

**SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION**

**S.F. No. 2886**

(SENATE AUTHORS: DRAHEIM, Anderson and Duckworth)

DATE  
03/14/2023

D-PG  
1737 Introduction and first reading  
Referred to Transportation

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to transportation; providing discounted vehicle registration and driver's  
1.3 license fees for active duty military members and certain veterans; amending  
1.4 Minnesota Statutes 2022, sections 168.013, by adding a subdivision; 168.031;  
1.5 171.06, subdivisions 2, 2a, 3b.

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

1.7 Section 1. Minnesota Statutes 2022, section 168.013, is amended by adding a subdivision  
1.8 to read:

1.9 Subd. 2a. Discount for active duty military and veterans. (a) The tax rate is 50 percent  
1.10 of the full annual tax prescribed in the base rate schedule under this section for a passenger  
1.11 automobile, one-ton pickup truck, motorcycle, or recreational vehicle registered under  
1.12 subdivision 1a, 1b, or 1g and owned by a person who is:

1.13 (1) currently in active military service as defined in section 190.05, subdivision 5;

1.14 (2) honorably discharged from active military service as evidenced by the most recent  
1.15 form DD-214; or

1.16 (3) a veteran as defined in section 197.447.

1.17 (b) The registrar must calculate the registration tax using information available to dealers  
1.18 and deputy registrars at the time the initial application for registration is submitted and must  
1.19 reduce the amount owed upon proof of the vehicle owner's active military service, honorable  
1.20 discharge from active military service, or veteran status.

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

2.1 Sec. 2. Minnesota Statutes 2022, section 168.031, is amended to read:

2.2 **168.031 REGISTRATION TAXES REDUCTION AND EXEMPTION; ACTIVE**  
2.3 **MILITARY SERVICE.**

2.4 (a) ~~The motor vehicle~~ A passenger automobile, one-ton pickup truck, motorcycle, or  
2.5 recreational vehicle of any person who ~~engages~~ is currently in active military service or  
2.6 who has been honorably discharged from active military service, as evidenced by the most  
2.7 recent form DD-214, in any branch or unit of the United States armed forces shall be exempt  
2.8 from the motor vehicle registration tax during the period of such active service and for 90  
2.9 days immediately thereafter if the owner, before, during, or within 90 days after completion  
2.10 of that active service, files with the registrar of motor vehicles a written application for  
2.11 exemption with such proof of military service as the registrar may have required and if the  
2.12 motor vehicle is not operated on a public highway within the state during the requested  
2.13 period of exemption, except by the owner while on furlough or leave of absence from the  
2.14 military. The owner's passenger automobile, one-ton pickup truck, motorcycle, or recreational  
2.15 vehicle is subject to the provisions of section 168.013, subdivision 2a, if more than 90 days  
2.16 has elapsed from the owner's completion of active military service or receipt of an honorable  
2.17 discharge, as evidenced by the most recent form DD-214.

2.18 (b) The motor vehicle of any disabled war veteran, which vehicle has been furnished  
2.19 free, in whole or in part, by the United States government to said disabled veteran, shall be  
2.20 exempt from the motor vehicle registration tax. The motor vehicle owned and registered  
2.21 by a former prisoner of war that bears the "EX-POW" plates is exempt from the motor  
2.22 vehicle registration tax.

2.23 (c) For purposes of this section, the term "active service" shall have the meaning given  
2.24 this term in section 190.05, subdivisions 5b and 5c, but excludes service performed  
2.25 exclusively for purposes of:

2.26 (1) annual training and other periodic inactive duty training for National Guard and other  
2.27 reserve members;

2.28 (2) special training periodically made available to National Guard and other reserve  
2.29 members;

2.30 (3) service performed in accordance with section 190.08, subdivision 3; and

2.31 (4) service performed as part of the active guard/reserve program pursuant to United  
2.32 States Code, title 32, section 502(f), or other applicable authority.

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

3.1 Sec. 3. Minnesota Statutes 2022, section 171.06, subdivision 2, is amended to read:

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

3.3	REAL ID Compliant or				
3.4	Noncompliant Classified				
3.5	Driver's License	D-\$21.00	C-\$25.00	B-\$32.00	A-\$40.00
3.6	REAL ID Compliant or				
3.7	Noncompliant Classified				
3.8	Under-21 D.L.	D-\$21.00	C-\$25.00	B-\$32.00	A-\$20.00
3.9	Enhanced Driver's License	D-\$36.00	C-\$40.00	B-\$47.00	A-\$55.00
3.10	REAL ID Compliant or				
3.11	Noncompliant Instruction				
3.12	Permit				\$5.25
3.13	Enhanced Instruction				
3.14	Permit				\$20.25
3.15	Commercial Learner's				
3.16	Permit				\$2.50
3.17	REAL ID Compliant or				
3.18	Noncompliant Provisional				
3.19	License				\$8.25
3.20	Enhanced Provisional				
3.21	License				\$23.25
3.22	Duplicate REAL ID				
3.23	Compliant or Noncompliant				
3.24	License or duplicate REAL				
3.25	ID Compliant or				
3.26	Noncompliant				
3.27	identification card				\$6.75
3.28	Enhanced Duplicate				
3.29	License or enhanced				
3.30	duplicate identification card				\$21.75
3.31	REAL ID Compliant or				
3.32	Noncompliant Minnesota				
3.33	identification card or REAL				
3.34	ID Compliant or				
3.35	Noncompliant Under-21				
3.36	Minnesota identification				
3.37	card, other than duplicate,				
3.38	except as otherwise				
3.39	provided in section 171.07,				
3.40	subdivisions 3 and 3a				\$11.25
3.41	Enhanced Minnesota				
3.42	identification card				\$26.25

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

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

4.4 (c) Notwithstanding paragraph (a), an individual who holds a provisional license and  
4.5 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,  
4.6 169A.35, sections 169A.50 to 169A.53, or section 171.177, (2) convictions for crash-related  
4.7 moving violations, and (3) convictions for moving violations that are not crash related, shall  
4.8 have a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving  
4.9 violation" has the meaning given it in section 171.04, subdivision 1.

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

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

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

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

4.25 (h) The commissioner must reduce by 50 percent the required fees in paragraph (a) to  
4.26 an applicant who is:

4.27 (1) currently in active duty military service, as defined in section 190.05, subdivision  
4.28 5;

4.29 (2) honorably discharged from active duty; or

4.30 (3) a veteran, as defined in section 197.447.

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

5.1 Sec. 4. Minnesota Statutes 2022, section 171.06, subdivision 2a, is amended to read:

5.2 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) In addition to the appropriate fee  
5.3 under subdivision 2, the fee for a two-wheeled vehicle endorsement on a driver's license is:

5.4 (1) \$26.50 for an initial endorsement or a duplicate license obtained for the purpose of  
5.5 adding the endorsement; and

5.6 (2) \$17 for each license renewal with the endorsement.

5.7 (b) The additional fee must be paid into the state treasury and credited as follows:

5.8 (1) \$19 of the additional fee under paragraph (a), clause (1), and \$11 of the additional  
5.9 fee under paragraph (a), clause (2), to the motorcycle safety fund, which is hereby created;  
5.10 and

5.11 (2) the remainder to the general fund.

5.12 (c) All application forms prepared by the commissioner for two-wheeled vehicle  
5.13 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle  
5.14 safety fund. The commissioner must clearly indicate the discounted rate for veterans and  
5.15 active duty members of the military on all application forms for two-wheeled vehicle  
5.16 endorsements.

5.17 (d) The commissioner must reduce by 50 percent the two-wheeled vehicle endorsement  
5.18 fee in paragraph (a) for an applicant who is:

5.19 (1) currently in active duty military service, as defined in section 190.05, subdivision  
5.20 5;

5.21 (2) honorably discharged from active duty; or

5.22 (3) a veteran, as defined in section 197.447.

5.23 Notwithstanding paragraph (b), the total sum of the reduced additional fee must be deposited  
5.24 into the motorcycle safety fund.

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

5.26 Sec. 5. Minnesota Statutes 2022, section 171.06, subdivision 3b, is amended to read:

5.27 Subd. 3b. **Information for applicants.** (a) The commissioner must develop summary  
5.28 information on identity document options. The summary information must be available on  
5.29 the department's website and at every location where a person may apply for an enhanced,  
5.30 REAL ID compliant, or noncompliant driver's license or identification card.

6.1 (b) The summary information must, at a minimum, include:

6.2 (1) each available type of driver's license and Minnesota identification card, including  
6.3 a noncompliant license or identification card, an enhanced driver's license, and an enhanced  
6.4 identification card;

6.5 (2) the official purposes of and limitations on use for each type of driver's license and  
6.6 Minnesota identification card; and

6.7 (3) an overview of data shared outside the state, including through electronic validation  
6.8 or verification systems, as part of the application and issuance of each type.

6.9 (c) The commissioner must ensure that the summary information is available to driver's  
6.10 license and identification card applicants. Renewal notifications mailed to driver's license  
6.11 and identification card holders must include the website address that displays the summary  
6.12 information.

6.13 (d) An applicant for an enhanced or noncompliant license or identification card must  
6.14 sign an acknowledgment that the applicant understands the limitations on use of the license  
6.15 or card.

6.16 (e) If the applicant does not indicate a desire to make an anatomical gift when the  
6.17 application is made, the applicant must be offered a donor document in accordance with  
6.18 section 171.07, subdivision 5. The application must contain statements sufficient to comply  
6.19 with the requirements of the Darlene Luther Revised Uniform Anatomical Gift Act, chapter  
6.20 525A, so that execution of the application or donor document will make the anatomical gift  
6.21 as provided in section 171.07, subdivision 5, for those indicating a desire to make an  
6.22 anatomical gift. The application must be accompanied by information describing Minnesota  
6.23 laws regarding anatomical gifts and the need for and benefits of anatomical gifts, and the  
6.24 legal implications of making an anatomical gift, including the law governing revocation of  
6.25 anatomical gifts. The commissioner shall distribute a notice that must accompany all  
6.26 applications for and renewals of a driver's license or Minnesota identification card. The  
6.27 notice must be prepared in conjunction with a Minnesota organ procurement organization  
6.28 that is certified by the federal Department of Health and Human Services and must include:

6.29 (1) a statement that provides a fair and reasonable description of the organ donation  
6.30 process, the care of the donor body after death, and the importance of informing family  
6.31 members of the donation decision; and

6.32 (2) a telephone number in a certified Minnesota organ procurement organization that  
6.33 may be called with respect to questions regarding anatomical gifts.

7.1 (f) The application must be accompanied also by information containing relevant facts  
7.2 relating to:

7.3 (1) the effect of alcohol on driving ability;

7.4 (2) the effect of mixing alcohol with drugs;

7.5 (3) the laws of Minnesota relating to operation of a motor vehicle while under the  
7.6 influence of alcohol or a controlled substance; and

7.7 (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for  
7.8 alcohol-related violations.

7.9 (g) The commissioner must ensure that the summary information about discounted  
7.10 driver's license and identification card fees specified in subdivision 2, paragraph (h), is  
7.11 available to driver's license and identification card applicants. Renewal notifications mailed  
7.12 to driver's license and identification card holders must include the website address that  
7.13 displays the summary information and clearly indicate the discounted rate for veterans and  
7.14 active duty members of the military.

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