to the legislature under section 16A.11;

(4) the plans required under section 174.03, subdivisions 1a, 1b, and 1c;

(5) the forecast information requirements under section 174.03, subdivision 9; and

(6) the reports required under sections 161.088, subdivision 7; 161.089; 161.3203, subdivision 4; 165.03, subdivision 8; 165.14, subdivision 5; 174.03, subdivision 12; 174.185, subdivision 3; 174.247; 174.56, subdivisions 1 and 2; and 174.75, subdivision 3.

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

Sec. 41. Minnesota Statutes 2022, section 174.38, subdivision 5, is amended to read:

Subd. 5. **Eligibility.** Eligible recipients of financial assistance under this section are:

(1) a political subdivision; and

(2) a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, as amended; and

(3) a federally recognized Indian Tribe.

Sec. 42. Minnesota Statutes 2022, section 174.40, subdivision 4a, is amended to read:

Subd. 4a. Eligibility. A statutory or home rule charter city, county, ~~or town, or federally recognized Indian Tribe~~ is eligible to receive funding under this section only if it has adopted subdivision regulations that require safe routes to school infrastructure in developments authorized on or after June 1, 2016.

Sec. 43. Minnesota Statutes 2022, section 174.50, subdivision 7, is amended to read:

Subd. 7. Bridge grant program; rulemaking. (a) The commissioner of transportation shall develop rules, procedures for application for grants, conditions of grant administration, standards, and criteria as provided under subdivision 6, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. The commissioner must publish all rules, procedures, conditions, standards, and criteria on the department's website. Grants under this section are subject to the procedures and criteria established in this subdivision and in subdivisions 5 and 6.

(b) The maximum use of standardized bridges is encouraged. Regardless of the size of the existing bridge, a bridge or replacement bridge is eligible for assistance from the state transportation fund if a hydrological survey indicates that the bridge or replacement bridge must be ten feet or more in length.

(c) As part of the standards or rules, the commissioner shall, in consultation with local road authorities, establish a minimum distance between any two bridges that cross over the same river, stream, or waterway, so that only one of the bridges is eligible for a grant under this section. As appropriate, the commissioner may establish exceptions from the minimum distance requirement or procedures for obtaining a variance.

(d) Political subdivisions may use grants made under this section to rehabilitate, construct, or reconstruct bridges, including but not limited to:

(1) matching federal aid grants to construct or reconstruct key bridges;

(2) paying the costs to abandon an existing bridge that is deficient and in need of replacement but where no replacement will be made; ~~and~~

(3) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge if the commissioner determines that the bridge is deficient, and that construction of the road or street is more economical than replacement of the existing bridge; ~~and~~

(4) paying the costs of acquiring and rehabilitating and reconstructing historic bridges, including the costs of: (i) acquiring salvageable components from historic bridges and the disassembly, repurposing, restoring, and transportation to a new location of the salvageable components for the construction, rehabilitation, or reconstruction of a bridge; and (ii) related environmental documentation, preliminary design, and final design associated with the reconstruction of historic bridges.

(e) Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the Minnesota Constitution.

(f) The commissioner must maintain a local bridge project list that includes every local bridge replacement or rehabilitation project which has approved plans. The list must include the total bridge cost estimate for

each project. The commissioner must update this list annually. The commissioner must publish the list on the department's website.

(g) The commissioner is prohibited from awarding a grant of \$7,000,000 or more under this section for a local bridge replacement or rehabilitation project, except:

(1) for major local bridges as provided in subdivision 6d; or

(2) if every other local bridge replacement or rehabilitation project with a total bridge cost estimate of \$7,000,000 or less on the local bridge project list required by paragraph (f) has been fully funded.

(h) The commissioner must publish on the department's website a list of all projects that were considered for funding. The list must identify the projects that were selected and the projects that were not selected. For each project that was not selected, the commissioner must include the reason it was not selected. This paragraph does not apply when there is no funding from any source for the program in a fiscal year.

(i) Notwithstanding subdivision 1, grants for costs under paragraph (d), clause (2), are limited to general fund appropriations that must be segregated from all funds authorized under articles XI and XIV of the Minnesota Constitution.

Sec. 44. Minnesota Statutes 2022, section 174.52, subdivision 2, is amended to read:

Subd. 2. Trunk highway corridor projects account. A trunk highway corridor projects account is established in the local road improvement fund. Money in the account is annually appropriated to the commissioner of transportation for expenditure as specified in this section. Money in the account must be used as grants or loans to statutory or home rule charter cities, towns, and counties, and federally recognized Indian Tribes to assist in paying the local or Tribal share of trunk highway projects that have local or Tribal costs that are directly or partially related to the trunk highway improvement and that are not funded or are only partially funded with other state and federal funds. The commissioner shall determine the amount of the local or Tribal share of costs eligible for assistance from the account.

Sec. 45. Minnesota Statutes 2022, section 174.52, subdivision 4, is amended to read:

Subd. 4. Local road account for routes of regional significance. A local road account for routes of regional significance is established in the local road improvement fund. Money in the account is annually appropriated to the commissioner of transportation for expenditure as specified in this section. Money in the account must be used as grants or loans to statutory or home rule charter cities, towns, and counties, and federally recognized Indian Tribes to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads, or Tribal roads with statewide or regional significance that have not been fully funded through other state, federal, or local, or Tribal funding sources.

Sec. 46. Minnesota Statutes 2022, section 174.52, subdivision 5, is amended to read:

Subd. 5. Grant procedures and criteria. (a) The commissioner shall establish procedures for statutory or home rule charter cities, towns, and counties, and federally recognized Indian Tribes to apply for grants or loans from the fund and criteria to be used to select projects for funding. The commissioner must publish the procedures on the department's website. The commissioner shall establish these procedures and criteria in consultation with representatives appointed by the Association of Minnesota Counties, League of Minnesota Cities, Minnesota Association of Townships, and the appropriate state agency as needed, and Tribal representatives under section 10.65. The criteria for determining project priority and the amount of a grant or loan must be based upon consideration of:

- (1) the availability of other state, federal, ~~and~~ local, and Tribal funds;
- (2) the regional significance of the route;
- (3) effectiveness of the proposed project in eliminating a transportation system deficiency;
- (4) the number of persons who will be positively impacted by the project;

(5) the project's contribution to other local, regional, ~~or~~ state, or Tribal economic development or redevelopment efforts including livestock and other agricultural operations permitted after July 1, 2005; and

(6) ability of the local unit of government or federally recognized Indian Tribe to adequately provide for the safe operation and maintenance of the facility upon project completion.

(b) The commissioner must publish on the department's website a list of all projects that were considered for funding. The list must identify the projects that were selected and the projects that were not selected. For each project that was not selected, the commissioner must include the reason it was not selected. This paragraph does not apply when there is no funding from any source for the program in a fiscal year.

Sec. 47. Minnesota Statutes 2022, section 222.50, subdivision 7, is amended to read:

Subd. 7. Expenditures. (a) The commissioner may expend money from the rail service improvement account for the following purposes:

(1) to make transfers as provided under section 222.57 or to pay interest adjustments on loans guaranteed under the state rail user and rail carrier loan guarantee program;

(2) to pay a portion of the costs of capital improvement projects designed to improve rail service of a rail user or a rail carrier;

(3) to pay a portion of the costs of rehabilitation projects designed to improve rail service of a rail user or a rail carrier;

(4) to acquire, maintain, manage, and dispose of railroad right-of-way pursuant to the state rail bank program;

(5) to provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in place track;

(6) to pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A;

(7) to pay the state matching portion of federal grants for rail-highway grade crossing improvement projects;

(8) to pay the nonfederal matching portion of federal grants for freight rail projects that support economic development;

~~(8)~~(9) to fund rail planning studies; and

~~(9)~~(10) to pay a portion of the costs of capital improvement projects designed to improve capacity or safety at rail yards.

(b) All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Sec. 48. Minnesota Statutes 2022, section 325F.6641, subdivision 2, is amended to read:

Subd. 2. 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 ~~an oral disclosure~~, 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 section 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 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. 49. Minnesota Statutes 2022, 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. 50. Minnesota Statutes 2022, section 473.408, is amended by adding a subdivision to read:

Subd. 4a. Transit passes. The council may establish transit fare programs and passes that are consistent with the fare policy purposes stated in subdivision 2, including but not limited to:

(1) discount pass programs for public and private employers, public and private organizations, and school districts; and

(2) special pass programs for demonstration projects or special events.

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. 51. Minnesota Statutes 2022, section 609.50, subdivision 1, is amended to read:

Subdivision 1. **Crime.** Whoever intentionally does any of the following may be sentenced as provided in subdivision 2:

(1) obstructs, hinders, or prevents the lawful execution of any legal process, civil or criminal, or apprehension of another on a charge or conviction of a criminal offense;

(2) obstructs, resists, or interferes with a peace officer while the officer is engaged in the performance of official duties;

(3) interferes with or obstructs a firefighter while the firefighter is engaged in the performance of official duties;

(4) interferes with or obstructs a member of an ambulance service personnel crew, as defined in section 144E.001, subdivision 3a, who is providing, or attempting to provide, emergency care; or

(5) by force or threat of force endeavors to obstruct any employee of the Department of Revenue, Department of Public Safety Driver and Vehicle Services Division, a driver's license agent appointed under section 171.061, or a deputy registrar appointed under section 168.33 while the employee is lawfully engaged in the performance of official duties for the purpose of deterring or interfering with the performance of those duties.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 52. **LEGISLATIVE ROUTE NO. 264 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 195, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing bodies of Jackson County and Nobles County to transfer jurisdiction of Legislative Route No. 264 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. 53. **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. 54. 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. 55. REPEALER.

(a) Minnesota Statutes 2022, sections 160.05, subdivision 2; and 171.06, subdivision 3a, are repealed.

(b) Minnesota Statutes 2022, section 473.1467, is repealed.

(c) Minnesota Statutes 2022, section 473.408, subdivisions 6, 7, 8, and 9, are repealed.

(d) Minnesota Rules, part 8835.0350, subpart 2, is repealed.

(e) Laws 2002, chapter 393, section 85, is repealed.

EFFECTIVE DATE. Paragraphs (a) and (d) are effective July 1, 2023. Paragraphs (b), (c), and (e) are effective the day following final enactment.

Sec. 56. EFFECTIVE DATE.

Except as otherwise provided, this article is effective August 1, 2023.

ARTICLE 6

INDEPENDENT EXPERT REVIEW

Section 1. Minnesota Statutes 2022, 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 2022, 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 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 must be credited to the driver services operating account in the special revenue fund under section 299A.705.

(e) Fees (d) Of the fee 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 must be deposited in the general fund, and the remainder of the fees collected must be credited to must be deposited in the driver and vehicle services operating account in the special revenue fund specified in under section 299A.705.

(e) Of the fee collected by a full-service provider under paragraphs (b) and (c), the provider must transmit 50 cents of each fee to the commissioner for deposit in the general fund, and the provider must retain the remainder.

(f) Except as provided in subdivisions 4, 5a, and 5b, the commissioner shall must 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:

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

(2) for driver's license, instruction permit, or Minnesota identification card records, the remainder must be deposited in the driver and vehicle 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 July 1, 2023. Paragraph (a) is effective January 1, 2024, and applies to record requests made on or after that date.

Sec. 3. Minnesota Statutes 2022, 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 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 or 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 for deposit in the general fund.

EFFECTIVE DATE. This section is effective January 1, 2024, and applies to record requests made on or after that date.

Sec. 4. Minnesota Statutes 2022, 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 shall 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, 2024, and applies to record requests made on or after that date.

Sec. 5. Minnesota Statutes 2022, 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, 2024.

Sec. 6. Minnesota Statutes 2022, section 168.345, subdivision 2, is amended to read:

Subd. 2. Lessees; information. The commissioner may not furnish information about registered owners of passenger automobiles who are lessees under a lease for a term of 180 days or more to any person except the owner of the vehicle, the lessee, personnel of law enforcement agencies and trade associations performing a member service under section 604.15, subdivision 4a, and federal, state, and local governmental units, and, at the commissioner's discretion, to persons who use the information to notify lessees of automobile recalls. The commissioner may release information about lessees in the form of summary data, as defined in section 13.02, to persons who use the information in conducting statistical analysis and market research.

Sec. 7. Minnesota Statutes 2022, 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 shall 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)~~ (2) 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)~~ (3) the commissioner of public safety shall must 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)~~ (4) upon specific request, the commissioner of public safety shall must 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)~~ (5) 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~~ A report must not 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 must 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, ~~90 percent~~ must be deposited in ~~the special revenue fund and credited to the driver and vehicle services operating account established in~~ under 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 for deposit in 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 ~~shall~~ ~~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 and vehicle services operating account established in~~ under 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~~ ~~must~~ 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~~ ~~must~~ 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 July 1, 2023. Paragraph (a) is effective January 1, 2024, and applies to report disclosures made on or after that date.

Sec. 8. Minnesota Statutes 2022, 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, 2024.

Sec. 9. Minnesota Statutes 2022, 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 2022, 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. 11. Minnesota Statutes 2022, 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. 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 determines that an 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) The commissioner must establish a process that allows an individual who was subject to disciplinary action to appeal the action. 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, 2023. Paragraphs (b), (c), and (e) apply to audits of data use that are open on or after October 1, 2023.

Sec. 12. Minnesota Statutes 2022, 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. The commissioner must ensure 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. The schedule for each exam station must be posted on the department's website.

(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.

(e) The commissioner must provide real-time information on the department's website about the availability and location of exam appointments. The website must show 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 see the date and time of the next available exam at each exam station sorted by distance from the address provided.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 13. Minnesota Statutes 2022, 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 for a driver's license is 21 years of age or older and possesses a valid driver's license issued

~~by another state or jurisdiction that requires a comparable examination to obtain a driver's license, the commissioner may must waive the requirement requirements that the applicant pass a 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 for a two-wheeled vehicle endorsement is 21 years of age or older and possesses a valid driver's license with a two-wheeled vehicle endorsement issued by another state or jurisdiction that requires a comparable examination to obtain an endorsement, the commissioner must waive the requirements with respect to the endorsement that the applicant pass a 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, 2023, and applies to applications made on or after that date.

Sec. 14. DRIVER AND VEHICLE SERVICES INFORMATION SYSTEM ACCESS REINSTATEMENT.

(a) An individual whose access was permanently revoked under Minnesota Statutes, section 171.12, subdivision 1a, between October 1, 2018, and September 30, 2023, based on the commissioner's determination that the individual willfully entered, updated, accessed, shared, or disseminated data in violation of state or federal law, may apply to the commissioner for reinstatement of their access. An individual convicted of a crime related to the conduct that resulted in permanent revocation of their access is ineligible to reapply for access under this section.

(b) Any individual reapplying for access under this section must submit the request in writing to the commissioner no later than June 30, 2024, and the request must contain:

(1) written documentation that demonstrates the individual is currently employed at an agency or entity that requires access for the employee to conduct their work duties;

(2) written documentation that demonstrates the individual is in compliance with all existing requirements to be considered eligible for access, including completion of required background checks;

(3) a signed statement from the individual's employer acknowledging the employer is aware that the individual's access was previously revoked and any future violations of state or federal law may again result in permanent revocation of access; and

(4) a signed statement from the individual describing:

(i) their understanding of appropriate use of the system data under state and federal laws; and

(ii) the remedial steps they have taken to ensure that no future misuse occurs.

(c) The commissioner must evaluate applications for reinstatement of access in the manner provided for appeal of a disciplinary action under Minnesota Statutes, section 171.12, subdivision 1a. The commissioner must respond in writing to the individual's request for access within 90 days of receipt of the request.

(d) The commissioner's decision under this section is final, and an individual applying under this section is not entitled to further review.

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

Sec. 15. REPORT; DEPUTY REGISTRAR AND DRIVER'S LICENSE AGENT FINANCIAL SUSTAINABILITY.

(a) By January 15, 2025, the commissioner of public safety must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy evaluating deputy registrar and driver's license agent operations and sustainability. The commissioner must engage with stakeholders in preparing and developing the report.

(b) At a minimum, the report must:

(1) evaluate the current performance and impact of the quality of services provided by deputy registrars and driver's license agents to the residents of Minnesota;

(2) evaluate and make recommendations on how to implement financial sustainability for deputy registrars and driver's license agents;

(3) detail the amount of financial assistance necessary to sustain deputy registrars and driver's license agents on an ongoing basis;

(4) explain each considered model of financial assistance or support for deputy registrars and driver's license agents;

(5) evaluate the impact on deputy registrars and driver's license agents if expanded online services are offered by the Division of Driver and Vehicle Services;

(6) detail a five-, ten-, and 20-year analysis of the role of deputy registrars and driver's license agents in motor vehicle registration and driver licensing; and

(7) evaluate and make recommendations on the Division of Driver and Vehicle Services assuming all of the services provided by deputy registrars and driver's license agents or the services provided by private deputy registrars and private driver's license agents, including but not limited to identification of necessary financial resources, market-rate financial assistance cost of a transition, and analysis of fees and appropriations.

(c) Upon request of the commissioner, a deputy registrar or driver's license agent must provide sufficient financial information to meet the evaluation and analysis requirements under paragraph (b), clauses (2) and (3). Financial data provided by a private deputy registrar or private driver's license agent is classified as nonpublic data, as defined in Minnesota Statutes, section 13.02, subdivision 9.

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

Sec. 16. REPORT; DRIVER AND VEHICLE SERVICES RECOMMENDATIONS.

(a) By January 15, 2024, the commissioner of public safety must report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy on driver and vehicle services recommendations and operations. The report must:

(1) review recommendations from the independent expert review of driver and vehicle services issued January 12, 2022, as identified under paragraph (b);

(2) review the recommendations made to the commissioner in the legislative auditor's report on driver examination stations issued in March 2021;

(3) provide the commissioner's plan for the locations, schedule, and staffing allocation of driver examination stations; and

(4) propose any statutory changes necessary or beneficial in implementing recommendations under clauses (1) and (2).

(b) The report must include information on the independent expert review recommendations to:

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

(3) 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;

(4) 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;

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

(6) explore ways to accelerate 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 to conduct the background checks;

(7) promote the preapplication process and expand the use of preapplications to all feasible areas;

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

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

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

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

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

(13) 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; and

(14) offer training in de-escalation and negotiation techniques to all public-facing staff.

(c) For each of the recommendations under paragraphs (a), clauses (1) and (2), and (b), the report must specify whether the recommendation is under active consideration, in the process of being implemented, has already been implemented, or the reasons why the recommendation will not be implemented.

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

Sec. 17. REPEALER.

Minnesota Statutes 2022, section 168.345, subdivision 1, is repealed.

ARTICLE 7

DRIVER AND VEHICLE SERVICES OPERATING ACCOUNT CONFORMING CHANGES

Section 1. Minnesota Statutes 2022, section 168.013, subdivision 8, is amended to read:

Subd. 8. Tax proceeds to highway user fund; fee proceeds to vehicle services account. (a) Unless otherwise specified in this chapter, the net proceeds of the registration tax imposed under this chapter must be collected by the commissioner, paid into the state treasury, and credited to the highway user tax distribution fund.

(b) All fees collected under this chapter, unless otherwise specified, must be deposited in the driver and vehicle services operating account ~~in the special revenue fund~~ under section 299A.705.

Sec. 2. Minnesota Statutes 2022, section 168.1293, subdivision 7, is amended to read:

Subd. 7. Deposit of fee; appropriation. The commissioner shall deposit the application fee under subdivision 2, paragraph (a), clause (3), in the driver and vehicle services operating account ~~of the special revenue fund~~ under section 299A.705. An amount sufficient to pay the department's cost in implementing and administering this section, including payment of refunds under subdivision 4, is appropriated to the commissioner from that account.

Sec. 3. Minnesota Statutes 2022, section 168.1295, subdivision 5, is amended to read:

Subd. 5. Contribution and fees credited. Contributions under subdivision 1, paragraph (a), clause (5), must be paid to the commissioner and credited to the state parks and trails donation account established in section 85.056. The other fees collected under this section must be deposited in the driver and vehicle services operating account ~~of the special revenue fund~~ under section 299A.705.

Sec. 4. Minnesota Statutes 2022, section 168.1296, subdivision 5, is amended to read:

Subd. 5. Contribution and fees credited. Contributions under subdivision 1, paragraph (a), clause (5), must be paid to the commissioner and credited to the Minnesota critical habitat private sector matching

account established in section 84.943. The fees collected under this section must be deposited in the driver and vehicle services operating account of the special revenue fund under section 299A.705.

Sec. 5. Minnesota Statutes 2022, section 168.1298, subdivision 5, is amended to read:

Subd. 5. Contribution and fees credited. Contributions under subdivision 1, paragraph (a), clause (5), must be paid to the commissioner and credited to the Minnesota "Support Our Troops" account established in section 190.19. The fees collected under this section must be deposited in the driver and vehicle services operating account in the special revenue fund under section 299A.705.

Sec. 6. Minnesota Statutes 2022, 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 grant a 90-day temporary license. During the 90-day period following issuance of the temporary license, the commissioner shall 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 vehicles, or convicted of violating United States Code, title 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.

(f) If the application is approved, the commissioner shall 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 driver and vehicle services operating account in the special revenue fund under section 299A.705.

Sec. 7. Minnesota Statutes 2022, section 168.327, subdivision 5b, is amended to read:

Subd. 5b. Custom data request record fees. (a) For purposes of this subdivision, "custom data request records" means a total of 1,000 or more (1) vehicle title records, (2) vehicle registration records, or (3) driver's license records.

(b) The commissioner must charge a fee of \$0.02 per record for custom data request records.

(c) Of the fees collected for custom data request records:

(1) 20 percent must be credited:

(i) ~~for vehicle title or registration records~~, to the driver and vehicle services operating account under section 299A.705, subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision; ~~and~~

(ii) ~~for driver's license records~~, to ~~the driver services operating account under section 299A.705~~, subdivision 2, and is appropriated to the commissioner for the purposes of this subdivision;

(2) 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and

(3) 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

(d) The commissioner may impose an additional fee for technical staff to create a custom set of data under this subdivision.

Sec. 8. Minnesota Statutes 2022, section 168.381, subdivision 4, is amended to read:

Subd. 4. Appropriations. (a) Money appropriated to the Department of Public Safety to procure the plates for any fiscal year or years is available for allotment, encumbrance, and expenditure from and after the date of the enactment of the appropriation. Materials and equipment used in the manufacture of plates are subject only to the approval of the commissioner.

(b) This section contemplates that money to be appropriated to the Department of Public Safety to carry out the terms and provisions of this section will be appropriated by the legislature from the highway user tax distribution fund.

(c) A sum sufficient is appropriated annually from the driver and vehicle services operating account ~~in the special revenue fund~~ under section 299A.705 to the commissioner to pay the costs of purchasing, delivering, and mailing plates, registration stickers, and registration notices.

Sec. 9. Minnesota Statutes 2022, section 168A.152, subdivision 2, is amended to read:

Subd. 2. Inspection fee; proceeds allocated. (a) A fee of \$35 must be paid to the department before the department issues a certificate of title for a vehicle that has been inspected and for which a certificate of inspection has been issued pursuant to subdivision 1. The only additional fee that may be assessed for issuing the certificate of title is the filing fee imposed under section 168.33, subdivision 7.

(b) Of the fee collected by the department under this subdivision, for conducting inspections under subdivision 1, \$20 must be deposited in the general fund and the remainder of the fee collected must be

deposited in the driver and vehicle services operating account ~~in the special revenue fund as specified in~~ under section 299A.705.

Sec. 10. Minnesota Statutes 2022, section 168A.29, subdivision 1, is amended to read:

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

(1) for filing an application for and the issuance of an original certificate of title, \$8.25, of which \$4.15 must be paid into the driver and vehicle services operating account ~~under section 299A.705, subdivision 1,~~ and a surcharge of \$2.25 must be added to the fee and credited to the driver and vehicle services technology account under section 299A.705, subdivision 3;

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

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

(4) for issuing a duplicate certificate of title, \$7.25, of which \$3.25 must be paid into the driver and vehicle services operating account under section 299A.705, subdivision 1, and a surcharge of \$2.25 must be added to the fee and credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

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

Sec. 11. Minnesota Statutes 2022, section 168A.31, subdivision 2, is amended to read:

Subd. 2. **Expenses; appropriation.** All necessary expenses incurred by the department for the administration of sections 168A.01 to 168A.31 must be paid from money in the driver and vehicle services operating account ~~of the special revenue fund as specified in~~ under section 299A.705, and such funds are hereby appropriated.

Sec. 12. Minnesota Statutes 2022, section 168D.06, is amended to read:

168D.06 FUEL LICENSE FEES.

License fees paid to the commissioner under the International Fuel Tax Agreement must be deposited in the driver and vehicle services operating account ~~in the special revenue fund~~ under section 299A.705. The commissioner shall charge an annual fuel license fee of \$15, an annual application filing fee of \$13 for quarterly reporting of fuel tax, and a reinstatement fee of \$100 to reinstate a revoked International Fuel Tax Agreement license.

Sec. 13. Minnesota Statutes 2022, section 168D.07, is amended to read:

168D.07 FUEL DECAL FEE.

The commissioner shall issue a decal or other identification to indicate compliance with the International Fuel Tax Agreement. The commissioner shall collect a fee for the decal or other identification in the amount established in section 168.12, subdivision 5. Decal or other identification fees paid to the commissioner

under this section must be deposited in the driver and vehicle services operating account ~~in the special revenue fund~~ under section 299A.705.

Sec. 14. Minnesota Statutes 2022, section 169A.60, subdivision 16, is amended to read:

Subd. 16. Fees credited. Fees collected from the sale or reinstatement of license plates under this section must be paid into the state treasury and credited one-half to the driver and vehicle services operating account ~~in the special revenue fund specified in~~ under section 299A.705 and one-half to the general fund.

Sec. 15. Minnesota Statutes 2022, section 171.07, subdivision 11, is amended to read:

Subd. 11. Standby or temporary custodian. (a) Upon the written request of the applicant and upon payment of an additional fee of \$4.25, the department shall issue a driver's license or Minnesota identification card bearing a symbol or other appropriate identifier indicating that the license holder has appointed an individual to serve as a standby or temporary custodian under chapter 257B.

(b) The request must be accompanied by a copy of the designation executed under section 257B.04.

(c) The department shall maintain a computerized records system of all individuals listed as standby or temporary custodians by driver's license and identification card applicants. This data must be released to appropriate law enforcement agencies under section 13.69. Upon a parent's request and payment of a fee of \$4.25, the department shall revise its list of standby or temporary custodians to reflect a change in the appointment.

(d) At the request of the license or cardholder, the department shall cancel the standby or temporary custodian indication without additional charge. However, this paragraph does not prohibit a fee that may be applicable for a duplicate or replacement license or card, renewal of a license, or other service applicable to a driver's license or identification card.

(e) Notwithstanding sections 13.08, subdivision 1, and 13.69, the department and department employees are conclusively presumed to be acting in good faith when employees rely on statements made, in person or by telephone, by persons purporting to be law enforcement and subsequently release information described in paragraph (b). When acting in good faith, the department and department personnel are immune from civil liability and not subject to suit for damages resulting from the release of this information.

(f) The department and its employees:

(1) have no duty to inquire or otherwise determine whether a designation submitted under this subdivision is legally valid and enforceable; and

(2) are immune from all civil liability and not subject to suit for damages resulting from a claim that the designation was not legally valid and enforceable.

(g) Of the fees received by the department under this subdivision:

(1) Up to \$61,000 received must be deposited in the general fund.

(2) All other fees must be deposited in the driver and vehicle services operating account ~~in the special revenue fund specified in~~ under section 299A.705.

Sec. 16. Minnesota Statutes 2022, 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 and vehicle services operating account ~~in the special revenue fund specified~~ under section 299A.705.

Sec. 17. Minnesota Statutes 2022, section 171.29, subdivision 2, is amended to read:

Subd. 2. Reinstatement fees and surcharges allocated and appropriated. (a) An individual whose driver's license has been revoked by reason of one or more convictions, pleas of guilty, forfeitures of bail not vacated, or mandatory revocations under section 169.791, 169.792, 169.797, 171.17, or 171.172, and who is otherwise eligible for reinstatement must pay a single \$30 fee before the driver's license is reinstated. An individual whose driver's license has been revoked under provisions specified in both this paragraph and paragraph (b) must pay the reinstatement fee as provided in paragraph (b).

(b) A person whose driver's license has been revoked under section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota Statutes 2012, section 609.21, must pay a \$250 fee plus a \$430 surcharge for each instance of revocation before the driver's license is reinstated, except as provided in paragraph (f). The \$250 fee must be credited as follows:

(1) 20 percent to the driver and vehicle services operating account ~~in the special revenue fund as specified in~~ under section 299A.705;

(2) 67 percent to the general fund;

(3) eight percent to a separate account to be known as the Bureau of Criminal Apprehension account. Money in this account is annually appropriated to the commissioner of public safety and the appropriated amount must be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065; and

(4) five percent to a separate account to be known as the vehicle forfeiture account, which is created in the special revenue fund. The money in the account is annually appropriated to the commissioner for costs of handling vehicle forfeitures.

(c) The revenue from \$50 of the surcharge must be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The revenue from \$50 of the surcharge on a reinstatement under paragraph (f) is credited from the first installment payment to the traumatic brain injury and spinal cord injury account. The money in the account is annually appropriated to the commissioner of health to be used as follows: 83 percent for contracts with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this paragraph, a "qualified community-based organization"

is a private, not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt organization and must have as its purposes:

- (1) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;
- (2) the provision of a network of support for persons with traumatic brain injury, their families, and friends;
- (3) the development and support of programs and services to prevent traumatic brain injury;
- (4) the establishment of education programs for persons with traumatic brain injury; and
- (5) the empowerment of persons with traumatic brain injury through participation in its governance.

A patient's name, identifying information, or identifiable medical data must not be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian or, if the patient is a minor, of the parent or guardian of the patient.

(d) The remainder of the surcharge must be credited to a separate account to be known as the remote electronic alcohol-monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of management and budget on a monthly basis for deposit in the general fund.

(e) When these fees are collected by a driver's license agent, appointed under section 171.061, a filing fee is imposed in the amount specified under section 171.061, subdivision 4. The reinstatement fees, surcharge, and filing fee must be deposited in an approved depository as directed under section 171.061, subdivision 4.

(f) A person whose driver's license has been revoked as provided in subdivision 1 under section 169A.52, 169A.54, or 171.177 may choose to pay 50 percent and an additional \$25 of the total amount of the surcharge and 50 percent of the fee required under paragraph (b) to reinstate the person's driver's license, provided the person meets all other requirements of reinstatement. If a person chooses to pay 50 percent of the total and an additional \$25, the driver's license must expire after two years. The person must pay an additional 50 percent less \$25 of the total to extend the license for an additional two years, provided the person is otherwise still eligible for the license. After this final payment of the surcharge and fee, the license may be renewed on a standard schedule, as provided under section 171.27. A filing fee may be imposed for each installment payment. Revenue from the filing fee is credited to the driver and vehicle services operating account ~~in the special revenue fund~~ under section 299A.705 and is appropriated to the commissioner.

(g) Any person making installment payments under paragraph (f), whose driver's license subsequently expires, or is canceled, revoked, or suspended before payment of 100 percent of the surcharge and fee, must pay the outstanding balance due for the initial reinstatement before the driver's license is subsequently reinstated. Upon payment of the outstanding balance due for the initial reinstatement, the person may pay any new surcharge and fee imposed under paragraph (b) in installment payments as provided under paragraph (f).

Sec. 18. Minnesota Statutes 2022, section 171.36, is amended to read:

171.36 LICENSE FEES; RENEWAL.

All licenses expire one year from the date of issuance and may be renewed upon application to the commissioner. Each application for an original or renewal school license must be accompanied by a fee of \$150 and each application for an original or renewal instructor's license must be accompanied by a fee of \$50. The license fees collected under sections 171.33 to 171.41 must be paid into the driver and vehicle services operating account ~~in the special revenue fund specified~~ under section 299A.705. A license fee must not be refunded in the event that the license is rejected or revoked.

Presented to the governor May 23, 2023