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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2403

03/13/2019 Authored by Hornstein and Tabke
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to transportation; establishing the governor's budget for transportation and
1.3 public safety activities; modifying various provisions governing transportation
1.4 and public safety policy and finance; appropriating money; authorizing the sale
1.5 and issuance of state bonds; amending Minnesota Statutes 2018, sections 13.461,
1.6 by adding a subdivision; 13.72, subdivision 10; 161.088, subdivision 2; 161.45,
1.7 subdivision 2; 161.46, subdivision 2; 168.013, subdivisions 1a, 1m, 21; 168.10,
1.8 subdivision 1g; 168.105, subdivision 5; 168.12, subdivisions 2, 2b, 2c, 2d, 2e, 2g,
1.9 5; 168.121, subdivision 1; 168.123, subdivision 1; 168.1235, subdivision 1;
1.10 168.1255, subdivision 1; 168.1256, subdivision 1; 168.128, subdivision 2; 168.1282,
1.11 subdivision 1; 168.1291, subdivision 4; 168.1294, subdivision 1; 168.1295,
1.12 subdivision 1; 168.1296, subdivision 1; 168.1297, subdivision 1; 168.1298,
1.13 subdivision 1; 168.1299, subdivision 1; 168.62, subdivision 3; 168A.29, subdivision
1.14 1; 171.06, subdivision 2; 174.24, subdivision 2; 174.57; 219.1651; 296A.07,
1.15 subdivision 3; 296A.08, subdivision 2; 297A.815, subdivision 3; 297A.94; 297A.99,
1.16 subdivision 1; 297B.02, subdivision 1; 299D.03, subdivision 5; 360.013, by adding
1.17 subdivisions; 360.024; 360.55, by adding a subdivision; 360.59, subdivision 10;
1.18 360.62; 473.386, by adding a subdivision; 473.39, subdivision 6; Laws 2018,
1.19 chapter 214, article 1, section 16, subdivision 11; proposing coding for new law
1.20 in Minnesota Statutes, chapters 297A; 360; repealing Laws 2017, First Special
1.21 Session chapter 3, article 3, section 123.

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

1.23 ARTICLE 1

1.24 TRANSPORTATION AND PUBLIC SAFETY APPROPRIATIONS

1.25 Section 1. TRANSPORTATION APPROPRIATIONS.

1.26 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.27 and for the purposes specified in this article. The appropriations are from the trunk highway
1.28 fund, or another named fund, and are available for the fiscal years indicated for each purpose.
1.29 Amounts for "Total Appropriation" and sums shown in the corresponding columns marked
1.30 "Appropriations by Fund" are summary only and do not have legal effect. The figures "2020"

2.1 and "2021" used in this article mean that the appropriations listed under them are available
 2.2 for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The first year" is
 2.3 fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is fiscal years 2020
 2.4 and 2021.

APPROPRIATIONS
Available for the Year
Ending June 30
2020 **2021**

2.9 **Sec. 2. DEPARTMENT OF**
 2.10 **TRANSPORTATION**

2.11 **Subdivision 1. Total Appropriation** \$ **3,124,174,000** \$ **3,682,840,000**

Appropriations by Fund

	<u>2020</u>	<u>2021</u>
2.14 <u>General</u>	<u>19,773,000</u>	<u>19,778,000</u>
2.15 <u>Airports</u>	<u>26,032,000</u>	<u>26,032,000</u>
2.16 <u>C.S.A.H.</u>	<u>888,833,000</u>	<u>1,073,491,000</u>
2.17 <u>M.S.A.S.</u>	<u>224,167,000</u>	<u>272,020,000</u>
2.18 <u>Trunk Highway</u>	<u>1,965,369,000</u>	<u>2,291,519,000</u>

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

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

2.24 **Subd. 2. Multimodal Systems**

2.25 **(a) Aeronautics**

2.26 **(1) Airport Development and Assistance** 19,298,000 19,298,000

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

2.31 The base appropriation is \$19,257,000 for
 2.32 fiscal year 2022 and \$19,247,000 for fiscal
 2.33 year 2023.

3.1 Notwithstanding Minnesota Statutes, section
 3.2 16A.28, subdivision 6, this appropriation is
 3.3 available for five years after appropriation. If
 3.4 the appropriation for either year is insufficient,
 3.5 the appropriation for the other year is available
 3.6 for it.

3.7 If the commissioner of transportation
 3.8 determines that a balance remains in the state
 3.9 airports fund following the appropriations
 3.10 made in this article, and that the appropriations
 3.11 made are insufficient for advancing airport
 3.12 development and assistance projects, an
 3.13 amount necessary to advance the projects, not
 3.14 to exceed the balance in the state airports fund,
 3.15 is appropriated in each year to the
 3.16 commissioner and must be spent according to
 3.17 Minnesota Statutes, section 360.305,
 3.18 subdivision 4. Within two weeks of a
 3.19 determination under this contingent
 3.20 appropriation, the commissioner of
 3.21 transportation must notify the commissioner
 3.22 of management and budget and the chairs and
 3.23 ranking minority members of the legislative
 3.24 committees with jurisdiction over
 3.25 transportation finance concerning funds
 3.26 appropriated. Funds appropriated under this
 3.27 contingent appropriation do not adjust the base
 3.28 appropriation for fiscal years 2022 and 2023.

3.29 **(2) Aviation Support Services** 8,802,000 8,817,000

<u>Appropriations by Fund</u>	<u>2020</u>	<u>2021</u>
3.31		
3.32 <u>Airports</u>	<u>6,734,000</u>	<u>6,734,000</u>
3.33 <u>Trunk Highway</u>	<u>1,981,000</u>	<u>1,996,000</u>
3.34 <u>General</u>	<u>87,000</u>	<u>87,000</u>

4.1 \$80,000 in each year is from the state airports
 4.2 fund for the Civil Air Patrol.

4.3 \$87,000 from the general fund and \$346,000
 4.4 from the trunk highway fund are annually
 4.5 transferred to the aircraft capital account under
 4.6 Minnesota Statutes, section 360.024,
 4.7 subdivision 2, paragraph (b).

4.8 **(b) Transit** 18,151,000 18,181,000

4.9 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
4.10 <u>General</u>	<u>17,249,000</u>	<u>17,249,000</u>
4.11 <u>Trunk Highway</u>	<u>902,000</u>	<u>932,000</u>

4.12 **(c) Safe Routes to School** 500,000 500,000

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

4.16 **(d) Freight** 7,223,000 7,357,000

4.17 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
4.18 <u>General</u>	<u>1,569,000</u>	<u>1,569,000</u>
4.19 <u>Trunk Highway</u>	<u>5,654,000</u>	<u>5,788,000</u>

4.20 **Subd. 3. State Roads**

4.21 **(a) Operations and Maintenance** 367,195,000 387,144,000

4.22 The base appropriation is \$388,923,000 in
 4.23 fiscal year 2022 and \$388,256,000 in fiscal
 4.24 year 2023.

4.25 **(b) Program Planning and Delivery** 273,296,000 325,844,000

4.26 **(1) Planning and Research** 31,467,000 30,950,000

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

5.1 \$130,000 in each year is available for
 5.2 administrative costs of the targeted group
 5.3 business program.

5.4 \$266,000 in each year is available for grants
 5.5 to metropolitan planning organizations outside
 5.6 the seven-county metropolitan area.

5.7 \$900,000 in each year is available for grants
 5.8 for transportation studies outside the
 5.9 metropolitan area to identify critical concerns,
 5.10 problems, and issues. These grants are
 5.11 available: (1) to regional development
 5.12 commissions; (2) in regions where no regional
 5.13 development commission is functioning, to
 5.14 joint powers boards established under
 5.15 agreement of two or more political
 5.16 subdivisions in the region to exercise the
 5.17 planning functions of a regional development
 5.18 commission; and (3) in regions where no
 5.19 regional development commission or joint
 5.20 powers board is functioning, to the Department
 5.21 of Transportation district office for that region.

5.22 **(2) Program Delivery** 241,829,000 294,894,000

5.23 \$1,000,000 in each year is available for
 5.24 management of contaminated and regulated
 5.25 material on property owned by the Department
 5.26 of Transportation, including mitigation of
 5.27 property conveyances, facility acquisition or
 5.28 expansion, chemical release at maintenance
 5.29 facilities, and spills on the trunk highway
 5.30 system where there is no known responsible
 5.31 party. If the appropriation for either year is
 5.32 insufficient, the appropriation for the other
 5.33 year is available for it.

6.1 The base appropriation for program delivery
 6.2 is \$306,275,000 in fiscal year 2022 and
 6.3 \$307,317,000 in fiscal year 2023.

6.4 **(c) State Road Construction** 949,201,000 1,177,990,000

	<u>Appropriations by Fund</u>	
	<u>2020</u>	<u>2021</u>
6.5		
6.6		
6.7	<u>Federal Highway Aid</u>	<u>440,995,000</u> <u>476,995,000</u>
6.8	<u>Trunk Highway</u>	<u>508,206,000</u> <u>700,995,000</u>

6.9 The commissioner of transportation shall
 6.10 notify the chairs and ranking minority
 6.11 members of the legislative committees with
 6.12 jurisdiction over transportation finance of any
 6.13 significant events that cause these estimates
 6.14 to change.

6.15 This appropriation is for the actual
 6.16 construction, reconstruction, and improvement
 6.17 of trunk highways, including design-build
 6.18 contracts, internal department costs associated
 6.19 with delivering the construction program,
 6.20 consultant usage to support these activities,
 6.21 and the cost of actual payments to landowners
 6.22 for lands acquired for highway rights-of-way,
 6.23 payment to lessees, interest subsidies, and
 6.24 relocation expenses.

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

6.31 The commissioner may transfer up to
 6.32 \$15,000,000 each year to the transportation
 6.33 revolving loan fund.

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

7.5 The base appropriation for state road
 7.6 construction is \$1,233,558,000 in fiscal year
 7.7 2022 and \$1,238,645,000 in fiscal year 2023.

7.8 **(d) Corridors of Commerce** 25,000,000 25,000,000

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

7.14 **(e) Highway Debt Service** 238,860,000 257,290,000

7.15 \$229,360,000 in fiscal year 2020 and
 7.16 \$247,790,000 in fiscal year 2021 are for
 7.17 transfer to the state bond fund. If this
 7.18 appropriation is insufficient to make all
 7.19 transfers required in the year for which it is
 7.20 made, the commissioner of management and
 7.21 budget must transfer the deficiency amount
 7.22 under the statutory open appropriation and
 7.23 notify the chairs, ranking minority members,
 7.24 and staff of the legislative committees with
 7.25 jurisdiction over transportation finance and
 7.26 the chairs of the senate Finance Committee
 7.27 and the house of representatives Ways and
 7.28 Means Committee of the amount of the
 7.29 deficiency. Any excess appropriation cancels
 7.30 to the trunk highway fund.

7.31 **(f) Statewide Radio Communications** 5,989,000 6,159,000

7.32 Appropriations by Fund
 7.33 2020 2021

8.1	<u>General</u>	<u>3,000</u>	<u>3,000</u>
8.2	<u>Trunk Highway</u>	<u>5,986,000</u>	<u>6,156,000</u>

8.3 \$3,000 in each year is from the general fund
 8.4 to equip and operate the Roosevelt signal
 8.5 tower for Lake of the Woods weather
 8.6 broadcasting.

8.7 **Subd. 4. Local Roads**

8.8	<u>(a) County State-Aid Roads</u>	<u>888,833,000</u>	<u>1,073,491,000</u>
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8.9 This appropriation is from the county state-aid
 8.10 highway fund under Minnesota Statutes,
 8.11 section 161.081, and Minnesota Statutes,
 8.12 chapter 162, and is available until June 30,
 8.13 2029.

8.14 If the commissioner of transportation
 8.15 determines that a balance remains in the
 8.16 county state-aid highway fund following the
 8.17 appropriations and transfers made in this
 8.18 paragraph, and that the appropriations made
 8.19 are insufficient for advancing county state-aid
 8.20 highway projects, an amount necessary to
 8.21 advance the projects, not to exceed the balance
 8.22 in the county state-aid highway fund, is
 8.23 appropriated in each year to the commissioner.

8.24 Within two weeks of a determination under
 8.25 this contingent appropriation, the
 8.26 commissioner of transportation must notify
 8.27 the commissioner of management and budget
 8.28 and the chairs, ranking minority members, and
 8.29 staff of the legislative committees with
 8.30 jurisdiction over transportation finance
 8.31 concerning funds appropriated. The
 8.32 commissioner must identify in the next budget
 8.33 submission to the legislature under Minnesota
 8.34 Statutes, section 16A.11, any amount that is
 8.35 appropriated under this paragraph.

9.1 **(b) Municipal State-Aid Roads** 224,167,000 272,020,000

9.2 This appropriation is from the municipal
 9.3 state-aid street fund under Minnesota Statutes,
 9.4 chapter 162, and is available until June 30,
 9.5 2029.

9.6 If the commissioner of transportation
 9.7 determines that a balance remains in the
 9.8 municipal state-aid street fund following the
 9.9 appropriations and transfers made in this
 9.10 paragraph, and that the appropriations made
 9.11 are insufficient for advancing municipal
 9.12 state-aid street projects, an amount necessary
 9.13 to advance the projects, not to exceed the
 9.14 balance in the municipal state-aid street fund,
 9.15 is appropriated in each year to the
 9.16 commissioner. Within two weeks of a
 9.17 determination under this contingent
 9.18 appropriation, the commissioner of
 9.19 transportation must notify the commissioner
 9.20 of management and budget and the chairs,
 9.21 ranking minority members, and staff of the
 9.22 legislative committees with jurisdiction over
 9.23 transportation finance concerning funds
 9.24 appropriated. The commissioner must identify
 9.25 in the next budget submission to the legislature
 9.26 under Minnesota Statutes, section 16A.11, any
 9.27 amount that is appropriated under this
 9.28 paragraph.

9.29 **Subd. 5. Agency Management**

9.30 **(a) Agency Services** 54,190,000 54,701,000

9.31	<u>Appropriations by Fund</u>		
9.32		<u>2020</u>	<u>2021</u>
9.33	<u>General</u>	<u>311,000</u>	<u>316,000</u>
9.34	<u>Trunk Highway</u>	<u>53,879,000</u>	<u>54,385,000</u>

10.1 Of this amount, \$311,000 in fiscal year 2020
 10.2 and \$316,000 in fiscal year 2021 are
 10.3 appropriated from the general fund and
 10.4 \$100,000 in fiscal years 2020 and 2021 is
 10.5 appropriated from the trunk highway fund to
 10.6 facilitate tribal training for state agencies.

10.7 The base appropriation from the trunk
 10.8 highway fund is \$53,069,000 in each of fiscal
 10.9 years 2022 and 2023.

10.10 **(b) Buildings** 42,869,000 48,448,000

<u>Appropriations by Fund</u>	<u>2020</u>	<u>2021</u>
<u>General</u>	<u>54,000</u>	<u>54,000</u>
<u>Trunk Highway</u>	<u>42,815,000</u>	<u>48,394,000</u>

10.15 Any money appropriated to the commissioner
 10.16 of transportation for building construction for
 10.17 any fiscal year before the first year is available
 10.18 to the commissioner during the biennium to
 10.19 the extent that the commissioner spends the
 10.20 money on the building construction projects
 10.21 for which the money was originally
 10.22 encumbered during the fiscal year for which
 10.23 it was appropriated. If the appropriation for
 10.24 either year is insufficient, the appropriation
 10.25 for the other year is available for it.

10.26 The base appropriation from the trunk
 10.27 highway fund is \$39,694,000 in each of fiscal
 10.28 years 2022 and 2023.

10.29 **(c) Tort Claims** 600,000 600,000

10.30 If the appropriation for either year is
 10.31 insufficient, the appropriation for the other
 10.32 year is available for it.

11.1 Subd. 6. Transfers

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

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

11.25 (c) The commissioner of transportation must
11.26 transfer from the flexible highway account in
11.27 the county state-aid highway fund the entire
11.28 amount in each year to the county turnback
11.29 account in the county state-aid highway fund.
11.30 The funds transferred are for highway
11.31 turnback purposes under Minnesota Statutes,
11.32 section 161.081, subdivision 3.

12.1 **Subd. 7. Previous State Road Construction**
12.2 **Appropriations**

12.3 Any money appropriated to the commissioner
12.4 of transportation for state road construction
12.5 for any fiscal year before the first year is
12.6 available to the commissioner during the
12.7 biennium to the extent that the commissioner
12.8 spends the money on the state road
12.9 construction project for which the money was
12.10 originally encumbered during the fiscal year
12.11 for which it was appropriated.

12.12 **Subd. 8. Contingent Appropriations**

12.13 The commissioner of transportation, with the
12.14 approval of the governor and the written
12.15 approval of at least five members of a group
12.16 consisting of the members of the Legislative
12.17 Advisory Commission under Minnesota
12.18 Statutes, section 3.30, and the ranking minority
12.19 members of the legislative committees with
12.20 jurisdiction over transportation finance, may
12.21 transfer all or part of the unappropriated
12.22 balance in the trunk highway fund to an
12.23 appropriation: (1) for trunk highway design,
12.24 construction, or inspection that takes
12.25 advantage of an unanticipated receipt of
12.26 income to the trunk highway fund or federal
12.27 advanced construction funding; (2) for
12.28 emergency trunk highway maintenance in
12.29 order to meet an emergency; or (3) to pay tort
12.30 or environmental claims. Nothing in this
12.31 subdivision authorizes the commissioner to
12.32 increase the use of federal advanced
12.33 construction funding beyond amounts
12.34 specifically authorized. Any transfer as a result
12.35 of the use of federal advanced construction

14.1	<u>Appropriations by Fund</u>		
14.2		<u>2020</u>	<u>2021</u>
14.3	<u>General</u>	<u>5,643,000</u>	<u>5,690,000</u>
14.4	<u>Trunk Highway</u>	<u>10,086,000</u>	<u>10,283,000</u>
14.5	<u>H.U.T.D.</u>	<u>1,519,000</u>	<u>1,475,000</u>
14.6	<u>(a) Office of Communications</u>		
14.7	<u>Appropriations by Fund</u>		
14.8		<u>2020</u>	<u>2021</u>
14.9	<u>General</u>	<u>130,000</u>	<u>130,000</u>
14.10	<u>Trunk Highway</u>	<u>445,000</u>	<u>445,000</u>
14.11	<u>(b) Public Safety Support</u>		
14.12	<u>Appropriations by Fund</u>		
14.13		<u>2020</u>	<u>2021</u>
14.14	<u>General</u>	<u>1,238,000</u>	<u>1,369,000</u>
14.15	<u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
14.16	<u>Trunk Highway</u>	<u>3,986,000</u>	<u>4,391,000</u>
14.17	<u>(c) Public Safety Officer Benefits</u>		<u>640,000</u>
14.18	<u>This appropriation is from the general fund</u>		
14.19	<u>for payment of public safety officer survivor</u>		
14.20	<u>benefits under Minnesota Statutes, section</u>		
14.21	<u>299A.44. If the appropriation for either year</u>		
14.22	<u>is insufficient, the appropriation for the other</u>		
14.23	<u>year is available for it.</u>		
14.24	<u>(d) Public Safety Officer Reimbursements</u>		<u>1,367,000</u>
14.25	<u>This appropriation is from the general fund to</u>		
14.26	<u>be deposited in the public safety officer's</u>		
14.27	<u>benefit account. This money is available for</u>		
14.28	<u>reimbursements under Minnesota Statutes,</u>		
14.29	<u>section 299A.465.</u>		
14.30	<u>(e) Soft Body Armor Reimbursements</u>		
14.31	<u>Appropriations by Fund</u>		
14.32		<u>2020</u>	<u>2021</u>
14.33	<u>General</u>	<u>645,000</u>	<u>645,000</u>
14.34	<u>Trunk Highway</u>	<u>100,000</u>	<u>100,000</u>

15.1 \$645,000 in each year is from the general fund
 15.2 and \$100,000 in each year is from the trunk
 15.3 highway fund for soft body armor
 15.4 reimbursements under Minnesota Statutes,
 15.5 section 299A.38.

15.6 **(f) Technology and Support Service**

15.7 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
15.8		
15.9 <u>General</u>	<u>1,623,000</u>	<u>1,539,000</u>
15.10 <u>H.U.T.D.</u>	<u>153,000</u>	<u>109,000</u>
15.11 <u>Trunk Highway</u>	<u>5,555,000</u>	<u>5,347,000</u>

15.12 \$258,000 from the general fund, \$640,000
 15.13 from the trunk highway fund, and \$134,000
 15.14 from the highway user tax distribution fund
 15.15 in fiscal year 2020 are to migrate servers to a
 15.16 new location and for ongoing hosting. The
 15.17 base in fiscal year 2021 and each year
 15.18 thereafter is \$174,000 from the general fund,
 15.19 \$432,000 from the trunk highway fund, and
 15.20 \$90,000 from the highway user tax distribution
 15.21 fund.

15.22 **Subd. 3. State Patrol** 114,157,000 115,085,000

15.23 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
15.24		
15.25 <u>General</u>	<u>9,201,000</u>	<u>9,244,000</u>
15.26 <u>Trunk Highway</u>	<u>104,071,000</u>	<u>104,947,000</u>
15.27 <u>H.U.T.D.</u>	<u>885,000</u>	<u>894,000</u>

15.28 **(a) Patrolling Highways** 95,252,000 96,083,000

15.29 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
15.30		
15.31 <u>General</u>	<u>37,000</u>	<u>37,000</u>
15.32 <u>Trunk Highway</u>	<u>95,123,000</u>	<u>95,954,000</u>
15.33 <u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>

16.1 To account for base adjustments provided in
 16.2 Laws 2018, chapter 211, article 21, section 2,
 16.3 paragraph (a), the base appropriation from the
 16.4 trunk highway fund for fiscal years 2022 and
 16.5 2023 is \$96,784,000.

16.6 **(b) Commercial Vehicle Enforcement** 8,948,000 8,993,000

16.7 To account for base adjustments provided in
 16.8 Laws 2018, chapter 211, article 21, section 2,
 16.9 paragraph (a), the base appropriation from the
 16.10 trunk highway fund for fiscal years 2022 and
 16.11 2023 is \$9,038,000.

16.12 **(c) Capitol Security** 9,164,000 9,207,000

16.13 This appropriation is from the general fund.

16.14 To account for base adjustments provided in
 16.15 Laws 2018, chapter 211, article 21, section 1,
 16.16 paragraph (a), the base appropriation from the
 16.17 general fund for fiscal years 2022 and 2023 is
 16.18 \$9,250,000.

16.19 The commissioner must not (1) spend any
 16.20 money from the trunk highway fund for
 16.21 capitol security, or (2) permanently transfer
 16.22 any state trooper from the patrolling highways
 16.23 activity to capitol security.

16.24 **(d) Vehicle Crimes Unit** 793,000 802,000

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

16.27 (1) registration tax and motor vehicle sales tax
 16.28 liabilities from individuals and businesses that
 16.29 currently do not pay all taxes owed; and

16.30 (2) illegal or improper activity related to the
 16.31 sale, transfer, titling, and registration of motor
 16.32 vehicles.

17.1 To account for base adjustments provided in
 17.2 Laws 2018, chapter 211, article 21, section 2,
 17.3 paragraph (a), the base appropriation from the
 17.4 highway user tax distribution fund for fiscal
 17.5 years 2022 and 2023 is \$811,000.

17.6 **Subd. 4. Driver and Vehicle Services** 97,112,000 94,583,000

17.7 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
17.8		
17.9 <u>General</u>	<u>20,335,000</u>	<u>17,335,000</u>
17.10 <u>H.U.T.D.</u>	<u>13,983,000</u>	<u>13,968,000</u>
17.11 <u>Special Revenue</u>	<u>62,794,000</u>	<u>63,280,000</u>

17.12 **(a) Vehicle Services** 40,025,000 40,249,000

17.13 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
17.14		
17.15 <u>H.U.T.D.</u>	<u>13,983,000</u>	<u>13,968,000</u>
17.16 <u>Special Revenue</u>	<u>26,042,000</u>	<u>26,281,000</u>

17.17 The special revenue fund appropriation is from
 17.18 the vehicle services operating account in the
 17.19 special revenue fund under Minnesota
 17.20 Statutes, section 299A.705, subdivision 1.

17.21 The base from the special revenue fund is
 17.22 \$25,489,000 in each of fiscal years 2022 and
 17.23 2023.

17.24 \$50,000 each year is appropriated from the
 17.25 highway user tax distribution fund to the
 17.26 commissioner of public safety for transfer to
 17.27 the special revenue fund at the Minnesota
 17.28 Pollution Control Agency for grants for
 17.29 electric vehicle infrastructure.

17.30 **(b) Driver Services** 36,752,000 36,999,000

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

19.1 staff costs that are attributed directly to the capital program or project in accordance with
 19.2 accounting policies adopted by the commissioner of management and budget.

19.3 **SUMMARY**

19.4	<u>Department of Transportation</u>	\$ <u>2,000,000,000</u>
19.5	<u>Department of Management and Budget</u>	<u>2,000,000</u>
19.6	<u>TOTAL</u>	\$ <u>2,002,000,000</u>

19.7 **APPROPRIATIONS**

19.8	<u>Sec. 2. DEPARTMENT OF</u>	
19.9	<u>TRANSPORTATION</u>	\$ <u>2,000,000,000</u>

19.10 (a) This appropriation is to the commissioner
 19.11 of transportation for construction,
 19.12 reconstruction, and improvement of trunk
 19.13 highways, including design-build contracts
 19.14 and use of consultants to support these
 19.15 activities.

19.16 This appropriation is for \$250,000,000 in each
 19.17 fiscal year for fiscal years 2022 to 2029.

19.18 The commissioner may use up to 17 percent
 19.19 of the amount each year for program delivery.

19.20 (b) The appropriation in this section cancels
 19.21 as specified under Minnesota Statutes, section
 19.22 16A.642, except that the commissioner of
 19.23 management and budget shall count the start
 19.24 of authorization for issuance of state bonds as
 19.25 the first day of the fiscal year during which
 19.26 the bonds are available to be issued as
 19.27 specified under paragraph (a) and not as the
 19.28 date of enactment of this section.

19.29	<u>Sec. 3. BOND SALE EXPENSES</u>	\$ <u>2,000,000</u>
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19.30 This appropriation is to the commissioner of
 19.31 management and budget for bond sale
 19.32 expenses under Minnesota Statutes, sections
 19.33 16A.641, subdivision 8, and 167.50,
 19.34 subdivision 4.

20.1 Sec. 4. **BOND SALE AUTHORIZATION.**

20.2 To provide the money appropriated in this article from the bond proceeds account in the
 20.3 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
 20.4 of the state in an amount up to \$2,002,000,000 in the manner, upon the terms, and with the
 20.5 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
 20.6 Constitution, article XIV, section 11, at the times and in the amounts requested by the
 20.7 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
 20.8 premium received from the sale of the bonds, must be deposited in the bond proceeds account
 20.9 in the trunk highway fund.

20.10 Sec. 5. **EFFECTIVE DATE.**

20.11 This article is effective July 1, 2019.

20.12 **ARTICLE 3**

20.13 **MOTOR VEHICLE FUELS TAX**

20.14 Section 1. Minnesota Statutes 2018, section 296A.07, subdivision 3, is amended to read:

20.15 Subd. 3. **Rate of tax.** (a) After September 30, 2019, but before April 1, 2020, and on all
 20.16 gasoline in distributor storage at 12:01 a.m. on October 1, 2019, the gasoline excise tax is
 20.17 imposed at the following rates:

20.18 (1) E85 is taxed at the rate of ~~17.75~~ 21.30 cents per gallon;

20.19 (2) M85 is taxed at the rate of ~~14.25~~ 17.10 cents per gallon; and

20.20 (3) all other gasoline is taxed at the rate of ~~25~~ 30 cents per gallon.

20.21 (b) After March 31, 2020, but before October 1, 2020, and on all gasoline in distributor
 20.22 storage at 12:01 a.m. on April 1, 2020, the gasoline excise tax is imposed at the following
 20.23 rates:

20.24 (1) E85 is taxed at the rate of 24.85 cents per gallon;

20.25 (2) M85 is taxed at the rate of 19.95 cents per gallon; and

20.26 (3) all other gasoline is taxed at the rate of 35 cents per gallon.

20.27 (c) After September 30, 2020, but before April 1, 2021, and on all gasoline in distributor
 20.28 storage at 12:01 a.m. on October 1, 2020, the gasoline excise tax is imposed at the following
 20.29 rates:

20.30 (1) E85 is taxed at the rate of 28.40 cents per gallon;

21.1 (2) M85 is taxed at the rate of 22.80 cents per gallon; and

21.2 (3) all other gasoline is taxed at the rate of 40 cents per gallon.

21.3 (d) After March 31, 2021, and on all gasoline in distributor storage at 12:01 a.m. on
21.4 April 1, 2021, the gasoline excise tax is imposed at the following rates:

21.5 (1) E85 is taxed at the rate of 31.95 cents per gallon;

21.6 (2) M85 is taxed at the rate of 25.65 cents per gallon; and

21.7 (3) all other gasoline is taxed at the rate of 45 cents per gallon.

21.8 (e) On or before April 1, 2022, and on or before April 1 in each subsequent year, the
21.9 commissioner shall determine the tax rate applicable to the sale of E85, M85, and all other
21.10 gasoline subject to tax under this section for the upcoming 12-month period, beginning July
21.11 1, by adding to the current fiscal year tax rate the percentage increase, if any, in the United
21.12 States Consumer Price Index for the previous calendar year. The tax rate shall be rounded
21.13 to the nearest tenth of a cent. The tax rate for E85 shall not be lower than 31.95 cents per
21.14 gallon. The tax rate for M85 shall not be less than 25.65 cents per gallon. The tax rate for
21.15 all other gasoline shall not be lower than 45 cents per gallon.

21.16 (f) For purposes of this subdivision, the United States Consumer Price Index means the
21.17 United States Consumer Price Index for all urban consumers, United States city average,
21.18 as determined by the United States Department of Labor.

21.19 (g) For purposes of this subdivision, "gasoline in distributor storage" means gasoline
21.20 owned or possessed by a distributor and held in storage, including being held in bulk storage,
21.21 a tank wagon, or a compartment of a delivery truck.

21.22 **EFFECTIVE DATE.** This section is effective for tax imposed after September 30,
21.23 2019.

21.24 Sec. 2. Minnesota Statutes 2018, section 296A.08, subdivision 2, is amended to read:

21.25 Subd. 2. **Rate of tax.** (a) On special fuel subject to tax under this section after September
21.26 30, 2019, but before April 1, 2020, and on special fuel in distributor storage at 12:01 a.m.
21.27 on October 1, 2019, the special fuel excise tax is imposed at the following rates:

21.28 ~~(a)~~ (1) liquefied petroleum gas or propane is taxed at the rate of ~~18.75~~ 22.50 cents per
21.29 gallon;

21.30 ~~(b)~~ (2) liquefied natural gas is taxed at the rate of ~~15~~ 18 cents per gallon;

22.1 ~~(e)~~ (3) compressed natural gas is taxed at the rate of ~~\$1.974~~ \$2.368 per thousand cubic
22.2 feet; or ~~25~~ 30 cents per gasoline equivalent. For purposes of this paragraph, "gasoline
22.3 equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds
22.4 of natural gas or 126.67 cubic feet; and

22.5 ~~(d)~~ (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified
22.6 in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed
22.7 by the commissioner.

22.8 (b) On special fuel subject to tax under this section after March 31, 2020, but before
22.9 October 1, 2020, and on all special fuel in distributor storage at 12:01 a.m. on April 1, 2020,
22.10 the special fuel excise tax is imposed at the following rates:

22.11 (1) liquefied petroleum gas or propane is taxed at the rate of 26.25 cents per gallon;

22.12 (2) liquefied natural gas is taxed at the rate of 21 cents per gallon;

22.13 (3) compressed natural gas is taxed at the rate of \$2.763 per thousand cubic feet; or 35
22.14 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as
22.15 defined by the National Conference on Weights and Measures, is 5.66 pounds of natural
22.16 gas or 126.67 cubic feet; and

22.17 (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified
22.18 in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed
22.19 by the commissioner.

22.20 (c) On special fuel subject to tax under this section after September 30, 2020, but before
22.21 April 1, 2021, and on all special fuel in distributor storage at 12:01 a.m. on October 1, 2020,
22.22 the special fuel excise tax is imposed at the following rates:

22.23 (1) liquefied petroleum gas or propane is taxed at the rate of 30 cents per gallon;

22.24 (2) liquefied natural gas is taxed at the rate of 24 cents per gallon;

22.25 (3) compressed natural gas is taxed at the rate of \$3.157 per thousand cubic feet; or 40
22.26 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as
22.27 defined by the National Conference on Weights and Measures, is 5.66 pounds of natural
22.28 gas or 126.67 cubic feet; and

22.29 (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified
22.30 in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed
22.31 by the commissioner.

23.1 (d) On special fuel subject to tax under this section after March 31, 2021, and on all
23.2 special fuel in distributor storage at 12:01 a.m. on April 1, 2021, the special fuel excise tax
23.3 is imposed at the following rates:

23.4 (1) liquefied petroleum gas or propane is taxed at the rate of 33.75 cents per gallon;

23.5 (2) liquefied natural gas is taxed at the rate of 27 cents per gallon;

23.6 (3) compressed natural gas is taxed at the rate of \$3.552 per thousand cubic feet; or 45
23.7 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as
23.8 defined by the National Conference on Weights and Measures, is 5.66 pounds of natural
23.9 gas or 126.67 cubic feet; and

23.10 (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified
23.11 in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed
23.12 by the commissioner.

23.13 (e) On or before April 1, 2022, and on or before April 1 in each subsequent year, the
23.14 commissioner shall determine the tax rate applicable to the sale of special fuels subject to
23.15 tax under this section for the upcoming 12-month period, beginning July 1, by adding to
23.16 the current tax rate the percentage increase, if any, in the United States Consumer Price
23.17 Index for the previous calendar year. The tax rate shall be rounded to the nearest tenth of a
23.18 cent. The tax rate for liquefied petroleum gas or propane shall not be lower than 33.75 cents
23.19 per gallon. The tax rate for liquefied natural gas shall not be less than 27 cents per gallon.
23.20 The tax rate for compressed natural gas shall not be lower than \$3.552 per thousand cubic
23.21 feet or 45 cents per gasoline equivalent. The tax rate for all other special fuel shall not be
23.22 lower than 45 cents per gallon.

23.23 (f) For purposes of this subdivision, the United States Consumer Price Index means the
23.24 United States Consumer Price Index for all urban consumers, United States city average,
23.25 as determined by the United States Department of Labor.

23.26 (g) For purposes of this subdivision, "special fuel in distributor storage" means special
23.27 fuel owned and possessed by a distributor and held in storage, including being held in bulk
23.28 storage, a tank wagon, or a compartment of a delivery truck.

23.29 **EFFECTIVE DATE.** This section is effective for tax imposed after September 30,
23.30 2019.

24.1 **ARTICLE 4**

24.2 **TRANSPORTATION FUNDING AND OTHER TAXES AND FEES**

24.3 Section 1. Minnesota Statutes 2018, section 168.013, subdivision 1a, is amended to read:

24.4 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in
 24.5 section 168.002, subdivision 24, and hearses, except as otherwise provided, the tax is ~~\$10~~
 24.6 \$45 plus an additional tax equal to ~~1.25~~ 1.5 percent of the base value.

24.7 (b) Subject to the classification provisions herein, "base value" means the manufacturer's
 24.8 suggested retail price of the vehicle ~~including destination charge~~ using list price information
 24.9 published by the manufacturer or determined by the registrar if no suggested retail price
 24.10 exists, and shall not include the cost of each accessory or item of optional equipment
 24.11 separately added to the vehicle and the suggested retail price.

24.12 (c) If the manufacturer's list price information contains a single vehicle identification
 24.13 number followed by various descriptions and suggested retail prices, the registrar shall
 24.14 select from those listings only the lowest price for determining base value.

24.15 (d) If unable to determine the base value because the vehicle is specially constructed,
 24.16 or for any other reason, the registrar may establish such value upon the cost price to the
 24.17 purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales
 24.18 or use tax or any local sales or other local tax.

24.19 (e) The registrar shall classify every vehicle in its proper base value class as follows:

24.20	FROM	TO
24.21	\$ 0	\$ 199.99
24.22	\$ 200	\$ 399.99

24.23 and thereafter a series of classes successively set in brackets having a spread of \$200
 24.24 consisting of such number of classes as will permit classification of all vehicles.

24.25 (f) The base value for purposes of this section shall be the middle point between the
 24.26 extremes of its class.

24.27 (g) The registrar shall establish the base value, when new, of every passenger automobile
 24.28 and hearse registered prior to the effective date of Extra Session Laws 1971, chapter 31,
 24.29 using list price information published by the manufacturer or any nationally recognized
 24.30 firm or association compiling such data for the automotive industry. If unable to ascertain
 24.31 the base value of any registered vehicle in the foregoing manner, the registrar may use any
 24.32 other available source or method. The registrar shall calculate tax using base value
 24.33 information available to dealers and deputy registrars at the time the application for

25.1 registration is submitted. The tax on all previously registered vehicles shall be computed
 25.2 upon the base value thus determined taking into account the depreciation provisions of
 25.3 paragraph (h).

25.4 (h) The annual additional tax must be computed upon a percentage of the base value as
 25.5 follows: during the first year of vehicle life, upon 100 percent of the base value; for the
 25.6 second year, ~~90~~ 100 percent of such value; for the third year, ~~80~~ 90 percent of such value;
 25.7 for the fourth year, ~~70~~ 90 percent of such value; for the fifth year, ~~60~~ 75 percent of such
 25.8 value; for the sixth year, ~~50~~ 75 percent of such value; for the seventh year, ~~40~~ 60 percent
 25.9 of such value; for the eighth year, ~~30~~ 40 percent of such value; for the ninth year, ~~20~~ 30
 25.10 percent of such value; for the tenth year, ten percent of such value; for the 11th and each
 25.11 succeeding year, the sum of \$25.

25.12 (i) In no event shall the annual additional tax be less than \$25.

25.13 ~~(j) For any vehicle previously registered in Minnesota and regardless of prior ownership,~~
 25.14 ~~the total amount due under this subdivision and subdivision 1m must not exceed the smallest~~
 25.15 ~~total amount previously paid or due on the vehicle.~~

25.16 **EFFECTIVE DATE.** This section is effective January 1, 2020.

25.17 Sec. 2. Minnesota Statutes 2018, section 297A.815, subdivision 3, is amended to read:

25.18 Subd. 3. **Motor vehicle lease sales tax revenue.** (a) For purposes of this subdivision,
 25.19 "net revenue" means an amount equal to the revenues, including interest and penalties,
 25.20 collected under this section during the fiscal year minus \$32,000,000 in each fiscal year.

25.21 (b) On or before June 30 of each fiscal year, the commissioner of revenue must estimate
 25.22 the ~~revenues~~ amount of the net revenue, including interest and penalties and minus refunds,
 25.23 collected under this section for the current fiscal year.

25.24 ~~(b)~~ (c) By July 15 of the subsequent fiscal year, the commissioner of management and
 25.25 budget must transfer the net revenues estimated under paragraph ~~(a)~~ (b) from the general
 25.26 fund as follows:

25.27 (1) ~~38~~ 50 percent annually thereafter to the county state-aid highway fund; and

25.28 (2) ~~38 percent~~ the remainder to the greater Minnesota transit account;

25.29 ~~(3) 13 percent to the Minnesota state transportation fund; and~~

25.30 ~~(4) 11 percent to the highway user tax distribution fund.~~

26.1 ~~(e)~~ (d) Notwithstanding any other law to the contrary, the commissioner of transportation
 26.2 must allocate the funds transferred under paragraph ~~(b)~~ (c), clause (1), to the counties in the
 26.3 metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of
 26.4 Hennepin and Ramsey, so that each county receives the percentage that its population, as
 26.5 defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year
 26.6 prior to the current calendar year, bears to the total population of the counties receiving
 26.7 funds under this paragraph.

26.8 ~~(d) The amount transferred under paragraph (b), clause (3), must be used for the local~~
 26.9 ~~bridge program under section 174.50, subdivisions 6 to 7.~~

26.10 (e) The revenues under this subdivision do not include the revenues, including interest
 26.11 and penalties and minus refunds, generated by the sales tax imposed under section 297A.62,
 26.12 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
 26.13 article XI, section 15.

26.14 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 26.15 beginning with the estimate that must be completed on or before June 30, 2020, for a transfer
 26.16 that occurs by July 15, 2020.

26.17 Sec. 3. Minnesota Statutes 2018, section 297A.94, is amended to read:

26.18 **297A.94 DEPOSIT OF REVENUES.**

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

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

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

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

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

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

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

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

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

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

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

27.23 ~~(g) Starting after July 1, 2017, the commissioner shall deposit an amount of the~~
27.24 ~~remittances monthly into the state treasury and credit them to the highway user tax~~
27.25 ~~distribution fund as a portion of the estimated amount of taxes collected from the sale and~~
27.26 ~~purchase of motor vehicle repair parts in that month. For the remittances between July 1,~~
27.27 ~~2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. For remittances in~~
27.28 ~~each subsequent fiscal year, the monthly deposit amount is \$12,137,000. For purposes of~~
27.29 ~~this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11,~~
27.30 ~~and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories,~~
27.31 ~~and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle~~
27.32 ~~maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor~~
27.33 ~~vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph,~~

28.1 ~~"tire" means any tire of the type used on highway vehicles, if wholly or partially made of~~
 28.2 ~~rubber and if marked according to federal regulations for highway use.~~

28.3 ~~(h)~~ (e) 72.43 percent of the revenues, including interest and penalties, transmitted to the
 28.4 commissioner under section 297A.65, must be deposited by the commissioner in the state
 28.5 treasury as follows:

28.6 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
 28.7 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
 28.8 fish and wildlife resources, including conservation, restoration, and enhancement of land,
 28.9 water, and other natural resources of the state;

28.10 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
 28.11 be spent only for state parks and trails;

28.12 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
 28.13 be spent only on metropolitan park and trail grants;

28.14 (4) three percent of the receipts must be deposited in the natural resources fund, and
 28.15 may be spent only on local trail grants; and

28.16 (5) two percent of the receipts must be deposited in the natural resources fund, and may
 28.17 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
 28.18 and the Duluth Zoo.

28.19 ~~(h)~~ (f) The revenue dedicated under paragraph ~~(h)~~ (e) may not be used as a substitute for
 28.20 traditional sources of funding for the purposes specified, but the dedicated revenue shall
 28.21 supplement traditional sources of funding for those purposes. Land acquired with money
 28.22 deposited in the game and fish fund under paragraph ~~(h)~~ (e) must be open to public hunting
 28.23 and fishing during the open season, except that in aquatic management areas or on lands
 28.24 where angling easements have been acquired, fishing may be prohibited during certain times
 28.25 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
 28.26 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
 28.27 resources under paragraph ~~(h)~~ (e) must be allocated for field operations.

28.28 ~~(h)~~ (g) The commissioner must deposit the revenues, including interest and penalties
 28.29 minus any refunds, derived from the sale of items regulated under section 624.20, subdivision
 28.30 1, that may be sold to persons 18 years old or older and that are not prohibited from use by
 28.31 the general public under section 624.21, in the state treasury and credit:

28.32 (1) 25 percent to the volunteer fire assistance grant account established under section
 28.33 88.068;

29.1 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
 29.2 3; and
 29.3 (3) the remainder to the general fund.

29.4 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
 29.5 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
 29.6 sold to persons 18 years old or older and are not prohibited from use by the general public
 29.7 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
 29.8 the state, with the percentage determined under Laws 2017, First Special Session chapter
 29.9 1, article 3, section 39.

29.10 ~~(h)~~ (h) The revenues deposited under paragraphs (a) to ~~(j)~~ (g) do not include the revenues,
 29.11 including interest and penalties, generated by the sales tax imposed under section 297A.62,
 29.12 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
 29.13 article XI, section 15.

29.14 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
 29.15 30, 2019.

29.16 Sec. 4. Minnesota Statutes 2018, section 297B.02, subdivision 1, is amended to read:

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

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

29.23 **EFFECTIVE DATE.** This section is effective for sales and purchases on or after
 29.24 December 1, 2019.

29.25 Sec. 5. **REPEALER.**

29.26 Laws 2017, First Special Session chapter 3, article 3, section 123, is repealed.

30.1 **ARTICLE 5**

30.2 **TRANSPORTATION POLICY AND FINANCE**

30.3 Section 1. Minnesota Statutes 2018, section 161.088, subdivision 2, is amended to read:

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

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

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

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

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

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

30.18 (d) The commissioner may use up to 17 percent of any appropriation to the program for
30.19 program delivery.

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

30.21 Sec. 2. Minnesota Statutes 2018, section 161.45, subdivision 2, is amended to read:

30.22 Subd. 2. **Relocation of utility.** Whenever the relocation of any utility facility is
30.23 necessitated by the construction of a project on a trunk highway ~~routes other than those~~
30.24 ~~described in section 161.46, subdivision 2~~ route, the relocation work may be made a part
30.25 of the state highway construction contract or let as a separate contract as provided by law
30.26 if the owner or operator of the facility requests the commissioner to act as its agent for the
30.27 purpose of relocating the facilities and if the commissioner determines that such action is
30.28 in the best interests of the state. Payment by the utility owner or operator to the state shall
30.29 be in accordance with applicable statutes and the rules for utilities on trunk highways.

31.1 Sec. 3. Minnesota Statutes 2018, section 161.46, subdivision 2, is amended to read:

31.2 Subd. 2. **Relocation of facilities; reimbursement.** (a) Whenever the commissioner shall
 31.3 determine the relocation of any utility facility is necessitated by the construction of a project
 31.4 on the routes of federally aided state trunk highways, including urban extensions thereof,
 31.5 which routes are included within the National System of Interstate Highways, the owner or
 31.6 operator of such utility facility shall relocate the same in accordance with the order of the
 31.7 commissioner. After the completion of such relocation the cost thereof shall be ascertained
 31.8 and paid by the state out of trunk highway funds; provided, however, the amount to be paid
 31.9 by the state for such reimbursement shall not exceed the amount on which the federal
 31.10 government bases its reimbursement for said interstate system.

31.11 (b) Notwithstanding paragraph (a), any utility facility installed after August 1, 2019, is
 31.12 not eligible for relocation reimbursement.

31.13 Sec. 4. Minnesota Statutes 2018, section 174.24, subdivision 2, is amended to read:

31.14 Subd. 2. **Eligibility; application.** Any legislatively established public transit commission
 31.15 or authority, any county or statutory or home rule charter city providing financial assistance
 31.16 to or operating public transit, any private operator of public transit, any tribal government,
 31.17 or any combination thereof is eligible to receive financial assistance through the public
 31.18 transit participation program. Except as provided in subdivision 2b for assistance provided
 31.19 from federal funds, eligible recipients must be located outside of the metropolitan area.

31.20 Sec. 5. Minnesota Statutes 2018, section 174.57, is amended to read:

31.21 **174.57 SNOW AND ICE CONTROL; APPROPRIATION.**

31.22 (a) In a fiscal year in which the commissioner expends more than ~~110~~ 100 percent of
 31.23 the established ~~biennial~~ annual expenditure level for snow and ice management, the
 31.24 commissioner may use an additional amount for this purpose that does not exceed 50 percent
 31.25 of the unappropriated balance in the trunk highway fund. The amount identified by the
 31.26 commissioner under this paragraph is appropriated from the trunk highway fund to the
 31.27 commissioner for snow and ice management purposes.

31.28 (b) Upon using the appropriation authority in this section, the commissioner must notify
 31.29 the commissioner of management and budget and the chairs, ranking minority members,
 31.30 and staff of the house of representatives and senate committees having jurisdiction over
 31.31 transportation finance. The notification must at a minimum identify the established ~~biennial~~

32.1 expenditure level for snow and ice management and the amount appropriated under this
32.2 section.

32.3 (c) In each budget submission to the legislature under section 16A.11, the commissioner
32.4 must include:

32.5 (1) the proposed ~~biennial~~ annual expenditure level for snow and ice management for the
32.6 next budget biennium; and

32.7 (2) the total annual amount expended or estimated to be expended under the appropriation
32.8 in this section for the budget biennium that is ending.

32.9 Sec. 6. Minnesota Statutes 2018, section 219.1651, is amended to read:

32.10 **219.1651 GRADE CROSSING SAFETY ACCOUNT.**

32.11 A Minnesota grade crossing safety account is created in the special revenue fund,
32.12 consisting of money credited to the account by law. Money in the account is appropriated
32.13 to the commissioner of transportation for rail-highway grade crossing safety projects on
32.14 public streets and highways, including engineering costs and other costs associated with
32.15 administration and delivery of grade crossing safety projects. At the discretion of the
32.16 commissioner of transportation, money in the account at the end of each biennium may
32.17 cancel to the trunk highway fund.

32.18 Sec. 7. Minnesota Statutes 2018, section 299D.03, subdivision 5, is amended to read:

32.19 Subd. 5. **Traffic fines and forfeited bail money.** (a) All fines and forfeited bail money
32.20 collected from persons apprehended or arrested by officers of the State Patrol shall be
32.21 transmitted by the person or officer collecting the fines, forfeited bail money, or installments
32.22 thereof, on or before the tenth day after the last day of the month in which these moneys
32.23 were collected, to the commissioner of management and budget. Except where a different
32.24 disposition is required in this subdivision or section 387.213, or otherwise provided by law,
32.25 three-eighths of these receipts must be deposited in the state treasury and credited to the
32.26 state general fund. The other five-eighths of these receipts must be deposited in the state
32.27 treasury and credited as follows: (1) the first ~~\$1,000,000~~ \$1,750,000 in fiscal year 2020 and
32.28 \$2,500,000 in each fiscal year thereafter must be credited to the Minnesota grade crossing
32.29 safety account in the special revenue fund, and (2) remaining receipts must be credited to
32.30 the state trunk highway fund. If, however, the violation occurs within a municipality and
32.31 the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the
32.32 receipts shall be deposited in the state treasury and credited to the state general fund, one-third

33.1 of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall
 33.2 be deposited in the state treasury and credited to the Minnesota grade crossing safety account
 33.3 or the state trunk highway fund as provided in this paragraph. When section 387.213 also
 33.4 is applicable to the fine, section 387.213 shall be applied before this paragraph is applied.
 33.5 All costs of participation in a nationwide police communication system chargeable to the
 33.6 state of Minnesota shall be paid from appropriations for that purpose.

33.7 (b) All fines and forfeited bail money from violations of statutes governing the maximum
 33.8 weight of motor vehicles, collected from persons apprehended or arrested by employees of
 33.9 the state of Minnesota, by means of stationary or portable scales operated by these employees,
 33.10 shall be transmitted by the person or officer collecting the fines or forfeited bail money, on
 33.11 or before the tenth day after the last day of the month in which the collections were made,
 33.12 to the commissioner of management and budget. Five-eighths of these receipts shall be
 33.13 deposited in the state treasury and credited to the state highway user tax distribution fund.
 33.14 Three-eighths of these receipts shall be deposited in the state treasury and credited to the
 33.15 state general fund.

33.16 Sec. 8. Minnesota Statutes 2018, section 360.013, is amended by adding a subdivision to
 33.17 read:

33.18 Subd. 62. **Unmanned aircraft.** "Unmanned aircraft" means an aircraft, as defined in
 33.19 subdivision 37, that is operated without the possibility of human intervention from within
 33.20 or on the aircraft.

33.21 Sec. 9. Minnesota Statutes 2018, section 360.013, is amended by adding a subdivision to
 33.22 read:

33.23 Subd. 63. **Unmanned aircraft system.** "Unmanned aircraft system" means an unmanned
 33.24 aircraft and all of its associated elements, including components and communication links,
 33.25 that are required to control and operate the aircraft.

33.26 Sec. 10. Minnesota Statutes 2018, section 360.024, is amended to read:

33.27 **360.024 AIR TRANSPORTATION SERVICE CHARGE.**

33.28 Subdivision 1. **Charges.** (a) The commissioner ~~shall~~ must charge users of air
 33.29 transportation services provided by the commissioner for direct operating costs, excluding
 33.30 pilot salary and as allowed by federal aviation regulations.

33.31 (b) The commissioner may charge users for a portion of aircraft acquisition, replacement,
 33.32 or leasing costs. ~~All receipts for these services shall be deposited in the air transportation~~

34.1 ~~services account in the state airports fund and are appropriated to the commissioner to pay~~
 34.2 ~~these direct air service operating costs.~~

34.3 Subd. 2. **Accounts; appropriation.** (a) An air transportation services account is
 34.4 established in the state airports fund. The account consists of collections under subdivision
 34.5 1, paragraph (a), and any other money donated, allotted, transferred, or otherwise provided
 34.6 to the account. Funds in the account are annually appropriated to the commissioner to pay
 34.7 air service operating costs.

34.8 (b) An aircraft capital account is established in the state airports fund. The account
 34.9 consists of collections under subdivision 1, paragraph (b), proceeds from the sale of aircraft
 34.10 under jurisdiction of the department, and any other money donated, allotted, transferred, or
 34.11 otherwise provided to the account. Funds in the account are annually appropriated to the
 34.12 commissioner to pay aircraft acquisition, replacement, or leasing costs.

34.13 **Sec. 11. [360.026] UNMANNED AIRCRAFT LOCAL ORDINANCES.**

34.14 A political subdivision must (1) allow the commissioner to review a proposed ordinance
 34.15 affecting the operation of an unmanned aircraft, and (2) notify the commissioner whenever
 34.16 the political subdivision adopts an ordinance affecting the operation of unmanned aircraft.

34.17 **Sec. 12. Minnesota Statutes 2018, section 360.55, is amended by adding a subdivision to**
 34.18 **read:**

34.19 Subd. 9. **Unmanned aircraft systems.** (a) Any unmanned aircraft system in which the
 34.20 unmanned aircraft weighs less than 55 pounds at takeoff, including payload and anything
 34.21 affixed to the aircraft, either:

34.22 (1) must be registered in the state for an annual fee of \$25; or

34.23 (2) is not subject to registration or an annual fee if the unmanned aircraft system is owned
 34.24 and operated solely for recreational purposes.

34.25 (b) An unmanned aircraft system that meets the requirements under paragraph (a) is
 34.26 exempt from aircraft registration tax under sections 360.511 to 360.67.

34.27 **Sec. 13. Minnesota Statutes 2018, section 360.59, subdivision 10, is amended to read:**

34.28 **Subd. 10. **Certificate of insurance.** (a) Every owner of aircraft in this state when applying**
 34.29 **for registration, reregistration, or transfer of ownership shall supply any information the**
 34.30 **commissioner reasonably requires to determine that the aircraft during the period of its**
 34.31 **contemplated operation is covered by an insurance policy with limits of not less than**

35.1 \$100,000 per passenger seat liability both for passenger bodily injury or death and for
35.2 property damage; not less than \$100,000 for bodily injury or death to each nonpassenger
35.3 in any one accident; and not less than \$300,000 per occurrence for bodily injury or death
35.4 to nonpassengers in any one accident. The insurance must comply with section 60A.081,
35.5 unless that section is inapplicable under section 60A.081, subdivision 3.

35.6 The information supplied to the commissioner must include but is not limited to the
35.7 name and address of the owner, the period of contemplated use or operation, if any, and, if
35.8 insurance coverage is then presently required, the name of the insurer, the insurance policy
35.9 number, the term of the coverage, policy limits, and any other data the commissioner requires.
35.10 No certificate of registration shall be issued pursuant to subdivision 3 in the absence of the
35.11 information required by this subdivision.

35.12 (b) In the event of cancellation of aircraft insurance by the insurer, the insurer shall
35.13 notify the Department of Transportation at least ten days prior to the date on which the
35.14 insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed
35.15 with the department meeting the requirements of this subdivision during the period of the
35.16 aircraft's contemplated use or operation, the registration certificate for the aircraft shall be
35.17 revoked forthwith.

35.18 (c) Nothing in this subdivision shall be construed to require an owner of aircraft to
35.19 maintain passenger seat liability coverage on aircraft for which an experimental certificate
35.20 has been issued by the administrator of the Federal Aviation Administration pursuant to
35.21 Code of Federal Regulations, title 14, sections 21.191 to 21.195 and 91.42, whereunder
35.22 persons operating the aircraft are prohibited from carrying passengers in the aircraft, or for
35.23 an unmanned aircraft. Whenever the aircraft becomes certificated to carry passengers,
35.24 passenger seat liability coverage shall be required as provided in this subdivision.

35.25 (d) The requirements of this subdivision shall not apply to any aircraft built by the
35.26 original manufacturer prior to December 31, 1939, and owned and operated solely as a
35.27 collector's item, if the owner files an affidavit with the commissioner. The affidavit shall
35.28 state the owner's name and address, the name and address of the person from whom the
35.29 aircraft was purchased, the make, year, and model number of the aircraft, the federal aircraft
35.30 registration number, the manufacturer's identification number, and that the aircraft is owned
35.31 and operated solely as a collector's item and not for general transportation purposes.

35.32 (e) An unmanned aircraft system that meets the requirements of section 360.55,
35.33 subdivision 9, shall not be required to meet the requirements under paragraphs (a) and (b).
35.34 Owners of unmanned aircraft systems that meet the requirements of section 360.55,

36.1 subdivision 9, must at the time of registration provide proof of insurability using an
 36.2 on-demand insurance product in a form acceptable to the commissioner. Additionally, such
 36.3 operators must maintain records and proof that each flight was insured to the limits of
 36.4 paragraph (a).

36.5 Sec. 14. Minnesota Statutes 2018, section 360.62, is amended to read:

36.6 **360.62 TAX REFUND.**

36.7 Except as provided herein the tax upon any aircraft which has been paid for any year,
 36.8 shall be refunded only for errors made in computing the tax or fees or for the error on the
 36.9 part of an owner who may in error have registered an aircraft that was not before, nor at the
 36.10 time of such registration, nor at any time thereafter during the tax period, subject to such
 36.11 tax in this state; provided that after more than 24 months after such tax was paid no refund
 36.12 shall be made for any tax paid on any aircraft. Refunds as provided by sections 360.511 to
 36.13 360.67 shall be made in the manner provided by Laws 1947, chapter 416. The former owner
 36.14 of a transferred aircraft by an assignment in writing endorsed upon the former owner's
 36.15 registration certificate and delivered to the commissioner within the time provided herein
 36.16 may sell and assign to the new owner thereof the right to have the tax paid by the former
 36.17 owner accredited to such new owner who duly registers such aircraft. Any owner whose
 36.18 aircraft ~~shall be~~ is destroyed or permanently removed from the state ~~shall be~~ is entitled to
 36.19 a refund for the unused portion of the tax paid upon the destroyed or removed aircraft ~~so~~
 36.20 ~~destroyed or removed from the state, such.~~ The refund to must be computed pro rata by the
 36.21 month, and to be equal to the monthly tax rate multiplied by the number of full calendar
 36.22 months remaining in the fiscal year, or multiplied by the number of full calendar months
 36.23 remaining in that period between January 1, 1966, to and including June 30, 1967, whichever
 36.24 period is applicable. An unmanned aircraft system that is destroyed or permanently removed
 36.25 from the state is not entitled to a tax refund under this section.

36.26 In order to secure such refund, the aircraft owner shall submit a signed statement that
 36.27 such aircraft has either been sold out of state or destroyed, the date of such sale or destruction,
 36.28 and such other information as the commissioner may require. Any false statement willfully
 36.29 and knowingly made in regard thereto shall be deemed a perjury and punished accordingly.
 36.30 No refund shall be made if application is not made within 12 months after the date the
 36.31 aircraft was sold out of state or destroyed.

36.32 Sec. 15. Laws 2018, chapter 214, article 1, section 16, subdivision 11, is amended to read:

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

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

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

37.7 (1) \$150,000,000 in fiscal year 2022;

37.8 (2) \$150,000,000 in fiscal year 2023; and

37.9 (3) \$100,000,000 in fiscal year 2024.

37.10 ~~From this appropriation,~~ (c) The commissioner
37.11 must select projects for the corridors of
37.12 commerce program solely using the results of
37.13 the spring 2018 evaluation for the corridors
37.14 of commerce program, in order based on total
37.15 score, ~~and~~ In addition to the projects selected
37.16 for funding in the first round from the spring
37.17 2018 evaluation, the commissioner must select
37.18 at least two projects located outside the
37.19 Department of Transportation metropolitan
37.20 district. If funds are insufficient for an
37.21 identified project, the commissioner must
37.22 either select the identified project, or select
37.23 one or more alternative projects that are (1)
37.24 for a segment within the project limits of the
37.25 identified project; and (2) also identified and
37.26 scored in the spring 2018 evaluation process.
37.27 For projects located outside the Department
37.28 of Transportation metropolitan district, the
37.29 commissioner must not select a project located
37.30 in a county within which a project was
37.31 selected for funding in the first round in the
37.32 spring 2018 evaluation for the corridors of
37.33 commerce program.

38.1 (d) The appropriation in Laws 2017, First
 38.2 Special Session, chapter 3, article 2, section
 38.3 2, subdivision 1, is available for the projects
 38.4 selected under paragraph (c) of this
 38.5 subdivision that the commissioner determines
 38.6 are ready to proceed.

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

38.12 (f) This appropriation cancels as specified
 38.13 under Minnesota Statutes, section 16A.642,
 38.14 except that the commissioner of management
 38.15 and budget shall count the start of
 38.16 authorization for issuance of state bonds as
 38.17 the first day of the fiscal year during which
 38.18 the bonds are available to be issued, and not
 38.19 as the date of enactment of this section.

38.20 **ARTICLE 6**

38.21 **METROPOLITAN COUNCIL POLICY AND FINANCE**

38.22 Section 1. Minnesota Statutes 2018, section 13.461, is amended by adding a subdivision
 38.23 to read:

38.24 Subd. 33. **Metropolitan Council special transportation service.** Data sharing between
 38.25 the commissioner of human services and the Metropolitan Council for purposes of
 38.26 administering and coordinating transportation services for ADA-eligible individuals is
 38.27 governed by section 473.386, subdivision 9.

38.28 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 38.29 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 38.30 Scott, and Washington.

39.1 Sec. 2. Minnesota Statutes 2018, section 13.72, subdivision 10, is amended to read:

39.2 Subd. 10. **Transportation service data.** (a) Personal, medical, financial, familial, or
39.3 locational information data pertaining to applicants for or users of services providing
39.4 transportation for ~~the~~ disabled or elderly individuals are private data on individuals.

39.5 (b) Private transportation service data may be disclosed between the commissioner of
39.6 human services and the Metropolitan Council for purposes of administering and coordinating
39.7 human services programs and transportation services under section 473.386.

39.8 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
39.9 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
39.10 Scott, and Washington.

39.11 Sec. 3. Minnesota Statutes 2018, section 297A.99, subdivision 1, is amended to read:

39.12 Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may impose
39.13 a general sales tax (1) under section 297A.992, (2) under section ~~297A.993~~ 297A.9925, (3)
39.14 under section 297A.993, (4) if permitted by special law, or ~~(4)~~ (5) if the political subdivision
39.15 enacted and imposed the tax before January 1, 1982, and its predecessor provision.

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

39.18 (1) enacted before June 2, 1997, or

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

39.21 (c) This section does not apply to or preempt a sales tax on motor vehicles or a special
39.22 excise tax on motor vehicles.

39.23 (d) A political subdivision may not advertise or expend funds for the promotion of a
39.24 referendum to support imposing a local option sales tax.

39.25 (e) Notwithstanding paragraph (d), a political subdivision may expend funds to:

39.26 (1) conduct the referendum;

39.27 (2) disseminate information included in the resolution adopted under subdivision 2;

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

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

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

40.5 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
40.6 December 31, 2019.

40.7 Sec. 4. **[297A.9925] METROPOLITAN AREA TRANSIT SALES AND USE TAX.**

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

40.10 (b) "Metropolitan area" or "area" has the meaning given in section 473.121, subdivision
40.11 2.

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

40.14 **Subd. 2. Metropolitan area transit sales tax imposition; rate.** Notwithstanding sections
40.15 297A.99, subdivisions 2 and 3, and 477A.016, or any other law, a metropolitan area transit
40.16 sales and use tax is imposed at a rate of one-eighth of one percent on retail sales and uses
40.17 taxable under this chapter occurring within the metropolitan area as provided in section
40.18 297A.99, subdivision 4.

40.19 **Subd. 3. Administration; collection; enforcement.** Except as otherwise provided in
40.20 this section, the provisions of section 297A.99, subdivisions 4, and 6 to 12a, govern the
40.21 administration, collection, and enforcement of the tax authorized under this section.

40.22 **Subd. 4. Uses; consistency with transportation policy plan.** (a) The Metropolitan
40.23 Council must use the proceeds of the metropolitan area transit sales and use tax imposed
40.24 under subdivision 2 for transit purposes within the metropolitan area. This may include but
40.25 is not limited to transit operations, capital improvements and financing, design, engineering
40.26 and environmental work, acquisition of real property, planning and feasibility studies.

40.27 (b) Projects funded with the metropolitan area transit sales and use tax proceeds must
40.28 be consistent with the long-range transportation policy plan adopted by the council under
40.29 section 473.146.

40.30 **Subd. 5. Revenue bonds.** (a) In addition to other authority granted in this section, and
40.31 notwithstanding section 473.39, subdivision 7, or any other law to the contrary, the council
40.32 may, by resolution, authorize the sale and issuance of revenue bonds, notes, or other

41.1 obligations to provide funds to (1) implement the council's transit capital improvement
 41.2 program, and (2) refund bonds issued under this subdivision.

41.3 (b) The bonds are payable from and secured by a pledge of the revenues of the council's
 41.4 transportation system, including all or any part of revenues received from the metropolitan
 41.5 area transit sales and use tax imposed under subdivision 2 and associated investment earnings
 41.6 on debt proceeds. The council may, by resolution, authorize the issuance of the bonds as
 41.7 general obligations of the council. The bonds must be sold, issued, and secured in the manner
 41.8 provided in chapter 475, and the council has the same powers and duties as a municipality
 41.9 and its governing body in issuing bonds under chapter 475, except that no election is required
 41.10 and the net debt limitations in chapter 475 do not apply to such bonds. The proceeds of the
 41.11 bonds may also be used to fund necessary reserves and to pay credit enhancement fees,
 41.12 issuance costs, and other financing costs during the life of the debt.

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

41.24 **EFFECTIVE DATE; APPLICATION.** This section is effective for sales and purchases
 41.25 made after December 31, 2019, and applies in the counties of Anoka, Carver, Dakota,
 41.26 Hennepin, Ramsey, Scott, and Washington.

41.27 Sec. 5. Minnesota Statutes 2018, section 473.386, is amended by adding a subdivision to
 41.28 read:

41.29 **Subd. 9. Data practices.** (a) For purposes of administering this section, and only with
 41.30 the consent of the data subject, the commissioner of human services and the council may
 41.31 share the following private data on individuals eligible for transportation services under
 41.32 this section:

41.33 (1) name;

42.1 (2) date of birth;

42.2 (3) residential address; and

42.3 (4) program eligibility status with expiration date for the purposes of informing the other
42.4 party of program eligibility.

42.5 (b) The commissioner of human services and the council must provide notice regarding
42.6 data sharing to each individual applying for or renewing eligibility for transportation services.
42.7 The notice must seek consent to share data under paragraph (a) and must state how and for
42.8 what purposes the individual's private data will be shared between the commissioner of
42.9 human services and the council. A consent to data sharing is effective until the individual's
42.10 eligibility expires, but may be renewed if the individual applies to renew eligibility.

42.11 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
42.12 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
42.13 Scott, and Washington. Within 60 days of this section's effective date, the commissioner
42.14 of human services and the Metropolitan Council must provide notice regarding data sharing
42.15 to each individual who is currently receiving transportation services under section 473.386.
42.16 The notice must provide an opportunity to opt out of data sharing under section 473.386,
42.17 subdivision 9, and must state how and for what purposes the individual's private data will
42.18 be shared between the commissioner of human services and the Metropolitan Council. An
42.19 individual who is currently receiving transportation services under section 473.386 on this
42.20 section's effective date is presumed to have consented to data sharing unless, within 60 days
42.21 of the dissemination of the notice, the individual informs the commissioner of human services
42.22 or the Metropolitan Council that the individual opts out of data sharing.

42.23 Sec. 6. Minnesota Statutes 2018, section 473.39, subdivision 6, is amended to read:

42.24 Subd. 6. **Limitation; light rail transit.** The council is prohibited from expending any
42.25 proceeds from certificates of indebtedness, bonds, or other obligations under ~~this section~~
42.26 subdivision 1u for project development, land acquisition, or construction to (1) establish a
42.27 light rail transit line; or (2) expand a light rail transit line, including by extending a line or
42.28 adding additional stops.

42.29 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
42.30 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
42.31 Scott, and Washington.

ARTICLE 7

PUBLIC SAFETY POLICY AND FINANCE

43.1

43.2

43.3 Section 1. Minnesota Statutes 2018, section 168.013, subdivision 1m, is amended to read:

43.4 Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of
43.5 ~~\$75~~ \$100 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision
43.6 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision
43.7 must be deposited in the highway user tax distribution fund.

43.8 Sec. 2. Minnesota Statutes 2018, section 168.013, subdivision 21, is amended to read:

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

43.14 Sec. 3. Minnesota Statutes 2018, section 168.10, subdivision 1g, is amended to read:

43.15 Subd. 1g. **Original plates.** A vehicle registered pursuant to subdivision 1a, 1b, 1c or 1d
43.16 may in lieu of being issued number plates by the commissioner display original Minnesota
43.17 number plates issued in the same year as the model year of the car on which they are
43.18 displayed. The number of the original plates must be provided to the commissioner. The
43.19 original plates must be in good condition. Original Minnesota number plates shall not be
43.20 used if the number on the original plate is identical to a number on any current plate or any
43.21 other plate in a numbering system used by the commissioner without written authorization
43.22 from the commissioner. Any person currently using plates issued pursuant to subdivision
43.23 1a, 1b, 1c or 1d shall return those plates to the commissioner before substituting original
43.24 plates. The commissioner shall charge a fee of ~~\$10~~ \$14 for registering the number on original
43.25 plates.

43.26 Sec. 4. Minnesota Statutes 2018, section 168.105, subdivision 5, is amended to read:

43.27 Subd. 5. **Original plates.** (a) Instead of being issued classic motorcycle plates, a classic
43.28 motorcycle registered under this section may display original Minnesota plates issued in
43.29 the same year as the model year of the motorcycle on which they are displayed. The number
43.30 on the original plates must be provided to the commissioner.

44.1 (b) Original Minnesota plates may not be used if the number on the original plate is
44.2 identical to the number on a current collector's plate issued by the commissioner.

44.3 (c) If the vehicle is not registered as a collector vehicle, the commissioner shall charge
44.4 a fee of ~~\$10~~ \$14 for registering the number on the original plates.

44.5 Sec. 5. Minnesota Statutes 2018, section 168.12, subdivision 2, is amended to read:

44.6 Subd. 2. **Amateur radio licensee; special plates, rules.** (a) The commissioner shall
44.7 issue amateur radio plates to an applicant who:

44.8 (1) is an owner of a passenger automobile or recreational vehicle;

44.9 (2) is a resident of this state;

44.10 (3) holds an official amateur radio station license or a citizens radio service class D
44.11 license, in good standing, issued by the Federal Communications Commission;

44.12 (4) pays the registration tax required under section 168.013;

44.13 (5) pays a fee of ~~\$10~~ \$14 for each set of special plates and any other fees required by
44.14 this chapter; and

44.15 (6) complies with this chapter and rules governing the registration of motor vehicles and
44.16 licensing of drivers;

44.17 (b) In lieu of the registration number required for identification under subdivision 1, the
44.18 plates must indicate the official amateur call letters of the applicant, as assigned by the
44.19 Federal Communications Commission, and the words "AMATEUR RADIO."

44.20 (c) This provision for the issue of special plates applies only if the applicant's motor
44.21 vehicle is already registered in Minnesota so that the applicant has valid regular Minnesota
44.22 plates issued for that motor vehicle under which to operate it during the time that it will
44.23 take to have the necessary special plates made.

44.24 (d) If owning more than one motor vehicle of the type specified in this subdivision, the
44.25 applicant may apply for special plates for each motor vehicle and, if each application
44.26 complies with this subdivision, the commissioner shall furnish the applicant with the special
44.27 plates, indicating the official amateur call letters and other distinguishing information as
44.28 the commissioner considers necessary, for each of the motor vehicles.

44.29 (e) The commissioner may make reasonable rules governing the use of the special plates
44.30 as will assure the full compliance by the owner of the special plates, with all existing laws
44.31 governing the registration of motor vehicles and the transfer and use of the plates.

45.1 (f) Despite any contrary provision of subdivision 1, the special plates issued under this
45.2 subdivision may be transferred by an owner to another motor vehicle listed in paragraph
45.3 (a) and registered to the same owner, upon the payment of a fee of \$5. The commissioner
45.4 must be notified before the transfer and may prescribe a format for the notification.

45.5 Sec. 6. Minnesota Statutes 2018, section 168.12, subdivision 2b, is amended to read:

45.6 Subd. 2b. **Firefighters; special plates, rules.** (a) The commissioner shall issue special
45.7 plates, or a single license plate in the case of a motorcycle plate, to any applicant who:

45.8 (1) is a member of a fire department receiving state aid under chapter 69, has a letter
45.9 from the fire chief, and is an owner of a passenger automobile, a one-ton pickup truck, or
45.10 a motorcycle;

45.11 (2) pays a fee of ~~\$10~~ \$14 and any other fees required by this chapter;

45.12 (3) pays the registration tax required by this chapter for the motor vehicle; and

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

45.15 (b) In lieu of the identification required under subdivision 1, the special plates must bear
45.16 an emblem of a Maltese Cross together with any numbers or characters prescribed by the
45.17 commissioner.

45.18 (c) Special plates issued under this subdivision may only be used during the period that
45.19 the owner of the motor vehicle is a member of a fire department as specified in this
45.20 subdivision. When the individual to whom the special plates were issued is no longer a
45.21 member of a fire department or when the motor vehicle ownership is transferred, the owner
45.22 shall remove the special plates from the motor vehicle. If the commissioner receives written
45.23 notification that an individual is no longer qualified for these special plates, the commissioner
45.24 shall invalidate the plates and notify the individual of this action. The individual may retain
45.25 the plate only upon demonstrating compliance with the qualifications of this subdivision.
45.26 Upon removal or invalidation of the special plates or special motorcycle plate, the owner
45.27 or purchaser of the motor vehicle shall obtain regular plates, a regular motorcycle plate, or
45.28 special plates for the proper registration classification for the motor vehicle.

45.29 (d) A special motorcycle license plate issued under this subdivision must be the same
45.30 size as a standard motorcycle license plate.

45.31 (e) Upon payment of a fee of \$5, plates issued under this subdivision for a passenger
45.32 automobile or truck may be transferred to another passenger automobile or truck owned or

46.1 jointly owned by the person to whom the plates were issued. On payment of a fee of \$5, a
46.2 plate issued under this subdivision for a motorcycle may be transferred to another motorcycle
46.3 owned or jointly owned by the person to whom the plate was issued.

46.4 (f) The commissioner may adopt rules under the Administrative Procedure Act, sections
46.5 14.001 to 14.69, to govern the issuance and use of the special plates authorized in this
46.6 subdivision.

46.7 Sec. 7. Minnesota Statutes 2018, section 168.12, subdivision 2c, is amended to read:

46.8 Subd. 2c. **National Guard; special plates, rules.** (a) The commissioner shall issue
46.9 special plates to any applicant who:

46.10 (1) is a regularly enlisted, commissioned, or retired member of the Minnesota National
46.11 Guard, other than an inactive member who is not a retired member, and is an owner of a
46.12 passenger automobile;

46.13 (2) pays a fee of ~~\$10~~ \$14 and any other fees required by this chapter;

46.14 (3) pays the registration tax required by this chapter; and

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

46.17 (b) The adjutant general shall design the emblem for these special plates subject to the
46.18 approval of the commissioner.

46.19 (c) Special plates issued under this subdivision may only be used during the period that
46.20 the owner of the motor vehicle is an active or retired member of the Minnesota National
46.21 Guard as specified in this subdivision. When the individual to whom the special plates were
46.22 issued is no longer an active or retired member of the Minnesota National Guard, the special
46.23 plates must be removed from the vehicle by the owner. If the commissioner receives written
46.24 notification that an individual is no longer qualified for these special plates, the commissioner
46.25 shall invalidate the plates and notify the individual of this action. The individual may retain
46.26 the plate only upon demonstrating compliance with the qualifications of this subdivision.
46.27 Upon removal or invalidation of the special plates, either the owner or purchaser of the
46.28 motor vehicle shall obtain regular plates for the motor vehicle.

46.29 (d) While the person is an active or retired member of the Minnesota National Guard,
46.30 plates issued pursuant to this subdivision may be transferred to another motor vehicle owned
46.31 by that individual upon payment of a fee of \$5.

47.1 (e) For purposes of this subdivision, "retired member" means an individual placed on
47.2 the roll of retired officers or roll of retired enlisted members in the Office of the Adjutant
47.3 General under section 192.18 and who is not deceased.

47.4 (f) The commissioner may adopt rules under the Administrative Procedure Act to govern
47.5 the issuance and use of the special plates authorized by this subdivision.

47.6 Sec. 8. Minnesota Statutes 2018, section 168.12, subdivision 2d, is amended to read:

47.7 Subd. 2d. **Ready Reserve; special plates, rules.** (a) The commissioner shall issue special
47.8 plates to an applicant who:

47.9 (1) is not eligible for special National Guard plates under subdivision 2c, is a member
47.10 of the United States armed forces ready reserve as described in United States Code, title
47.11 10, section 10142 or 10143, or a retired reserve as described in United States Code, title
47.12 10, section 10154, and is an owner of a passenger automobile;

47.13 (2) pays a fee of ~~\$10~~ \$14 and any other fees required by this chapter;

47.14 (3) pays the registration tax required by this chapter; and

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

47.17 (b) The commissioner of veterans affairs shall design the emblem for these special plates
47.18 subject to the approval of the commissioner.

47.19 (c) Special plates issued under this subdivision may only be used during the period that
47.20 the owner of the motor vehicle is a member of the ready reserve. When the owner is no
47.21 longer a member, the special plates must be removed from the motor vehicle by the owner.
47.22 If the commissioner receives written notification that an individual is no longer qualified
47.23 for these special plates, the commissioner shall invalidate the plates and notify the individual
47.24 of this action. The individual may retain the plate only upon demonstrating compliance with
47.25 the qualifications of this subdivision. On removal or invalidation of the special plates, either
47.26 the owner or purchaser of the motor vehicle shall obtain regular plates for the motor vehicle.
47.27 While the owner is a member of the ready reserve, plates issued under this subdivision may
47.28 be transferred to another motor vehicle owned by that individual on paying a fee of \$5.

47.29 (d) The commissioner may adopt rules under the Administrative Procedure Act to govern
47.30 the issuance and use of the special plates authorized by this subdivision.

48.1 Sec. 9. Minnesota Statutes 2018, section 168.12, subdivision 2e, is amended to read:

48.2 Subd. 2e. **Volunteer ambulance attendants; special plates.** (a) The commissioner shall
48.3 issue special license plates to an applicant who:

48.4 (1) is a volunteer ambulance attendant as defined in section 144E.001, subdivision 15,
48.5 and owns a motor vehicle taxed as a passenger automobile;

48.6 (2) pays the registration tax required by this chapter for the motor vehicle;

48.7 (3) pays a fee of ~~\$10~~ \$14 and any other fees required by this chapter; and

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

48.10 (b) An individual may use special plates issued under this subdivision only during the
48.11 period that the individual is a volunteer ambulance attendant. When the individual to whom
48.12 the special plates were issued ceases to be a volunteer ambulance attendant, the individual
48.13 shall remove each set of special plates issued. If the commissioner receives written
48.14 notification that an individual is no longer qualified for these special plates, the commissioner
48.15 shall invalidate the plates and notify the individual of this action. The individual may retain
48.16 the plate only upon demonstrating compliance with the qualifications of this subdivision.
48.17 When ownership of the motor vehicle is transferred, the individual shall remove the special
48.18 plates from that motor vehicle. On removal or invalidation of the special plates, the owner
48.19 or purchaser of the motor vehicle shall obtain regular plates for the motor vehicle. Special
48.20 plates issued under this subdivision may be transferred to another motor vehicle owned by
48.21 the volunteer ambulance attendant on payment of a fee of \$5.

48.22 (c) The commissioner may adopt rules governing the design, issuance, and sale of the
48.23 special plates authorized by this subdivision.

48.24 Sec. 10. Minnesota Statutes 2018, section 168.12, subdivision 2g, is amended to read:

48.25 Subd. 2g. **Retired firefighters; special plates.** (a) The commissioner shall issue special
48.26 retired firefighters plates to an applicant who:

48.27 (1) is a retired member of a fire department as defined in section 299N.01, subdivision
48.28 2, has a letter from the fire chief affirming that the applicant is a retired firefighter who
48.29 served ten or more years and separated in good standing, and is a registered owner of a
48.30 passenger automobile, a one-ton pickup truck, a recreational vehicle, or a motorcycle;

48.31 (2) pays a fee of ~~\$10~~ \$14 for each set of license plates applied for along with any other
48.32 fees required by this chapter; and

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

49.3 (b) The commissioner shall design the special plate emblem so that it is distinguishable
49.4 from the emblem on firefighter special plates issued under subdivision 2b.

49.5 (c) On payment of a transfer fee of \$5, plates issued under this subdivision may be
49.6 transferred to another passenger automobile, one-ton pickup truck, recreational vehicle, or
49.7 motorcycle registered to the individual to whom the special plates were issued.

49.8 (d) Fees collected under this subdivision must be credited to the vehicle services operating
49.9 account in the special revenue fund.

49.10 (e) This subdivision is exempt from section 168.1293.

49.11 Sec. 11. Minnesota Statutes 2018, section 168.12, subdivision 5, is amended to read:

49.12 Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax
49.13 otherwise imposed upon any vehicle, the payment of which is required as a condition to the
49.14 issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph
49.15 (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates,
49.16 except for plates issued to disabled veterans as defined in section 168.031 and plates issued
49.17 pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger
49.18 automobiles. The commissioner shall issue graphic design plates only for vehicles registered
49.19 pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013,
49.20 subdivision 1g.

49.21 (b) Unless otherwise specified or exempted by statute, the following plate and validation
49.22 sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate
49.23 year:

49.24 License Plate		Single	Double
49.25		4.50	6.00
49.26	Regular and Disability	\$ <u>6.50</u>	\$ <u>8.40</u>
49.27		8.50	10.00
49.28	Special	\$ <u>12.50</u>	\$ <u>14.00</u>
49.29		10.00	14.00
49.30	Personalized (Replacement)	\$ <u>14.00</u>	\$ <u>16.00</u>
49.31		13.50	15.00
49.32	Collector Category	\$ <u>17.50</u>	\$ <u>19.00</u>
49.33	Emergency Vehicle Display	\$ 3.00	\$ 6.00
49.34	Utility Trailer Self-Adhesive	\$ 2.50	
49.35	Vertical Motorcycle Plate	\$ 100.00	NA

50.1 Stickers

50.2			1.00	1.00
50.3	Duplicate year	\$	<u>1.50</u>	\$ <u>1.50</u>
50.4	International Fuel Tax Agreement	\$	2.50	

50.5 (c) For vehicles that require two of the categories above, the registrar shall only charge
50.6 the higher of the two fees and not a combined total.

50.7 Sec. 12. Minnesota Statutes 2018, section 168.121, subdivision 1, is amended to read:

50.8 Subdivision 1. **Issuance and design.** Notwithstanding section 168.1293, the commissioner
50.9 shall issue special plates remembering victims of impaired drivers to an applicant who:

50.10 (1) is a registered owner of a passenger automobile;

50.11 (2) pays a fee of ~~\$10~~ \$14 for each set of license plates applied for; and

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

50.14 Sec. 13. Minnesota Statutes 2018, section 168.123, subdivision 1, is amended to read:

50.15 Subdivision 1. **General requirements; fees.** (a) On payment of a fee of ~~\$10~~ \$14 for
50.16 each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the
50.17 registration tax required by law, and compliance with other applicable laws relating to
50.18 vehicle registration and licensing, as applicable, the commissioner shall issue:

50.19 (1) special veteran's plates to an applicant who served in the active military service in a
50.20 branch of the armed forces of the United States or of a nation or society allied with the
50.21 United States in conducting a foreign war, was discharged under honorable conditions, and
50.22 is a registered owner of a passenger automobile, recreational motor vehicle, or one-ton
50.23 pickup truck, but which is not a commercial motor vehicle as defined in section 169.011,
50.24 subdivision 16; or

50.25 (2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (e),
50.26 (f), (h), (i), (j), or (m), or another special plate designed by the commissioner to an applicant
50.27 who is a registered owner of a motorcycle and meets the criteria listed in this paragraph and
50.28 in subdivision 2, paragraph (a), (e), (f), (h), (i), (j), or (m). Plates issued under this clause
50.29 must be the same size as regular motorcycle plates. Special motorcycle license plates issued
50.30 under this clause are not subject to section 168.1293.

51.1 (b) The additional fee of ~~\$10~~ \$14 is payable for each set of veteran's plates, is payable
 51.2 only when the plates are issued, and is not payable in a year in which stickers are issued
 51.3 instead of plates.

51.4 (c) The veteran must have a certified copy of the veteran's discharge papers, indicating
 51.5 character of discharge, at the time of application. If an applicant served in the active military
 51.6 service in a branch of the armed forces of a nation or society allied with the United States
 51.7 in conducting a foreign war and is unable to obtain a record of that service and discharge
 51.8 status, the commissioner of veterans affairs may certify the applicant as qualified for the
 51.9 veterans' plates provided under this section.

51.10 Sec. 14. Minnesota Statutes 2018, section 168.1235, subdivision 1, is amended to read:

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

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

51.16 (2) pays the registration tax required by law;

51.17 (3) pays a fee of ~~\$10~~ \$14 for each set of two plates, and any other fees required by this
 51.18 chapter; and

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

51.21 (b) The additional fee of ~~\$10~~ \$14 is payable at the time of initial application for the
 51.22 special plate emblem and when the plates must be replaced or renewed. An applicant must
 51.23 not be issued more than two sets of special plate emblems for motor vehicles listed in
 51.24 paragraph (a) and registered to the applicant.

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

51.27 Sec. 15. Minnesota Statutes 2018, section 168.1255, subdivision 1, is amended to read:

51.28 Subdivision 1. **General requirements and procedures.** The commissioner shall issue
 51.29 special veteran contribution plates or a single motorcycle plate to an applicant who:

51.30 (1) is a veteran, as defined in section 197.447;

52.1 (2) is a registered owner of a passenger automobile as defined in section 168.002,
52.2 subdivision 24, recreational vehicle as defined in section 168.002, subdivision 27, one-ton
52.3 pickup truck as defined in section 168.002, subdivision 21b, or motorcycle as defined in
52.4 section 168.002, subdivision 19;

52.5 (3) pays a fee of ~~\$10~~ \$14 to cover the costs of handling and manufacturing the plates;

52.6 (4) pays the registration tax required under section 168.013;

52.7 (5) pays the fees required under this chapter;

52.8 (6) pays an additional onetime World War II memorial contribution of \$30, which the
52.9 department shall retain until all start-up costs associated with the development and issuing
52.10 of the plates have been recovered, after which the commissioner shall deposit contributions
52.11 in the World War II donation match account; and

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

52.14 Sec. 16. Minnesota Statutes 2018, section 168.1256, subdivision 1, is amended to read:

52.15 Subdivision 1. **Issuance of plates.** The commissioner shall issue retired law enforcement
52.16 license special plates or a single motorcycle plate to an applicant who:

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

52.19 (2) is a retired peace officer as defined in section 626.84, subdivision 1, paragraph (c)
52.20 or (d);

52.21 (3) provides a letter from the chief law enforcement officer affirming that the applicant
52.22 is a retired peace officer who served ten or more years and separated in good standing;

52.23 (4) pays a fee of ~~\$10~~ \$14 for each set of plates, along with any other fees required by
52.24 this chapter;

52.25 (5) pays the registration tax as required under section 168.013; and

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

53.1 Sec. 17. Minnesota Statutes 2018, section 168.128, subdivision 2, is amended to read:

53.2 Subd. 2. **Plates.** (a) A person who operates a limousine for other than personal use shall
53.3 register the motor vehicle as provided in this section. A person who operates a limousine
53.4 for personal use may apply for limousine plates.

53.5 (b) The commissioner shall issue limousine plates to the registered owner of a limousine
53.6 who:

53.7 (1) certifies that an insurance policy or policies under section 65B.135, in the minimum
53.8 aggregate amount required under that section, is in effect for the entire period of the
53.9 registration;

53.10 (2) provides the commissioner with proof that the passenger automobile registration tax
53.11 and a ~~\$10~~ \$14 fee have been paid for each limousine receiving limousine plates; and

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

53.14 (c) The limousine plates must be designed to specifically identify the vehicle as a
53.15 limousine and must be clearly marked with the letters "LM." Limousine plates may not be
53.16 transferred upon sale of the limousine, but may be transferred to another limousine owned
53.17 by the same person upon notifying the commissioner and paying a \$5 transfer fee.

53.18 Sec. 18. Minnesota Statutes 2018, section 168.1282, subdivision 1, is amended to read:

53.19 Subdivision 1. **Issuance of plates.** The commissioner must issue "Start Seeing
53.20 Motorcycles" special license plates or a single motorcycle plate to an applicant who:

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

53.23 (2) pays a fee of ~~\$10~~ \$14 for each set of plates;

53.24 (3) pays the registration tax as required under section 168.013, along with any other fees
53.25 required by this chapter;

53.26 (4) contributes a minimum of \$10 annually to the motorcycle safety fund, created under
53.27 section 171.06, subdivision 2a, paragraph (a), clause (1); and

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

54.1 Sec. 19. Minnesota Statutes 2018, section 168.1291, subdivision 4, is amended to read:

54.2 Subd. 4. **Fees.** Despite section 168.12, subdivisions 2b to 2e; 168.123; or 168.129, the
54.3 commissioner shall charge a fee of ~~\$10~~ \$14 for each set of plates issued under this section.

54.4 Sec. 20. Minnesota Statutes 2018, section 168.1294, subdivision 1, is amended to read:

54.5 Subdivision 1. **Issuance of plates.** The commissioner shall issue special law enforcement
54.6 memorial license plates or a single motorcycle plate to an applicant who:

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

54.9 (2) pays an additional fee of ~~\$10~~ \$14 for each set of plates;

54.10 (3) pays the registration tax as required under section 168.013, along with any other fees
54.11 required by this chapter;

54.12 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the
54.13 Minnesota law enforcement memorial account; and

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

54.16 Sec. 21. Minnesota Statutes 2018, section 168.1295, subdivision 1, is amended to read:

54.17 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
54.18 issue state parks and trails plates to an applicant who:

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

54.21 (2) pays a fee of ~~\$10~~ \$14 to cover the costs of handling and manufacturing the plates;

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

54.23 (4) pays the fees required under this chapter;

54.24 (5) contributes a minimum of \$60 annually to the state parks and trails donation account
54.25 established in section 85.056; and

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

55.1 (b) The state parks and trails plate application must indicate that the contribution specified
55.2 under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the
55.3 applicant may make an additional contribution to the account.

55.4 (c) State parks and trails plates may be personalized according to section 168.12,
55.5 subdivision 2a.

55.6 Sec. 22. Minnesota Statutes 2018, section 168.1296, subdivision 1, is amended to read:

55.7 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
55.8 issue critical habitat plates to an applicant who:

55.9 (1) is a registered owner of a passenger automobile or recreational vehicle;

55.10 (2) pays a fee of ~~\$10~~ \$14 to cover the costs of handling and manufacturing the plates;

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

55.12 (4) pays the fees required under this chapter;

55.13 (5) contributes a minimum of \$30 annually to the Minnesota critical habitat private
55.14 sector matching account established in section 84.943; and

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

55.17 (b) The critical habitat plate application must indicate that the annual contribution
55.18 specified under paragraph (a), clause (5), is a minimum contribution to receive the plate
55.19 and that the applicant may make an additional contribution to the account.

55.20 (c) Owners of recreational vehicles under paragraph (a), clause (1), are eligible only for
55.21 special critical habitat license plates for which the designs are selected under subdivision
55.22 2, on or after January 1, 2006.

55.23 (d) Special critical habitat license plates, the designs for which are selected under
55.24 subdivision 2, on or after January 1, 2006, may be personalized according to section 168.12,
55.25 subdivision 2a.

55.26 Sec. 23. Minnesota Statutes 2018, section 168.1297, subdivision 1, is amended to read:

55.27 Subdivision 1. **General requirements and procedures.** The commissioner shall issue
55.28 special "Rotary member" plates to an applicant who:

55.29 (1) is a registered owner of a passenger automobile;

55.30 (2) pays a fee of ~~\$10~~ \$14 to cover the costs of handling and manufacturing the plates;

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

56.2 (4) pays the fees required under this chapter;

56.3 (5) submits proof to the commissioner that the applicant is a member of Rotary
56.4 International; and

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

56.7 Sec. 24. Minnesota Statutes 2018, section 168.1298, subdivision 1, is amended to read:

56.8 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
56.9 issue special "Support Our Troops" license plates to an applicant who:

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

56.12 (2) pays a fee of ~~\$10~~ \$14 to cover the costs of handling and manufacturing the plates;

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

56.14 (4) pays the fees required under this chapter;

56.15 (5) contributes a minimum of \$30 annually to the Minnesota "Support Our Troops"
56.16 account established in section 190.19; and

56.17 (6) complies with laws and rules governing registration and licensing of vehicles and
56.18 drivers.

56.19 (b) The license application under this section must indicate that the annual contribution
56.20 specified under paragraph (a), clause (5), is a minimum contribution to receive the plates
56.21 and that the applicant may make an additional contribution to the account.

56.22 Sec. 25. Minnesota Statutes 2018, section 168.1299, subdivision 1, is amended to read:

56.23 Subdivision 1. **Issuance.** Notwithstanding section 168.1293, the commissioner shall
56.24 issue special Minnesota golf plates or a single motorcycle plate to an applicant who:

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

56.27 (2) pays a fee of ~~\$10~~ \$14 and any other fees required by this chapter;

56.28 (3) contributes a minimum of \$30 annually to the Minnesota Section PGA Foundation
56.29 account; and

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

57.3 Sec. 26. Minnesota Statutes 2018, section 168.62, subdivision 3, is amended to read:

57.4 Subd. 3. **Special plates or certificate; fee; proceeds to highway user fund.** At the
57.5 same time that an owner or operator of intercity buses registers them in Minnesota and
57.6 obtains number plates therefor, the owner or operator shall apply for special identification
57.7 plates or certificates for the remainder of that fleet of intercity buses. The registrar of motor
57.8 vehicles shall design an appropriate plate or identification certificate for this purpose which
57.9 shall be issued upon the payment of a fee of ~~\$10~~ \$14 covering each intercity bus so identified.
57.10 The proceeds of such fees shall be deposited to the credit of the vehicle services operating
57.11 account under section 299A.705, subdivision 1. No intercity bus shall at any time be operated
57.12 in the state of Minnesota without either Minnesota number plates or special identification
57.13 plates or certificates issued as herein provided.

57.14 Sec. 27. Minnesota Statutes 2018, section 168A.29, subdivision 1, is amended to read:

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

57.16 (1) for filing an application for and the issuance of an original certificate of title, the
57.17 sum of:

57.18 ~~(i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle services~~
57.19 ~~operating account of the special revenue fund under section 299A.705, and from July 1,~~
57.20 ~~2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver~~
57.21 ~~and vehicle services technology account; and~~

57.22 ~~(ii) on and after January 1, 2017, \$8.25, of which \$4.15 must be paid into the vehicle~~
57.23 ~~services operating account, and a surcharge of \$2 must be added to the fee and credited to~~
57.24 ~~the driver and vehicle services technology account in the special revenue fund under section~~
57.25 ~~299A.705;~~

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

57.30 ~~(3) until December 31, 2016, for the transfer of the interest of an owner and the issuance~~
57.31 ~~of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the vehicle~~
57.32 ~~services operating account of the special revenue fund under section 299A.705, and from~~

58.1 ~~July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to~~
 58.2 ~~the driver and vehicle services technology account;~~

58.3 ~~(4)~~ (3) for each assignment of a security interest when first noted on a certificate of title,
 58.4 unless noted concurrently with the security interest, the sum of \$1; and

58.5 ~~(5)~~ (4) for issuing a duplicate certificate of title, the sum of \$7.25 of which \$3.25 must
 58.6 be paid into the vehicle services operating account of the special revenue fund under section
 58.7 299A.705; ~~from July 1, 2012, to June 30, 2016, and~~ a surcharge of ~~\$1~~ \$2 must be added to
 58.8 the fee and credited to the driver and vehicle services technology account in the special
 58.9 revenue fund under section 299A.705.

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

58.14 Sec. 28. Minnesota Statutes 2018, section 171.06, subdivision 2, is amended to read:

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

58.16	REAL ID Compliant or				
58.17	Noncompliant Classified	D-\$17.25	C-\$21.25	B-\$28.25	A-\$36.25
58.18	Driver's License	<u>D-\$21.75</u>	<u>C-\$25.75</u>	<u>B-\$32.75</u>	<u>A-\$40.75</u>
58.19	REAL ID Compliant or				
58.20	Noncompliant Classified	D-\$17.25	C-\$21.25	B-\$28.25	A-\$16.25
58.21	Under-21 D.L.	<u>D-\$21.75</u>	<u>C-\$25.75</u>	<u>B-\$32.75</u>	<u>A-\$20.75</u>
58.22		D-\$32.25	C-\$36.25	B-\$43.25	A-\$51.25
58.23	Enhanced Driver's License	<u>D-\$36.75</u>	<u>C-\$40.75</u>	<u>B-\$47.75</u>	<u>A-\$55.75</u>
58.24	REAL ID Compliant or				
58.25	Noncompliant Instruction				
58.26	Permit				\$5.25
58.27	Enhanced Instruction				
58.28	Permit				\$20.25
58.29	Commercial Learner's				
58.30	Permit				\$2.50
58.31	REAL ID Compliant or				
58.32	Noncompliant Provisional				
58.33	License				\$8.25
58.34	Enhanced Provisional				
58.35	License				\$23.25
58.36	Duplicate REAL ID				
58.37	Compliant or Noncompliant				
58.38	License or duplicate REAL				
58.39	ID Compliant or				\$6.75

- 59.1 Noncompliant identification
59.2 card
- 59.3 Enhanced Duplicate
59.4 License or enhanced
59.5 duplicate identification card \$21.75
- 59.6 REAL ID Compliant or
59.7 Noncompliant Minnesota
59.8 identification card or REAL
59.9 ID Compliant or
59.10 Noncompliant Under-21
59.11 Minnesota identification
59.12 card, other than duplicate,
59.13 except as otherwise
59.14 provided in section 171.07,
59.15 subdivisions 3 and 3a \$11.25
- 59.16 Enhanced Minnesota
59.17 identification card \$26.25
- 59.18 In addition to each fee required in this paragraph, the commissioner shall collect a surcharge
59.19 of: ~~(1) \$1.75 until June 30, 2012; and (2) \$1.00 from July 1, 2012, to June 30, 2016~~ \$2
59.20 beginning July 1, 2019. Surcharges collected under this paragraph must be credited to the
59.21 driver and vehicle services technology account in the special revenue fund under section
59.22 299A.705.
- 59.23 (b) Notwithstanding paragraph (a), an individual who holds a provisional license and
59.24 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,
59.25 169A.35, sections 169A.50 to 169A.53, or section 171.177, (2) convictions for crash-related
59.26 moving violations, and (3) convictions for moving violations that are not crash related, shall
59.27 have a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving
59.28 violation" has the meaning given it in section 171.04, subdivision 1.
- 59.29 (c) In addition to the driver's license fee required under paragraph (a), the commissioner
59.30 shall collect an additional \$4 processing fee from each new applicant or individual renewing
59.31 a license with a school bus endorsement to cover the costs for processing an applicant's
59.32 initial and biennial physical examination certificate. The department shall not charge these
59.33 applicants any other fee to receive or renew the endorsement.
- 59.34 (d) In addition to the fee required under paragraph (a), a driver's license agent may charge
59.35 and retain a filing fee as provided under section 171.061, subdivision 4.
- 59.36 (e) In addition to the fee required under paragraph (a), the commissioner shall charge a
59.37 filing fee at the same amount as a driver's license agent under section 171.061, subdivision
59.38 4. Revenue collected under this paragraph must be deposited in the driver services operating
59.39 account.

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

Laws 2017, First Special Session chapter 3, article 3, section 123

Sec. 123. **MOTOR VEHICLE PARTS SALES TAXES ESTIMATION.**

(a) By January 15, 2019, the commissioner of revenue must submit a report on state general sales taxes attributable to motor vehicle repair and replacement parts to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and transportation policy and finance.

(b) The report must provide an estimate, based on federal data and department consumption models, of the percentage of total sales tax revenues collected in a calendar year from the tax rate imposed under Minnesota Statutes, section 297A.62, subdivision 1, that is attributable to sales and purchases of motor vehicle repair and replacement parts.

(c) For purposes of this section, "motor vehicle repair and replacement parts" has the meaning given in Minnesota Statutes, section 297A.94.