

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1159

(SENATE AUTHORS: NEWMAN)

DATE	D-PG	OFFICIAL STATUS
02/18/2021	455	Introduction and first reading Referred to Transportation Finance and Policy
04/12/2021	1981a 2086	Comm report: To pass as amended and re-refer to Taxes Rule 12.10: report of votes in committee
04/14/2021	2775a	Comm report: To pass as amended and re-refer to Finance
04/19/2021		Comm report: To pass as amended Second reading

1.1 A bill for an act

1.2 relating to transportation; establishing a budget for transportation; appropriating

1.3 money for transportation purposes, including Department of Transportation,

1.4 Metropolitan Council, and Department of Public Safety; appropriating money for

1.5 specific projects; limiting uses of the highway user tax distribution fund and trunk

1.6 highway fund; amending various provisions relating to bicycles; amending project

1.7 selection processes; amending procedures for disposing of property; amending

1.8 regulation of small unmanned aircraft; dedicating a percentage of the auto parts

1.9 sales taxes for transportation purposes; authorizing special vehicle permits; making

1.10 various changes to vehicle registration, vehicle titles, license plates, and drivers'

1.11 licenses procedures and fees; amending laws relating to animal-drawn vehicles;

1.12 modifying school bus inspection criteria; authorizing online driver education;

1.13 authorizing third-party driver's license testing; amending funding for guideways

1.14 and busways; requiring Metro Mobility to be included in the forecast; establishing

1.15 a process to terminate Northstar commuter rail; making various policy, technical,

1.16 and conforming changes; amending Minnesota Statutes 2020, sections 16E.15,

1.17 subdivision 2; 84.787, subdivision 7; 84.797, subdivision 7; 84.92, subdivision 8;

1.18 117.075, subdivisions 2, 3; 160.02, by adding subdivisions; 160.262, subdivision

1.19 1; 160.263, subdivision 3; 160.264; 160.266, by adding a subdivision; 160.93,

1.20 subdivisions 1, 2, 4; 161.088, subdivision 5; 161.11, subdivision 2; 161.115,

1.21 subdivision 27; 161.14, by adding subdivisions; 161.167; 161.19; 161.20,

1.22 subdivision 3; 161.23, subdivisions 2, 2a; 161.44, subdivisions 6a, 6b; 161.465;

1.23 162.145, subdivisions 2, 3; 163.07, subdivision 2; 167.45; 168.002, subdivision

1.24 18; 168.013, subdivision 1m, by adding subdivisions; 168.12, subdivisions 1, 5;

1.25 168.183; 168.187, subdivision 17; 168.301, subdivision 1; 168.31, subdivision 4;

1.26 168.327, subdivision 6, by adding subdivisions; 168.33, subdivision 7; 168.63,

1.27 subdivision 5; 168A.11, subdivisions 1, 2; 168A.151, subdivision 1; 169.011,

1.28 subdivisions 27, 42, by adding subdivisions; 169.035, subdivision 3; 169.09,

1.29 subdivision 13; 169.18, subdivision 10; 169.222, subdivisions 4, 6a, by adding a

1.30 subdivision; 169.451, subdivision 3; 169.522, subdivision 1; 169.58, by adding a

1.31 subdivision; 169.812, subdivision 2; 169.864, subdivision 4; 169.866, subdivision

1.32 3; 169.869, subdivision 1; 171.05, subdivision 2; 171.06, subdivisions 2a, 3;

1.33 171.061, subdivision 4; 171.071, by adding a subdivision; 171.12, subdivision 7b;

1.34 171.13, subdivisions 1, 6, 7, 9, by adding a subdivision; 171.27; 171.29, subdivision

1.35 2; 174.03, subdivisions 1b, 8; 174.185, subdivision 3; 174.24, subdivision 7;

1.36 174.285, subdivision 5; 174.40, subdivision 5; 174.50, subdivisions 6d, 7, by

1.37 adding a subdivision; 174.52, subdivision 5; 174.56, subdivision 1; 174.70,

1.38 subdivision 3; 174.75, by adding a subdivision; 221.83; 296A.083, subdivision 2;

2.1 297A.94; 297A.993, by adding a subdivision; 299D.03, subdivision 2a; 325E.15;
 2.2 360.012, by adding a subdivision; 360.013, by adding subdivisions; 360.55, by
 2.3 adding a subdivision; 360.59, subdivision 10; 473.386, by adding subdivisions;
 2.4 proposing coding for new law in Minnesota Statutes, chapters 161; 168; 169; 171;
 2.5 174; 345; 473; 476; repealing Minnesota Statutes 2020, sections 16A.60; 160.93,
 2.6 subdivisions 2a, 3; 168.327, subdivision 5; 169.09, subdivision 7; 473.13,
 2.7 subdivision 1b; 473.4051, subdivisions 2, 3; Laws 2000, chapter 479, article 2,
 2.8 section 1, as amended; Minnesota Rules, parts 7410.2610, subparts 1, 2, 3, 3a, 5a,
 2.9 5b, 6; 7411.0535; 7414.1490; 7470.0300; 7470.0400; 7470.0500; 7470.0600;
 2.10 7470.0700.

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

2.12 **ARTICLE 1**

2.13 **TRANSPORTATION FINANCE**

2.14 Section 1. **TRANSPORTATION APPROPRIATIONS.**

2.15 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 2.16 and for the purposes specified in this article. The appropriations are from the trunk highway
 2.17 fund, or another named fund, and are available for the fiscal years indicated for each purpose.
 2.18 Amounts for "Total Appropriation" and sums shown in the corresponding columns marked
 2.19 "Appropriations by Fund" are summary only and do not have legal effect. Unless specified
 2.20 otherwise, the amounts in the second year under "Appropriations by Fund" show the base
 2.21 within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The
 2.22 figures "2022" and "2023" used in this article mean that the appropriations listed under them
 2.23 are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The
 2.24 first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is
 2.25 fiscal years 2022 and 2023. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S."
 2.26 is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2022</u>	<u>2023</u>

2.31 **Sec. 2. DEPARTMENT OF**
 2.32 **TRANSPORTATION**

2.33	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 3,193,754,000</u>	<u>\$ 3,291,227,000</u>
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2.34	<u>Appropriations by Fund</u>		
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	<u>2022</u>	<u>2023</u>
2.35		
2.36	<u>77,009,000</u>	<u>76,009,000</u>
2.37	<u>25,360,000</u>	<u>25,368,000</u>
2.38	<u>871,805,000</u>	<u>895,463,000</u>

3.1	<u>M.S.A.S.</u>	<u>214,301,000</u>	<u>220,437,000</u>
3.2	<u>Trunk Highway</u>	<u>2,005,279,000</u>	<u>2,073,950,000</u>

3.3 The appropriations in this section are to the
 3.4 commissioner of transportation. The amounts
 3.5 that may be spent for each purpose are
 3.6 specified in the following subdivisions.

3.7 The commissioner must not spend
 3.8 appropriations from the trunk highway fund
 3.9 in this section for transit and active
 3.10 transportation; aeronautics; passenger rail;
 3.11 statewide radio communication; government
 3.12 affairs; tourist centers; parades, events, or
 3.13 sponsorship of events; public electric vehicle
 3.14 infrastructure; the labor compliance unit; the
 3.15 Office of Communication and Public
 3.16 Engagement; the Office of Environmental
 3.17 Stewardship; the Office of Civil Rights; or the
 3.18 Office of Equity and Diversity. Appropriations
 3.19 from the trunk highway fund for all other
 3.20 purposes in this section are made
 3.21 notwithstanding Minnesota Statutes, section
 3.22 161.20.

3.23 **Subd. 2. Multimodal Systems**

3.24 **(a) Aeronautics**

3.25	<u>(1) Airport Development and Assistance</u>	<u>18,598,000</u>	<u>18,598,000</u>
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3.26 This appropriation is from the state airports
 3.27 fund and must be spent according to
 3.28 Minnesota Statutes, section 360.305,
 3.29 subdivision 4.

3.30 Notwithstanding Minnesota Statutes, section
 3.31 16A.28, subdivision 6, this appropriation is
 3.32 available for five years after the year of the
 3.33 appropriation. If the appropriation for either

4.1 year is insufficient, the appropriation for the
 4.2 other year is available for it.

4.3 If the commissioner of transportation
 4.4 determines that a balance remains in the state
 4.5 airports fund following the appropriations
 4.6 made in this article and that the appropriations
 4.7 made are insufficient for advancing airport
 4.8 development and assistance projects, an
 4.9 amount necessary to advance the projects, not
 4.10 to exceed the balance in the state airports fund,
 4.11 is appropriated in each year to the
 4.12 commissioner and must be spent according to
 4.13 Minnesota Statutes, section 360.305,
 4.14 subdivision 4. Within two weeks of a
 4.15 determination under this contingent
 4.16 appropriation, the commissioner of
 4.17 transportation must notify the commissioner
 4.18 of management and budget and the chairs,
 4.19 ranking minority members, and staff of the
 4.20 legislative committees with jurisdiction over
 4.21 transportation finance concerning the funds
 4.22 appropriated. Funds appropriated under this
 4.23 contingent appropriation do not adjust the base
 4.24 for fiscal years 2024 and 2025.

4.25 **(2) Aviation Support and Services** 8,332,000 8,340,000

	<u>Appropriations by Fund</u>	
	<u>2022</u>	<u>2023</u>
4.28 <u>Airports</u>	<u>6,682,000</u>	<u>6,690,000</u>
4.29 <u>General</u>	<u>1,650,000</u>	<u>1,650,000</u>

4.30 \$28,000 in the first year and \$36,000 in the
 4.31 second year is from the state airports fund for
 4.32 costs related to regulating unmanned aircraft
 4.33 systems.

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

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

5.3 **(b) Transit** 18,181,000 18,181,000

5.4 This appropriation is from the general fund.

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

5.6 This appropriation is from the general fund
 5.7 for the safe routes to school program under
 5.8 Minnesota Statutes, section 174.40.

5.9 **(d) Freight** 7,857,000 6,857,000

5.10 Appropriations by Fund

5.11 2022 2023

5.12 General 2,069,000 1,069,000

5.13 Trunk Highway 5,788,000 5,788,000

5.14 The commissioner must not spend this
 5.15 appropriation for passenger rail system
 5.16 planning, alternatives analysis, environmental
 5.17 analysis, design, or preliminary engineering
 5.18 under Minnesota Statutes, sections 174.632
 5.19 to 174.636.

5.20 \$1,000,000 in the first year is from the general
 5.21 fund for procurement costs of a statewide
 5.22 freight network optimization tool. This is a
 5.23 onetime appropriation and is available in the
 5.24 second year.

5.25 **Subd. 3. State Roads**

5.26 **(a) Operations and Maintenance** 364,300,000 362,806,000

5.27 **(b) Program Planning and Delivery**

5.28 **(1) Planning and Research** 30,950,000 30,950,000

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

5.32 **(2) Program Delivery** 219,938,000 219,938,000

	<u>Appropriations by Fund</u>		
	<u>2022</u>	<u>2023</u>	
6.3	<u>Trunk Highway</u>	<u>219,485,000</u>	<u>219,485,000</u>
6.4	<u>General</u>	<u>453,000</u>	<u>453,000</u>

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

6.8 \$1,000,000 in each year is available from the
 6.9 trunk highway fund for management of
 6.10 contaminated and regulated material on
 6.11 property owned by the Department of
 6.12 Transportation, including mitigation of
 6.13 property conveyances, facility acquisition or
 6.14 expansion, chemical release at maintenance
 6.15 facilities, and spills on the trunk highway
 6.16 system where there is no known responsible
 6.17 party. If the appropriation for either year is
 6.18 insufficient, the appropriation for the other
 6.19 year is available for it. This appropriation is
 6.20 notwithstanding the prohibition on trunk
 6.21 highway fund spending by the Office of
 6.22 Environmental Stewardship in subdivision 2
 6.23 of this section, and notwithstanding Minnesota
 6.24 Statutes, section 161.20.

6.25	<u>(c) State Road Construction</u>	<u>924,282,000</u>	<u>939,282,000</u>
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6.26 This appropriation is for the actual
 6.27 construction, reconstruction, and improvement
 6.28 of trunk highways, including design-build
 6.29 contracts, internal department costs associated
 6.30 with delivering the construction program,
 6.31 consultant usage to support these activities,
 6.32 and the cost of actual payments to landowners
 6.33 for lands acquired for highway rights-of-way,
 6.34 payment to lessees, interest subsidies, and
 6.35 relocation expenses.

7.1 The commissioner of transportation must
 7.2 notify the chairs, ranking minority members,
 7.3 and staff of the legislative committees with
 7.4 jurisdiction over transportation finance of any
 7.5 significant events that cause the estimates of
 7.6 federal aid to change.

7.7 This appropriation includes federal highway
 7.8 aid.

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

7.15 The commissioner may transfer up to
 7.16 \$15,000,000 each year to the transportation
 7.17 revolving loan fund.

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

7.22 The base is \$954,282,000 in fiscal year 2024,
 7.23 \$1,004,282,000 in fiscal year 2025, and
 7.24 \$924,282,000 in each fiscal year thereafter.

7.25 **(d) Corridors of Commerce** 156,550,000 177,500,000

7.26 This appropriation is for the corridors of
 7.27 commerce program under Minnesota Statutes,
 7.28 section 161.088. The commissioner may use
 7.29 up to 17 percent of the amount each year for
 7.30 program delivery.

7.31 The base is \$127,500,000 in each of fiscal
 7.32 years 2024 and 2025 and \$25,000,000 in each
 7.33 fiscal year thereafter.

8.1	<u>(e) Highway Debt Service</u>	<u>229,449,000</u>	<u>264,164,000</u>
8.2	<u>\$219,949,000 in fiscal year 2022 and</u>		
8.3	<u>\$254,664,000 in fiscal year 2023 are for</u>		
8.4	<u>transfer to the state bond fund. If this</u>		
8.5	<u>appropriation is insufficient to make all</u>		
8.6	<u>transfers required in the year for which it is</u>		
8.7	<u>made, the commissioner of management and</u>		
8.8	<u>budget must transfer the deficiency amount</u>		
8.9	<u>under the statutory open appropriation and</u>		
8.10	<u>notify the chairs, ranking minority members,</u>		
8.11	<u>and staff of the legislative committees with</u>		
8.12	<u>jurisdiction over transportation finance and</u>		
8.13	<u>the chairs of the senate Finance Committee</u>		
8.14	<u>and the house of representatives Ways and</u>		
8.15	<u>Means Committee of the amount of the</u>		
8.16	<u>deficiency. Any excess appropriation cancels</u>		
8.17	<u>to the trunk highway fund.</u>		
8.18	<u>(f) Statewide Radio Communications</u>	<u>6,159,000</u>	<u>6,159,000</u>
8.19	<u>This appropriation is from the general fund.</u>		
8.20	<u>\$3,000 in each year is to equip and operate the</u>		
8.21	<u>Roosevelt signal tower for Lake of the Woods</u>		
8.22	<u>weather broadcasting.</u>		
8.23	<u>Subd. 4. Local Roads</u>		
8.24	<u>(a) County State-Aid Roads</u>	<u>871,805,000</u>	<u>895,463,000</u>
8.25	<u>This appropriation is from the county state-aid</u>		
8.26	<u>highway fund under Minnesota Statutes,</u>		
8.27	<u>sections 161.081, 297A.815, subdivision 3,</u>		
8.28	<u>and 297A.94, paragraph (g), and chapter 162,</u>		
8.29	<u>and is available until June 30, 2031.</u>		
8.30	<u>If the commissioner of transportation</u>		
8.31	<u>determines that a balance remains in the</u>		
8.32	<u>county state-aid highway fund following the</u>		
8.33	<u>appropriations and transfers made in this</u>		
8.34	<u>paragraph and that the appropriations made</u>		

9.1 are insufficient for advancing county state-aid
 9.2 highway projects, an amount necessary to
 9.3 advance the projects, not to exceed the balance
 9.4 in the county state-aid highway fund, is
 9.5 appropriated in each year to the commissioner.
 9.6 Within two weeks of a determination under
 9.7 this contingent appropriation, the
 9.8 commissioner of transportation must notify
 9.9 the commissioner of management and budget
 9.10 and the chairs, ranking minority members, and
 9.11 staff of the legislative committees with
 9.12 jurisdiction over transportation finance
 9.13 concerning funds appropriated. The
 9.14 commissioner must identify in the next budget
 9.15 submission to the legislature under Minnesota
 9.16 Statutes, section 16A.11, any amount that is
 9.17 appropriated under this paragraph.

9.18 **(b) Municipal State-Aid Roads** 214,301,000 220,437,000

9.19 This appropriation is from the municipal
 9.20 state-aid street fund under Minnesota Statutes,
 9.21 chapter 162, and is available until June 30,
 9.22 2031.

9.23 If the commissioner of transportation
 9.24 determines that a balance remains in the
 9.25 municipal state-aid street fund following the
 9.26 appropriations and transfers made in this
 9.27 paragraph and that the appropriations made
 9.28 are insufficient for advancing municipal
 9.29 state-aid street projects, an amount necessary
 9.30 to advance the projects, not to exceed the
 9.31 balance in the municipal state-aid street fund,
 9.32 is appropriated in each year to the
 9.33 commissioner. Within two weeks of a
 9.34 determination under this contingent
 9.35 appropriation, the commissioner of

10.1 transportation must notify the commissioner
 10.2 of management and budget and the chairs,
 10.3 ranking minority members, and staff of the
 10.4 legislative committees with jurisdiction over
 10.5 transportation finance concerning funds
 10.6 appropriated. The commissioner must identify
 10.7 in the next budget submission to the legislature
 10.8 under Minnesota Statutes, section 16A.11, any
 10.9 amount that is appropriated under this
 10.10 paragraph.

10.11 **(c) Other Local Roads**

10.12 **(1) Local Bridges**

30,000,000

30,000,000

10.13 This appropriation is from the general fund to
 10.14 replace or rehabilitate local deficient bridges
 10.15 as provided in Minnesota Statutes, section
 10.16 174.50. These are onetime appropriations and
 10.17 are available until June 30, 2025.

10.18 **(2) Local Roads**

9,242,000

9,242,000

10.19 This appropriation is from the general fund
 10.20 for construction and reconstruction of local
 10.21 roads under Minnesota Statutes, section
 10.22 174.52. These are onetime appropriations and
 10.23 are available until June 30, 2025.

10.24 **Subd. 5. Agency Management**

10.25 **(a) Agency Services**

50,008,000

50,008,000

10.26 **Appropriations by Fund**

	<u>2022</u>	<u>2023</u>
10.27 <u>General</u>	<u>8,706,000</u>	<u>8,706,000</u>
10.28 <u>Trunk Highway</u>	<u>41,302,000</u>	<u>41,302,000</u>

10.29 \$1,320,000 in each year is from the general
 10.30 fund for the Office of Human Resources. This
 10.31 appropriation is intended as replacement of
 10.32

11.1 an equal amount from the trunk highway fund
 11.2 for this purpose.

11.3 **(b) Buildings** 32,622,000 32,122,000

11.4 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
11.5		
11.6	<u>49,000</u>	<u>49,000</u>
11.7	<u>32,573,000</u>	<u>32,073,000</u>

11.8 Any money appropriated to the commissioner
 11.9 of transportation for building construction for
 11.10 any fiscal year before the first year is available
 11.11 to the commissioner during the biennium to
 11.12 the extent that the commissioner spends the
 11.13 money on the building construction projects
 11.14 for which the money was originally
 11.15 encumbered during the fiscal year for which
 11.16 it was appropriated. If the appropriation for
 11.17 either year is insufficient, the appropriation
 11.18 for the other year is available for it.

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

11.20 If the appropriation for either year is
 11.21 insufficient, the appropriation for the other
 11.22 year is available for it.

11.23 **Subd. 6. Transfers**

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

- 12.1 a transfer to state road construction or debt
12.2 service.
- 12.3 (b) The commissioner of transportation must
12.4 immediately report transfers under paragraph
12.5 (a) to the chairs, ranking minority members,
12.6 and staff of the legislative committees with
12.7 jurisdiction over transportation finance. The
12.8 authority for the commissioner of
12.9 transportation to make transfers under
12.10 Minnesota Statutes, section 16A.285, is
12.11 superseded by the authority and requirements
12.12 under this subdivision.
- 12.13 (c) The commissioner of transportation must
12.14 transfer from the flexible highway account in
12.15 the county state-aid highway fund:
- 12.16 (1) \$10,000,000 in the first year to the trunk
12.17 highway fund;
- 12.18 (2) \$5,000,000 in the first year to the
12.19 municipal turnback account in the municipal
12.20 state-aid street fund; and
- 12.21 (3) the remainder in each year to the county
12.22 turnback account in the county state-aid
12.23 highway fund.
- 12.24 The funds transferred are for highway
12.25 turnback purposes as provided under
12.26 Minnesota Statutes, section 161.081,
12.27 subdivision 3.
- 12.28 **Subd. 7. Previous State Road Construction**
12.29 **Appropriations**
- 12.30 Any money appropriated to the commissioner
12.31 of transportation for state road construction
12.32 for any fiscal year before the first year is
12.33 available to the commissioner during the
12.34 biennium to the extent that the commissioner

13.1 spends the money on the state road
 13.2 construction project for which the money was
 13.3 originally encumbered during the fiscal year
 13.4 for which it was appropriated.

13.5 **Subd. 8. Contingent Appropriations**

13.6 The commissioner of transportation, with the
 13.7 approval of the governor and the written
 13.8 approval of at least five members of a group
 13.9 consisting of the members of the Legislative
 13.10 Advisory Commission under Minnesota
 13.11 Statutes, section 3.30, and the ranking minority
 13.12 members of the legislative committees with
 13.13 jurisdiction over transportation finance, may
 13.14 transfer all or part of the unappropriated
 13.15 balance in the trunk highway fund to an
 13.16 appropriation: (1) for trunk highway design,
 13.17 construction, or inspection that takes
 13.18 advantage of an unanticipated receipt of
 13.19 income to the trunk highway fund or federal
 13.20 advanced construction funding; (2) for
 13.21 emergency trunk highway maintenance; or (3)
 13.22 to pay tort or environmental claims. Nothing
 13.23 in this subdivision authorizes the
 13.24 commissioner to increase the use of federal
 13.25 advanced construction funding beyond
 13.26 amounts specifically authorized. Any transfer
 13.27 as a result of the use of federal advanced
 13.28 construction funding must include an analysis
 13.29 of the effects on the long-term trunk highway
 13.30 fund balance. The amount transferred is
 13.31 appropriated for the purpose of the account to
 13.32 which it is transferred.

13.33 **Sec. 3. METROPOLITAN COUNCIL**

13.34 **Subdivision 1. Total Appropriation** **\$** **10,000** **\$** **10,000**

14.1 The appropriations in this section are from the
 14.2 general fund to the Metropolitan Council. The
 14.3 amounts that may be spent for each purpose
 14.4 are specified in the following subdivisions.

14.5 **Subd. 2. Transit System Operations** 5,000 5,000

14.6 This appropriation is for transit system
 14.7 operations under Minnesota Statutes, sections
 14.8 473.371 to 473.449.

14.9 The base is \$5,000 in fiscal year 2024 and
 14.10 \$32,654,000 in fiscal year 2025.

14.11 **Subd. 3. Metro Mobility** 5,000 5,000

14.12 This appropriation is for Metro Mobility under
 14.13 Minnesota Statutes, section 473.386.

14.14 The base is \$5,000 in fiscal year 2024 and \$0
 14.15 in fiscal year 2025.

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

14.17 **Subdivision 1. Total Appropriation** **\$ 248,757,000** **\$ 237,585,000**

14.18 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
14.19 <u>General</u>	<u>44,382,000</u>	<u>44,238,000</u>
14.20 <u>H.U.T.D.</u>	<u>980,000</u>	<u>976,000</u>
14.21 <u>Special Revenue</u>	<u>79,262,000</u>	<u>72,415,000</u>
14.22 <u>Trunk Highway</u>	<u>124,133,000</u>	<u>119,956,000</u>

14.24 The appropriations in this section are to the
 14.25 commissioner of public safety. The amounts
 14.26 that may be spent for each purpose are
 14.27 specified in the following subdivisions. The
 14.28 commissioner must spend appropriations from
 14.29 the trunk highway fund in subdivision 3 of
 14.30 this section only for state patrol purposes.
 14.31 Appropriations from the trunk highway fund
 14.32 for all other purposes in this section are made

- 15.1 notwithstanding Minnesota Statutes, section
 15.2 161.20.
- 15.3 **Subd. 2. Administration and Related Services**
- 15.4 **(a) Office of Communications** 575,000 575,000
- 15.5 This appropriation is from the general fund.
- 15.6 **(b) Public Safety Support** 5,662,000 5,588,000
- 15.7 This appropriation is from the general fund.
- 15.8 The commissioner must not spend this
 15.9 appropriation on additional full- or part-time
 15.10 permanent or temporary employees for the
 15.11 Public Information Center in the Division of
 15.12 Driver and Vehicle Services.
- 15.13 **(c) Public Safety Officer Survivor Benefits** 640,000 640,000
- 15.14 This appropriation is from the general fund
 15.15 for payment of public safety officer survivor
 15.16 benefits under Minnesota Statutes, section
 15.17 299A.44. If the appropriation for either year
 15.18 is insufficient, the appropriation for the other
 15.19 year is available for it.
- 15.20 **(d) Public Safety Officer Reimbursements** 1,367,000 1,367,000
- 15.21 This appropriation is from the general fund
 15.22 for transfer to the public safety officer's benefit
 15.23 account. This money is available for
 15.24 reimbursements under Minnesota Statutes,
 15.25 section 299A.465.
- 15.26 **(e) Soft Body Armor Reimbursements** 745,000 745,000
- 15.27 This appropriation is from the general fund
 15.28 for soft body armor reimbursements under
 15.29 Minnesota Statutes, section 299A.38.
- 15.30 **(f) Technology and Support Service** 6,299,000 6,299,000
- 15.31 This appropriation is from the general fund.

16.1 Subd. 3. State Patrol

16.2	<u>(a) Patrolling Highways</u>	<u>113,588,000</u>	<u>109,545,000</u>
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16.3 Appropriations by Fund

16.4		<u>2022</u>	<u>2023</u>
16.5	<u>General</u>	<u>37,000</u>	<u>37,000</u>
16.6	<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
16.7	<u>Trunk Highway</u>	<u>113,459,000</u>	<u>109,416,000</u>

16.8 \$1,718,000 in the first year is from the trunk16.9 highway fund for costs associated with the16.10 2021 State Patrol Trooper Academy. This is16.11 a onetime appropriation.16.12 \$3,524,000 in the first year and \$2,822,000 in16.13 the second year are from the trunk highway16.14 fund for the purchase, deployment, and16.15 management of body-worn cameras.16.16 \$5,765,000 in the first year and \$4,142,000 in16.17 the second year are from the trunk highway16.18 fund for staff and equipment costs of an16.19 additional 25 patrol troopers.

16.20	<u>(b) Commercial Vehicle Enforcement</u>	<u>10,180,000</u>	<u>10,046,000</u>
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16.21 \$494,000 in the first year and \$360,000 in the16.22 second year are for the purchase, deployment,16.23 and management of body-worn cameras.

16.24	<u>(c) Capitol Security</u>	<u>10,977,000</u>	<u>10,923,000</u>
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16.25 This appropriation is from the general fund.16.26 \$449,000 in the first year and \$395,000 in the16.27 second year are for the purchase, deployment,16.28 and management of body-worn cameras.16.29 The commissioner must not:16.30 (1) spend any money from the trunk highway16.31 fund for capitol security; or

17.1 (2) permanently transfer any state trooper from
 17.2 the patrolling highways activity to capitol
 17.3 security.

17.4 The commissioner must not transfer any
 17.5 money appropriated to the commissioner under
 17.6 this section:

17.7 (1) to capitol security; or

17.8 (2) from capitol security.

17.9 **(d) Vehicle Crimes Unit** 888,000 884,000

17.10 This appropriation is from the highway user
 17.11 tax distribution fund to investigate:

17.12 (1) registration tax and motor vehicle sales tax
 17.13 liabilities from individuals and businesses that
 17.14 currently do not pay all taxes owed; and

17.15 (2) illegal or improper activity related to the
 17.16 sale, transfer, titling, and registration of motor
 17.17 vehicles.

17.18 \$22,000 in the first year and \$18,000 in the
 17.19 second year are for the purchase, deployment,
 17.20 and management of body-worn cameras.

17.21 **Subd. 4. Driver and Vehicle Services**

17.22 **(a) Vehicle Services** 37,979,000 34,179,000

17.23 This appropriation is from the vehicle services
 17.24 operating account under Minnesota Statutes,
 17.25 section 299A.705, subdivision 1.

17.26 \$2,390,000 in the first year is for staff and
 17.27 operating costs to hire temporary or contract
 17.28 employees to process and issue drivers'
 17.29 licenses and Minnesota identification cards.

17.30 This is a onetime appropriation and must not
 17.31 be spent for permanent state employees.

18.1 \$326,000 in the first year and \$391,000 in the
 18.2 second year are for costs to establish, equip,
 18.3 and staff two additional vehicle inspection
 18.4 sites.

18.5 \$250,000 in the first year is for programming
 18.6 costs related to the implementation of
 18.7 self-service kiosks for vehicle registration
 18.8 renewal. This is a onetime appropriation and
 18.9 is available in the second year.

18.10 \$8,000 in the first year is for FastDS
 18.11 programming costs to allow for inclusion of
 18.12 additional veterans plates in the lifetime
 18.13 issuance category.

18.14 \$16,000 in the first year is for FastDS
 18.15 programming costs to change temporary
 18.16 permit fees for out-of-state carriers.

18.17 \$16,000 in the first year is for FastDS
 18.18 programming costs related to motor vehicle
 18.19 data subscriptions.

18.20 **(b) Driver Services** 39,840,000 36,793,000

18.21 This appropriation is from the driver services
 18.22 operating account in the special revenue fund
 18.23 under Minnesota Statutes, section 299A.705,
 18.24 subdivision 2.

18.25 \$2,229,000 in the first year and \$155,000 in
 18.26 the second year are for costs of a pilot project
 18.27 for same-day issuance of drivers' licenses and
 18.28 state identification cards.

18.29 \$425,000 in the first year and \$369,000 in the
 18.30 second year are for costs of administration of
 18.31 the third-party commercial driver's license
 18.32 road test program.

19.1 \$108,000 in the first year and \$49,000 in the
 19.2 second year are for staff costs to support
 19.3 online driver education programs.

19.4 \$24,000 in the first year is for FastDS
 19.5 programming costs related to no-show fees
 19.6 for driver examinations. This is a onetime
 19.7 appropriation.

19.8 **Subd. 5. Traffic Safety** 18,574,000 18,558,000

19.9 Appropriations by Fund

19.10	<u>2022</u>	<u>2023</u>
19.11 <u>General</u>	<u>18,080,000</u>	<u>18,064,000</u>
19.12 <u>Trunk Highway</u>	<u>494,000</u>	<u>494,000</u>

19.13 \$17,500,000 in each year is from the general
 19.14 fund for grants to school districts, nonpublic
 19.15 schools, charter schools, and companies that
 19.16 provide school bus services, for the purchase
 19.17 and installation of school bus stop-signal arm
 19.18 camera systems. In awarding grants, the
 19.19 commissioner must prioritize: regular route
 19.20 type A, B, C, and D buses; newer buses; and
 19.21 buses that do not already have a stop-signal
 19.22 arm or forward-facing camera. Cameras
 19.23 purchased with grants awarded pursuant to
 19.24 this section must be used within the state. If
 19.25 the money in the account is sufficient to fund
 19.26 all requests, the commissioner must not require
 19.27 a local match. The commissioner may seek
 19.28 assistance from the commissioner of education
 19.29 in administering the grants. This is a onetime
 19.30 appropriation and is available until June 30,
 19.31 2025.

19.32 \$110,000 in the first year and \$94,000 in the
 19.33 second year are from the general fund for staff
 19.34 costs to administer grants for school bus

20.1 stop-signal arm cameras. These are onetime
 20.2 appropriations.

20.3 **Subd. 6. Pipeline Safety** 1,443,000 1,443,000

20.4 This appropriation is from the pipeline safety
 20.5 account in the special revenue fund under
 20.6 Minnesota Statutes, section 299J.18.

20.7 **Sec. 5. METROPOLITAN COUNCIL; USE OF FEDERAL FUNDS.**

20.8 To the extent allowable under federal law and the guidance of the Federal Transit
 20.9 Administration, the Metropolitan Council must use funds received from the Coronavirus
 20.10 Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and the American
 20.11 Rescue Plan (ARP) to fully fund, in this priority order:

20.12 (1) Metro Mobility operating costs in fiscal years 2022 through 2025;

20.13 (2) transportation planning in fiscal years 2022 through 2025;

20.14 (3) regular route bus service operating costs in fiscal years 2022 and 2023; and

20.15 (4) operating costs of all other transit services in fiscal years 2022 and 2023.

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

20.17 **Sec. 6. PUBLIC SAFETY; USE OF HIGHWAY FUNDS.**

20.18 Payment of expenses related to forensic science services and other activities of the
 20.19 Bureau of Criminal Apprehension do not further a highway purpose under Minnesota
 20.20 Statutes, section 161.20, subdivision 3, and Minnesota Constitution, article XIV, section 6.
 20.21 The commissioner of public safety must not expend money from the trunk highway fund
 20.22 for any purpose of the Bureau of Criminal Apprehension.

20.23 **Sec. 7. RAIL SERVICE IMPROVEMENT; TRANSFER.**

20.24 \$15,000,000 in fiscal year 2022 and \$15,000,000 in fiscal year 2023 are transferred from
 20.25 the general fund to the rail service improvement account in the special revenue fund under
 20.26 Minnesota Statutes, section 222.49. These are onetime transfers.

20.27 **Sec. 8. SMALL CITIES ASSISTANCE; TRANSFER.**

20.28 \$6,150,000 in fiscal year 2022 and \$5,750,000 in fiscal year 2023 are transferred from
 20.29 the general fund to the small cities assistance account under Minnesota Statutes, section

21.1 162.145. The base for this transfer is \$4,333,000 in fiscal year 2024, \$3,989,000 in fiscal
21.2 year 2025, and \$0 thereafter.

21.3 **Sec. 9. TOWN ROADS; TRANSFER.**

21.4 \$6,150,000 in fiscal year 2022 and \$5,750,000 in fiscal year 2023 are transferred from
21.5 the general fund to the town road account in the county state-aid highway fund under
21.6 Minnesota Statutes, section 162.081. The base for this transfer is \$4,333,000 in fiscal year
21.7 2024, \$3,989,000 in fiscal year 2025, and \$0 thereafter.

21.8 **Sec. 10. APPROPRIATION; AIRPORT INFRASTRUCTURE RENEWAL (AIR)**
21.9 **GRANT PROGRAM.**

21.10 (a) \$2,000,000 in fiscal year 2022 and \$1,000,000 in fiscal year 2023 are appropriated
21.11 from the general fund to the commissioner of employment and economic development for
21.12 the airport infrastructure renewal (AIR) grant program under Minnesota Statutes, section
21.13 116J.439. These are onetime appropriations.

21.14 (b) In awarding grants with this appropriation, the commissioner of employment and
21.15 economic development must consult with the commissioner of transportation and prioritize
21.16 eligible applicants that did not receive a grant pursuant to the appropriation in Laws 2019,
21.17 First Special Session chapter 7, article 1, section 2, subdivision 2, paragraph (q).

21.18 **Sec. 11. APPROPRIATION CANCELLATION; PATROLLING HIGHWAYS.**

21.19 \$1,718,000 of the appropriation from the trunk highway fund in Laws 2019, First Special
21.20 Session chapter 3, article 1, section 4, subdivision 3, paragraph (a), is canceled to the trunk
21.21 highway fund on the effective date of this section.

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

21.23 **Sec. 12. APPROPRIATION CANCELLATION; PASSENGER RAIL.**

21.24 \$271,000 of the appropriation in fiscal year 2021 under Laws 2019, First Special Session
21.25 chapter 3, article 1, section 2, subdivision 2, paragraph (d), is canceled to the general fund
21.26 on the effective date of this section.

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

22.1 Sec. 13. **APPROPRIATION CANCELLATION; PUBLIC SAFETY SUPPORT.**

22.2 \$220,000 of the appropriation from the general fund in fiscal year 2021 under Laws
22.3 2019, First Special Session chapter 3, article 1, section 4, subdivision 1, paragraph (b), is
22.4 canceled to the general fund on the effective date of this section.

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

22.6 Sec. 14. **APPROPRIATION; DEPARTMENT OF EMPLOYMENT AND**
22.7 **ECONOMIC DEVELOPMENT.**

22.8 \$15,000 in fiscal year 2022 and \$15,000 in fiscal year 2023 are appropriated from the
22.9 general fund to the commissioner of employment and economic development for temporary
22.10 staff costs related to the procurement of a statewide freight optimization tool for the
22.11 Department of Transportation. These are onetime appropriations.

22.12 Sec. 15. **BECKER INTERCHANGE PROJECT; APPROPRIATION.**

22.13 (a) \$1,979,000 in fiscal year 2022 is appropriated from the general fund to the
22.14 commissioner of transportation to prepare final design, conduct site preparation work, and
22.15 acquire right-of-way for an interchange to be constructed at marked U.S. Highway 10,
22.16 marked Trunk Highway 25, Sherburne County State-Aid Highway 8, and Sherburne County
22.17 Road 52 in the city of Becker and Becker Township. This appropriation is for expenses not
22.18 eligible to be paid from the trunk highway fund. This is a onetime appropriation and is
22.19 available until June 30, 2025.

22.20 (b) \$1,869,000 in fiscal year 2022 is appropriated from the trunk highway fund to prepare
22.21 final design, conduct site preparation work, and acquire right-of-way for an interchange to
22.22 be constructed at marked U.S. Highway 10, marked Trunk Highway 25, Sherburne County
22.23 State-Aid Highway Road 8, and Sherburne County Road 52 in the city of Becker and Becker
22.24 Township. This appropriation is for expenses eligible to be paid from the trunk highway
22.25 fund. This is a onetime appropriation and is available until June 30, 2025.

22.26 Sec. 16. **BLAINE; 99TH AVENUE AT MARKED TRUNK HIGHWAY 65;**
22.27 **APPROPRIATION.**

22.28 (a) \$7,000,000 is appropriated from the general fund to the commissioner of transportation
22.29 for one or more grants to the city of Blaine for a local road intersection at 99th Avenue
22.30 Northeast and marked Trunk Highway 65 and associated local road improvements. This
22.31 appropriation does not require a nonstate contribution. For purposes of this section, "local
22.32 road intersection" means a grade-separated intersection if that is the preferred alternative

23.1 following completion of the environmental analysis. This is a onetime appropriation and is
 23.2 available until June 30, 2025.

23.3 (b) \$2,000,000 of this appropriation is for environmental analysis and design of local
 23.4 road intersections along marked Trunk Highway 65 from north of 93rd Lane Northeast to
 23.5 north of 117th Avenue Northeast and associated local road improvements.

23.6 (c) \$5,000,000 of this appropriation is for acquisition of right-of-way associated with
 23.7 the improvements on 99th Avenue Northeast and adjacent frontage roads at marked Trunk
 23.8 Highway 65.

23.9 **Sec. 17. CULVERT UNDER MARKED TRUNK HIGHWAY 29; DOUGLAS**
 23.10 **COUNTY; APPROPRIATION.**

23.11 \$2,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 23.12 of transportation for a grant to Douglas County to install a new box culvert under marked
 23.13 Trunk Highway 29 between Lake Le Homme Dieu and Lake Geneva and to regrade and
 23.14 reconstruct a portion of marked Trunk Highway 29 to accommodate the new culvert. This
 23.15 appropriation does not require a nonstate match. This is a onetime appropriation and is
 23.16 available until June 30, 2025.

23.17 **Sec. 18. DULUTH AERIAL LIFT BRIDGE; APPROPRIATION.**

23.18 \$12,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 23.19 of transportation for a grant to the city of Duluth for capital repairs and restoration of the
 23.20 Aerial Lift Bridge. This is a onetime appropriation and is available until June 30, 2025.

23.21 **Sec. 19. IMPROVED ACCESS AND SAFETY STUDY; MARKED U.S. HIGHWAY**
 23.22 **10 IN ST. CLOUD; APPROPRIATIONS.**

23.23 (a) \$400,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
 23.24 commissioner of transportation to study options to improve access to and safety on marked
 23.25 U.S. Highway 10 from 45th Avenue SE to 32nd Street SE in St. Cloud. At a minimum, the
 23.26 study must (1) evaluate options and costs for improving access and safety, including
 23.27 increasing or improving the lighting at intersections, installation of traffic-control signals
 23.28 at intersections, increasing the number or length of bypass lanes, increasing the number or
 23.29 length of acceleration and deceleration lanes, and J-turns or other methods of reduced conflict
 23.30 intersections; and (2) provide specific recommendations on how to best reduce high-speed
 23.31 collisions and create improved access for slower moving vehicles entering marked U.S.
 23.32 Highway 10 and cost estimates for each recommended improvement. By January 31, 2022,

24.1 the commissioner must transmit a copy of the study to the chairs and ranking minority
 24.2 members of the legislative committees with jurisdiction over transportation policy finance.
 24.3 This is a onetime appropriation.

24.4 (b) \$600,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
 24.5 commissioner of transportation for a grant to the St. Cloud Area Planning Organization to
 24.6 be used for projects in the transportation improvement program or the regional infrastructure
 24.7 investment plan. This is a onetime appropriation.

24.8 **Sec. 20. INTERSTATE HIGHWAY 35 AT COUNTY STATE-AID HIGHWAY 9**
 24.9 **IN RICE COUNTY INTERCHANGE FEASIBILITY STUDY; APPROPRIATION.**

24.10 \$500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
 24.11 commissioner of transportation to conduct a study on the feasibility of an interchange at
 24.12 marked Interstate Highway 35 and County State-Aid Highway 9 in Rice County. At a
 24.13 minimum, the commissioner's study must include estimated construction costs, traffic
 24.14 modeling, an environmental analysis, and a potential design layout for an interchange. This
 24.15 is a onetime appropriation and is available until June 30, 2025.

24.16 **Sec. 21. INTERSTATE 35 STUDY AND INTERCHANGE PROJECT;**
 24.17 **APPROPRIATION.**

24.18 \$700,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
 24.19 commissioner of transportation to study corridor mobility and safety improvement needs
 24.20 along marked Interstate 35 from approximately the Dakota County State-Aid Highway 50
 24.21 interchange in Lakeville to Dakota County State-Aid Highway 42 in Burnsville. This
 24.22 appropriation is also for preliminary engineering of the mobility and safety improvements
 24.23 and a redesign of the interchange at marked Interstate 35 and Dakota County State-Aid
 24.24 Highway 50 in Lakeville, including development of a geometric layout and environmental
 24.25 documentation for the corridor. This is a onetime appropriation and is available until June
 24.26 30, 2025.

24.27 **Sec. 22. INTERSTATE 35 STUDY; LAKEVILLE; APPROPRIATION.**

24.28 \$700,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
 24.29 commissioner of transportation to study corridor mobility and safety improvement needs
 24.30 along marked Interstate 35 from approximately the Dakota County State-Aid Highway 50
 24.31 interchange in Lakeville to Dakota County State-Aid Highway 70 in Lakeville. This

25.1 appropriation is also for preliminary engineering of the mobility and safety improvements.
25.2 This is a onetime appropriation and is available until June 30, 2025.

25.3 **Sec. 23. KARLSTAD AIRPORT RUNWAY; APPROPRIATION.**

25.4 \$5,600,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
25.5 of transportation for a grant to the city of Karlstad for the acquisition of land, predesign,
25.6 design, engineering, and construction of a primary airport runway. This is a onetime
25.7 appropriation and is available until June 30, 2025.

25.8 **Sec. 24. MARKED U.S. HIGHWAY 8 RECONSTRUCTION; APPROPRIATION.**

25.9 \$10,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
25.10 of transportation for a grant to Chisago County to design, engineer, and construct a
25.11 reconstruction of marked U.S. Highway 8 from Karmel Avenue in Chisago City to Interstate
25.12 35 and pedestrian and bike trails along and crossings of this portion of U.S. Highway 8.
25.13 This reconstruction may include expanding segments of U.S. Highway 8 to four lanes,
25.14 constructing or reconstructing frontage roads and backage roads, and realigning local roads
25.15 to consolidate, remove, and relocate access onto and off of U.S. Highway 8. This is a onetime
25.16 appropriation and is available until June 30, 2025.

25.17 **Sec. 25. MARKED U.S. HIGHWAY 10 STRATEGIC CONGESTION MITIGATION;**
25.18 **APPROPRIATION.**

25.19 \$23,550,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.20 commissioner of transportation for a grant to Anoka County to complete the preliminary
25.21 engineering, environmental documentation, final design, right-of-way acquisition,
25.22 construction, and construction administration of a third travel lane in each direction of
25.23 marked U.S. Highway 10 from east of the interchange with Hanson Boulevard to Round
25.24 Lake Boulevard in the city of Coon Rapids. This appropriation does not require a nonstate
25.25 contribution. This is a onetime appropriation and is available until June 30, 2025.

25.26 **Sec. 26. MARKED U.S. HIGHWAY 61 LIGHTING PROJECT; APPROPRIATION.**

25.27 \$3,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
25.28 of transportation to install lighting along the entire marked U.S. Highway 61 corridor from
25.29 its interchange with Washington County State-Aid Highway 22 to its interchange with
25.30 marked Trunk Highway 95 in the city of Cottage Grove. This is a onetime appropriation
25.31 and is available until June 30, 2023.

26.1 Sec. 27. **OLMSTED COUNTY; TRUNK HIGHWAY 14 AND COUNTY ROAD 104**
26.2 **INTERCHANGE; APPROPRIATION.**

26.3 \$11,060,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
26.4 commissioner of transportation to acquire property and to predesign, design, engineer,
26.5 construct, furnish, and equip an interchange at marked Trunk Highway 14 and County Road
26.6 104, including the flyover at 7th Street NW, in Olmsted County. This is a onetime
26.7 appropriation and is available until June 30, 2025.

26.8 Sec. 28. **RAMSEY GATEWAY PROJECT; APPROPRIATION.**

26.9 \$12,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
26.10 of transportation for one or more grants to Anoka County, the city of Ramsey, or both for
26.11 acquisition of right-of-way associated with the local road portions of the Ramsey Gateway
26.12 Project, which includes local road interchanges by marked U.S. Highway 10/169 at County
26.13 State-Aid Highway 56 (Ramsey Boulevard) and County State-Aid Highway 57 (Sunfish
26.14 Lake Boulevard) and the associated railroad grade separations, frontage roads, backage
26.15 roads, connecting local streets, and any associated water and sanitary sewer infrastructure
26.16 improvements, if necessary or required for the construction of the local road improvements
26.17 of the Ramsey Gateway Project in the city of Ramsey. This appropriation does not require
26.18 a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

26.19 Sec. 29. **SCOTT COUNTY INTERCHANGE PROJECT; APPROPRIATION.**

26.20 \$2,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
26.21 of transportation for a grant to Scott County to complete preliminary and final design,
26.22 environmental documentation, and right-of-way acquisition for construction of an interchange
26.23 located at the intersections of marked U.S. Highway 169, marked Trunk Highway 282, and
26.24 Scott County State-Aid Highway 9 in the city of Jordan. This is a onetime appropriation
26.25 and is available until June 30, 2025.

26.26 Sec. 30. **SCOTT COUNTY; LOCAL ROAD IMPROVEMENTS; APPROPRIATION.**

26.27 \$20,650,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
26.28 of transportation for a grant to Scott County to design and construct local road improvements,
26.29 including accommodations for bicycles and pedestrians, to support a programmed interchange
26.30 at the intersection of marked Trunk Highway 13 and Dakota Avenue in Savage. This is a
26.31 onetime appropriation and is available until June 30, 2025.

27.1 Sec. 31. **STREET AND UTILITY RECONSTRUCTION; SHERBURN;**
27.2 **APPROPRIATION.**

27.3 \$3,030,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
27.4 of transportation for a grant to the city of Sherburn to acquire property or easements,
27.5 predesign, design, construct, and equip the reconstruction of the city streets of Osborne
27.6 Street, between West 1st Street and West 5th Street and one block to the west and east of
27.7 Osborne Street on West 2nd Street, West 3rd Street, and West 4th Street, and the storm
27.8 water and sanitary sewer systems along those streets. This is a onetime appropriation and
27.9 is available until June 30, 2025.

27.10 Sec. 32. **TELEWORK ACTIVITIES; APPROPRIATION.**

27.11 \$300,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
27.12 of transportation for a grant to the 494 Corridor Commission. The commissioner must not
27.13 retain any portion of the funds appropriated under this section. The commissioner must
27.14 make grant payments in full by June 30, 2022. Funds under this grant are for programming
27.15 and service expansion to assist companies and commuters in telecommuting efforts and
27.16 promotion of best practices. A grant recipient must provide telework resources, assistance,
27.17 information, and related activities on a statewide basis. This is a onetime appropriation.

27.18 Sec. 33. **TRUNK HIGHWAY 3; APPROPRIATION.**

27.19 \$500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
27.20 commissioner of transportation for a grant to Dakota County to complete preliminary
27.21 engineering for corridor mobility and safety improvements on marked Trunk Highway 3,
27.22 from approximately 142nd Street West in Rosemount to marked Interstate Highway 494 in
27.23 Inver Grove Heights. This appropriation does not require a nonstate contribution. This is a
27.24 onetime appropriation and is available until June 30, 2025.

27.25 Sec. 34. **TRUNK HIGHWAY 41 ROUNDABOUT IN CHANHASSEN;**
27.26 **APPROPRIATION.**

27.27 \$1,500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
27.28 commissioner of transportation to design and construct a roundabout on Trunk Highway
27.29 41 at the intersection with the entrance and exit of Minnetonka Middle School West in
27.30 Chanhasen. This is a onetime appropriation and is available until June 30, 2025.

28.1 Sec. 35. **TRUNK HIGHWAY 55; APPROPRIATION.**

28.2 \$4,500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
28.3 commissioner of transportation for preliminary design, final design, and right-of-way
28.4 acquisition to establish marked Trunk Highway 55 as a four-lane divided highway from a
28.5 point near Hennepin County Road 118, known as Arrowhead Drive, in Medina to Hennepin
28.6 County State-Aid Highway 19 in Corcoran. This is a onetime appropriation and is available
28.7 until June 30, 2025.

28.8 Sec. 36. **TRUNK HIGHWAY 55; APPROPRIATION.**

28.9 \$1,000,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
28.10 commissioner of transportation for a grant to Dakota County to complete preliminary
28.11 engineering for corridor mobility and safety improvements on marked Trunk Highway 55
28.12 from approximately marked U.S. Highway 52 to General Sieben Drive in Hastings. This
28.13 appropriation does not require a nonstate contribution. This is a onetime appropriation and
28.14 is available until June 30, 2025.

28.15 Sec. 37. **TRUNK HIGHWAY 77; APPROPRIATION.**

28.16 \$1,000,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
28.17 commissioner of transportation for a grant to Dakota County to complete preliminary
28.18 engineering for corridor mobility and safety improvements on marked Trunk Highway 77
28.19 from approximately 140th Street West in Apple Valley to marked Interstate 494 in
28.20 Bloomington. This appropriation does not require a nonstate contribution. This is a onetime
28.21 appropriation and is available until June 30, 2025.

28.22 Sec. 38. **U.S. HIGHWAY 169; APPROPRIATION.**

28.23 \$95,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
28.24 of transportation to be used for cost estimating, environmental permitting, and preliminary
28.25 engineering for the improvement of marked U.S. Highway 169 from a two-lane undivided
28.26 highway to a four-lane divided highway for the remaining eight-mile segment of Cross
28.27 Range Expressway from Taconite to Pengilly. This is a onetime appropriation and is available
28.28 until June 30, 2023.

29.1 **Sec. 39. U.S. HIGHWAY 169 AND SHERBURNE COUNTY STATE-AID HIGHWAY**
29.2 **4; ZIMMERMAN; APPROPRIATION.**

29.3 \$16,400,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
29.4 commissioner of transportation for property acquisition, engineering, and construction of
29.5 the trunk highway portions of an interchange at marked U.S. Highway 169 and Sherburne
29.6 County State-Aid Highway 4 in the city of Zimmerman. This is a onetime appropriation
29.7 and is available until June 30, 2025.

29.8 **Sec. 40. U.S. HIGHWAY 212 EXPANSION TO FOUR LANES BETWEEN**
29.9 **NORWOOD YOUNG AMERICA AND COLOGNE; APPROPRIATION.**

29.10 \$34,080,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
29.11 commissioner of transportation to acquire property or permanent easements for, and to
29.12 design, engineer, construct, furnish, and equip an expansion of U.S. Highway 212 to four
29.13 lanes from Tacoma Avenue North in Norwood Young America to Lake Street West in
29.14 Cologne. Of this amount, up to \$10,000,000 is for safety improvements to the intersection
29.15 of U.S. Highway 212 and Carver County State-Aid Highway 51. This is a onetime
29.16 appropriation and is available until June 30, 2025.

29.17 **Sec. 41. WADENA; U.S. HIGHWAY 10; APPROPRIATION.**

29.18 \$25,000,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
29.19 commissioner of transportation for design, preliminary and final engineering, environmental
29.20 analysis, and reconstruction of marked U.S. Highway 10 as a four-lane highway in Wadena.
29.21 This is a onetime appropriation and is available until June 30, 2025.

29.22 **Sec. 42. WASHINGTON COUNTY; BRIDGE OVER I-694; APPROPRIATION.**

29.23 \$3,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
29.24 of transportation for a grant to Washington County to predesign, design, engineer, construct,
29.25 and equip the reconstruction of the 4th Street Bridge over Interstate 694 in the city of
29.26 Oakdale. This appropriation is not available until the commissioner of management and
29.27 budget determines that a sufficient amount has been committed from nonstate sources to
29.28 complete the project. This is a onetime appropriation and is available until June 30, 2025.

30.1 **ARTICLE 2**

30.2 **DEPARTMENT OF TRANSPORTATION**

30.3 Section 1. Minnesota Statutes 2020, section 16E.15, subdivision 2, is amended to read:

30.4 Subd. 2. **Software sale fund.** (a) Except as provided in paragraphs (b) and (c), proceeds
30.5 from the sale or licensing of software products or services by the chief information officer
30.6 must be credited to the MN.IT services revolving fund. If a state agency other than the
30.7 Office of MN.IT Services has contributed to the development of software sold or licensed
30.8 under this section, the chief information officer may reimburse the agency by discounting
30.9 computer services provided to that agency.

30.10 (b) Proceeds from the sale or licensing of software products or services developed by
30.11 the Pollution Control Agency, or custom developed by a vendor for the agency, must be
30.12 credited to the environmental fund.

30.13 (c) If the Department of Transportation develops software products or services using
30.14 trunk highway funds, proceeds from the subsequent sale or licensing of the software products
30.15 or services must be credited to the trunk highway fund. This paragraph also applies to
30.16 software products or services custom developed by a vendor for the department using trunk
30.17 highway funds. This paragraph does not authorize the use of trunk highway funds for
30.18 development of software products or services in violation of section 161.20.

30.19 Sec. 2. Minnesota Statutes 2020, section 117.075, subdivision 2, is amended to read:

30.20 Subd. 2. **Appoint commissioners for damages.** (a) If the proposed taking shall appear
30.21 to be necessary and such as is authorized by law, the court by an order shall appoint three
30.22 disinterested commissioners, and at least two alternates, to ascertain and report the amount
30.23 of damages that will be sustained by the several owners on account of such taking.

30.24 (b) All disinterested commissioners or alternates appointed under this subdivision must
30.25 reside in Minnesota.

30.26 Sec. 3. Minnesota Statutes 2020, section 117.075, subdivision 3, is amended to read:

30.27 Subd. 3. **Commissioner qualifications.** ~~Before appointing a commissioner,~~ The court
30.28 shall inquire whether each prospective commissioner has any relationship, business or
30.29 otherwise, to any of the parties in the proceeding, or any interest in the proceeding which
30.30 may constitute a conflict of interest, or which may create the appearance of impropriety
30.31 should that person be appointed. Responses to this inquiry must be either written or on the
30.32 record and made available by the court to any party in the proceeding ~~before and after~~

31.1 ~~appointment~~. No person who might have difficulty in rendering an unbiased decision may
31.2 be appointed to serve. The court, in its discretion, may appoint one registered, practicing
31.3 attorney to the commission who is knowledgeable in eminent domain matters. All other
31.4 commissioners appointed must be persons actively engaged in the occupation of real estate
31.5 sales or real estate appraising or persons knowledgeable in real estate values.

31.6 Sec. 4. Minnesota Statutes 2020, section 160.02, is amended by adding a subdivision to
31.7 read:

31.8 Subd. 1b. **Bicycle lane.** "Bicycle lane" means a portion of a roadway or shoulder designed
31.9 for exclusive or preferential use by persons using bicycles. Bicycle lanes are to be
31.10 distinguished from the portion of the roadway or shoulder used for motor vehicle traffic by
31.11 physical barrier, striping, marking, or other similar device.

31.12 Sec. 5. Minnesota Statutes 2020, section 160.02, is amended by adding a subdivision to
31.13 read:

31.14 Subd. 1c. **Bicycle route.** "Bicycle route" means a roadway or shoulder signed to
31.15 encourage bicycle use.

31.16 Sec. 6. Minnesota Statutes 2020, section 160.262, subdivision 1, is amended to read:

31.17 Subdivision 1. **Bikeways; powers and duties; design guidelines.** (a) The legislature
31.18 determines that it is in the interests of the public health, safety and welfare, to provide for
31.19 the addition of bikeways to proposed and existing public highways without converting
31.20 vehicle travel lanes into bicycle lanes or bicycle routes. The commissioner of transportation
31.21 is authorized to plan, design, establish, and maintain bikeways on the right-of-way of any
31.22 trunk highway. The commissioner is responsible for the design and construction of all
31.23 bikeway projects within the right-of-way of any trunk highway. The commissioner must
31.24 consider the development of bikeways during the planning, design, construction,
31.25 reconstruction, or improvement of any trunk highway, or allow the establishment of such
31.26 bikeways within trunk highway right-of-way. The commissioner must not convert vehicle
31.27 travel lanes on the trunk highway system into a bicycle lane or bicycle route.

31.28 (b) The commissioner must maintain bikeway design guidelines consistent with the state
31.29 transportation goals in section 174.01.

31.30 (c) The commissioner must compile and maintain a map of bikeways in the state and
31.31 must publish and distribute the map's information at least once every two years in a form
31.32 and manner suitable to assist persons wishing to use the bikeways.

32.1 (d) The commissioner must maintain bikeways within the limits of trunk highway
32.2 right-of-way unless a written agreement or limited use permit provides otherwise.

32.3 Sec. 7. Minnesota Statutes 2020, section 160.263, subdivision 3, is amended to read:

32.4 Subd. 3. **Designation.** (a) A governing body designating a bikeway under this section
32.5 may:

32.6 (1) designate the type and character of vehicles or other modes of travel which may be
32.7 operated on a bikeway, provided that the operation of such vehicle or other mode of travel
32.8 is not inconsistent with the safe use and enjoyment of the bikeway by bicycle traffic;

32.9 (2) establish priority of right-of-way on the bicycle lane or bicycle path and otherwise
32.10 regulate the use of bikeways as it deems necessary; and

32.11 (3) paint lines or construct curbs or establish other physical separations to exclude the
32.12 use of the bikeways by vehicles other than those specifically permitted to operate thereon.

32.13 (b) The designating governing body may, after public hearing, prohibit through traffic
32.14 on any highway or portion thereof designated as a bicycle lane or bicycle route, except that
32.15 through traffic may not be prohibited on a trunk highway. The designating governing body
32.16 shall erect and maintain official signs giving notice of the regulations and priorities
32.17 established under this subdivision and shall mark all bikeways with appropriate signs.
32.18 Marking and signing of bikeways by the designating governing body shall be in conformance
32.19 with the Minnesota Manual on Uniform Traffic Control Devices.

32.20 (c) When a disability parking space is designated pursuant to section 169.346, subdivision
32.21 2, on a segment of road on which the governing body is considering designating a bikeway,
32.22 the governing body must work with the primary user of the disability parking space to
32.23 determine if the space may be relocated to a mutually agreeable location. At the request of
32.24 the primary user, the governing body must meet with the primary user at the primary user's
32.25 chosen location. Any agreement to relocate a disability parking space must be in writing
32.26 and signed by the primary user and an appropriate representative of the governing body. If
32.27 there is no agreement on relocating the disability parking space, the governing body must
32.28 designate the bikeway in a manner that does not eliminate or interfere with the space.

32.29 (d) For purposes of this subdivision, "primary user" means the person who will primarily
32.30 use the disability parking space. If the disability parking space will not be used primarily
32.31 by one person, the primary user is the owner of the property that abuts the segment of road
32.32 where the disability parking space is located.

33.1 Sec. 8. Minnesota Statutes 2020, section 160.264, is amended to read:

33.2 **160.264 REPLACING BIKEWAYS AND PEDESTRIAN WAYS.**

33.3 Whenever an existing bikeway, pedestrian way, or roadway used by bicycles or
 33.4 pedestrians or the sole access to such is destroyed by any new, reconstructed, or relocated
 33.5 federal, state, or local highway, the road authority responsible shall replace the destroyed
 33.6 facility or access with a comparable facility or access. Replacement is not required where
 33.7 it would be contrary to public safety or when sparsity of population, other available ways
 33.8 or other factors indicate an absence of need for such facility or access. When the road
 33.9 authority is the commissioner, the commissioner must not convert vehicle travel lanes on
 33.10 the trunk highway system into a bicycle lane or bicycle route.

33.11 Sec. 9. Minnesota Statutes 2020, section 160.266, is amended by adding a subdivision to
 33.12 read:

33.13 Subd. 1c. **Prohibition on lane conversion.** The commissioner must not convert vehicle
 33.14 travel lanes on the trunk highway system into a bicycle lane or bicycle route.

33.15 Sec. 10. Minnesota Statutes 2020, section 160.93, subdivision 1, is amended to read:

33.16 Subdivision 1. **Fees authorized.** (a) To improve efficiency and provide more options
 33.17 to individuals traveling in a trunk highway corridor, the commissioner of transportation
 33.18 may charge user fees to owners or operators of single-occupant vehicles using dynamic
 33.19 shoulder lanes as designated by the commissioner and any designated high-occupancy
 33.20 vehicle lanes. The fees may be collected using electronic or other toll-collection methods
 33.21 ~~and may vary in amount with the time of day and level of traffic congestion within the~~
 33.22 ~~corridor.~~ The commissioner shall consult with the Metropolitan Council and obtain necessary
 33.23 federal authorizations before implementing user fees on a high-occupancy vehicle lane or
 33.24 dynamic shoulder lane. Fees under this section are not subject to section 16A.1283.

33.25 (b) Fees collected pursuant to this section must vary in amount based on the level of
 33.26 traffic congestion within the corridor. The commissioner must collect fees based on traffic
 33.27 congestion levels. The commissioner must adopt a policy that specifies the traffic congestion
 33.28 threshold that will initiate the collection of fees. The policy must also identify what fee will
 33.29 be collected for each specified traffic congestion threshold. The commissioner must not
 33.30 collect fees based solely on the time of day. The commissioner must not collect fees if the
 33.31 minimum traffic congestion threshold is not met. The commissioner must post the policy
 33.32 adopted pursuant to this section on the department's website. The commissioner must ensure

34.1 that signage is posted in dynamic shoulder lanes and high-occupancy vehicle lanes to indicate
 34.2 in real time when fees are being collected and the amount of the fee.

34.3 (c) The commissioner must establish fees in an amount that will, at a minimum, pay for
 34.4 all of the costs described in subdivision 2, paragraph (b), clauses 1 and 2.

34.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

34.6 Sec. 11. Minnesota Statutes 2020, section 160.93, subdivision 2, is amended to read:

34.7 Subd. 2. **Deposit of revenues; appropriation.** (a) ~~Except as provided in subdivision~~
 34.8 ~~2a,~~ Money collected from fees authorized under subdivision 1 must be deposited in a
 34.9 high-occupancy vehicle lane user fee account in the special revenue fund. A separate account
 34.10 must be established for each trunk highway corridor. Money in the account is appropriated
 34.11 to the commissioner.

34.12 (b) From this appropriation the commissioner shall ~~first~~:

34.13 (1) first, repay the trunk highway fund and any other fund source for money spent to
 34.14 install, equip, or modify the corridor for the purposes of subdivision 1, ~~and then shall;~~

34.15 (2) second, pay all the costs of implementing and administering the fee collection system
 34.16 for that corridor;

34.17 ~~(e) The commissioner shall spend remaining money in the account as follows:~~

34.18 ~~(1) one-half must be spent~~ (3) third, pay for transportation capital improvements within
 34.19 the corridor; ~~and~~

34.20 (4) fourth, pay for maintenance of the corridor; and

34.21 ~~(2) one-half must be transferred~~ (5) fifth, transfer any funds not spent according to clauses
 34.22 (1) to (4) to the Metropolitan Council for expansion and improvement of bus transit services
 34.23 within the corridor beyond the level of service provided on the date of implementation of
 34.24 subdivision 1.

34.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

34.26 Sec. 12. Minnesota Statutes 2020, section 160.93, subdivision 4, is amended to read:

34.27 Subd. 4. **Prohibition.** No person may operate a single-occupant vehicle in a designated
 34.28 high-occupancy vehicle lane or dynamic shoulder lane except in compliance with the
 34.29 requirements of ~~the commissioner~~ this section. A person who violates this subdivision is
 34.30 guilty of a petty misdemeanor and is subject to sections 169.89, subdivisions 1, 2, and 4,

35.1 and 169.891 and any other provision of chapter 169 applicable to the commission of a petty
 35.2 misdemeanor traffic offense. Upon approval of the Federal Highway Administration, this
 35.3 subdivision does not apply on New Year's Day, Memorial Day, Independence Day, Labor
 35.4 Day, Thanksgiving, and Christmas.

35.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

35.6 Sec. 13. **[161.0815] RESTRICTIONS ON FUNDING FOR BICYCLE LANES AND**
 35.7 **ROUTES.**

35.8 Notwithstanding any law to the contrary, the commissioner is prohibited from spending
 35.9 funds from the highway user tax distribution fund or the trunk highway fund to create,
 35.10 construct, expand, mark, or maintain bicycle lanes or bicycle routes on the trunk highway
 35.11 system.

35.12 Sec. 14. Minnesota Statutes 2020, section 161.088, subdivision 5, is amended to read:

35.13 Subd. 5. **Project selection process; criteria.** (a) The commissioner must establish a
 35.14 process to identify, evaluate, and select projects under the program. The process must be
 35.15 consistent with the requirements of this subdivision and must not include any additional
 35.16 evaluation criteria.

35.17 (b) As part of the project selection process, the commissioner must annually accept
 35.18 recommendations on candidate projects from area transportation partnerships and other
 35.19 interested stakeholders in each Department of Transportation district. The commissioner
 35.20 must determine the eligibility for each candidate project identified under this paragraph.
 35.21 For each eligible project, the commissioner must classify and evaluate the project for the
 35.22 program, using all of the criteria established under paragraph (c).

35.23 (c) Projects must be evaluated using all of the following criteria:

35.24 (1) a return on investment measure that provides for comparison across eligible projects;

35.25 (2) measurable impacts on commerce and economic competitiveness;

35.26 (3) efficiency in the movement of freight, including but not limited to:

35.27 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which
 35.28 may include data near the project location on that trunk highway or on connecting trunk
 35.29 and local highways; and

35.30 (ii) measures of congestion or travel time reliability, which may be within or near the
 35.31 project limits, or both;

36.1 (4) improvements to traffic safety;

36.2 (5) connections to regional trade centers, local highway systems, and other transportation
36.3 modes;

36.4 (6) the extent to which the project addresses multiple transportation system policy
36.5 objectives and principles;

36.6 (7) support and consensus for the project among members of the surrounding community;
36.7 ~~and~~

36.8 (8) the time and work needed before construction may begin on the project; and

36.9 (9) regional balance throughout the state.

36.10 The commissioner must give the criteria in clauses (1) to (8) equal weight in the selection
36.11 process.

36.12 (d) The list of all projects evaluated must be made public and must include the score of
36.13 each project.

36.14 (e) As part of the project selection process, the commissioner may divide funding to be
36.15 separately available among projects within each classification under subdivision 3, and may
36.16 apply separate or modified criteria among those projects falling within each classification.

36.17 **Sec. 15. [161.0895] HIGHWAY PURPOSE; REPORT.**

36.18 (a) To ensure compliance with the Minnesota Constitution, article XIV, sections 2, 5,
36.19 and 6, commissioners of state agencies must not include in a biennial budget any expenditures
36.20 from the trunk highway fund or the highway user tax distribution fund for a nonhighway
36.21 purpose or for any purpose prohibited by section 161.20.

36.22 (b) No later than 45 days following the submission of the governor's biennial budget to
36.23 the legislature under section 16A.11, the commissioner of management and budget and the
36.24 attorney general must jointly submit a report to the chairs and ranking minority members
36.25 of the legislative committees with jurisdiction over transportation policy and finance. The
36.26 report must examine proposed appropriations from the trunk highway fund and the highway
36.27 user tax distribution fund, explain the highway purpose of the proposed appropriations,
36.28 determine if any proposed appropriation is for a nonhighway purpose, and, for nonhighway
36.29 purposes, recommend the fund to be used.

36.30 (c) For the purposes of this section, an appropriation for a nonhighway purpose is any
36.31 appropriation not for construction, improvement, or maintenance of highways or for any
36.32 purpose prohibited by section 161.20.

37.1 Sec. 16. Minnesota Statutes 2020, section 161.11, subdivision 2, is amended to read:

37.2 Subd. 2. **Payment of premium and reimbursement.** ~~The commissioner may pay the~~
37.3 ~~premiums for any said policy of insurance out of the trunk highway fund.~~ The political
37.4 subdivision or agency of the state for whom work is performed by employees of the
37.5 Department of Transportation pursuant to any agreement therefor made with the
37.6 commissioner shall pay to the trunk highway fund that portion of the premium for said
37.7 policy of insurance directly attributable to the work performed for it. The commissioner
37.8 may pay the premiums of any said policy of insurance out of the trunk highway fund only
37.9 in the amount deposited into the fund by the political subdivision or agency. If any additional
37.10 amount is due on said policy, the remaining amount must not be paid out of the trunk
37.11 highway fund.

37.12 Sec. 17. Minnesota Statutes 2020, section 161.115, subdivision 27, is amended to read:

37.13 Subd. 27. **Route No. 96.** Beginning at a point on Route No. ~~95~~ 244 as herein established
37.14 at or near ~~Stillwater~~ Dellwood City, thence extending in a westerly direction to a point on
37.15 Route No. ~~63~~ 1 at or near ~~New Brighton~~ White Bear Lake.

37.16 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
37.17 transportation receives a copy of the agreement between the commissioner and the governing
37.18 body of Washington County to transfer jurisdiction of Legislative Route No. 96 and after
37.19 the commissioner sends notice to the revisor of statutes electronically or in writing that the
37.20 conditions required to transfer the route have been satisfied.

37.21 Sec. 18. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
37.22 read:

37.23 Subd. 97. **Chief Daryl "Taddy" Drusch Memorial Highway.** The segment of marked
37.24 U.S. Highway 12 within the city limits of Howard Lake is designated as "Chief Daryl
37.25 "Taddy" Drusch Memorial Highway." Subject to section 161.139, the commissioner must
37.26 adopt a suitable design to mark this highway and erect appropriate signs.

37.27 Sec. 19. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
37.28 read:

37.29 Subd. 98. **Deputy Richard K. Magnuson Memorial Highway.** The segment of marked
37.30 Trunk Highway 310 from Roseau to the border with Canada is designated as "Deputy
37.31 Richard K. Magnuson Memorial Highway." Subject to section 161.139, the commissioner
37.32 must adopt a suitable design to mark this highway and erect appropriate signs.

38.1 Sec. 20. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
38.2 read:

38.3 Subd. 99. **Patrol Inspector Robert H. Lobdell Memorial Highway.** The segment of
38.4 marked Trunk Highway 11 from Roseau to Warroad is designated as "Patrol Inspector
38.5 Robert H. Lobdell Memorial Highway." Subject to section 161.139, the commissioner must
38.6 adopt a suitable design to mark this highway and erect appropriate signs.

38.7 Sec. 21. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
38.8 read:

38.9 Subd. 100. **Corporal Caleb L. Erickson Memorial Highway.** That segment of marked
38.10 Trunk Highway 13 in Waseca County from the southern border of Woodville Township to
38.11 the northern border of Blooming Grove Township is designated as "Corporal Caleb L.
38.12 Erickson Memorial Highway." Subject to section 161.139, the commissioner must adopt a
38.13 suitable design to mark this highway and erect appropriate signs.

38.14 Sec. 22. Minnesota Statutes 2020, section 161.167, is amended to read:

38.15 **161.167 REIMBURSEMENT OF EXPENSES.**

38.16 Members of the appeal board shall submit to the commissioner an itemized list of the
38.17 expenses incurred in disposing of matters presented to them. The appeal board members
38.18 shall be reimbursed for all reasonable expenses incurred by them in the performance of their
38.19 duties. ~~The commissioner shall pay these costs out of the trunk highway fund.~~ An amount
38.20 sufficient to make reimbursements required under this section is appropriated from the
38.21 general fund to the commissioner for this purpose.

38.22 Sec. 23. Minnesota Statutes 2020, section 161.19, is amended to read:

38.23 **161.19 CERTAIN RECORDS OBTAINED AND FILED.**

38.24 Upon the written request of the commissioner the court administrator of any court, the
38.25 auditor of any county, the clerk of any town, or the recorder or clerk of any city shall furnish
38.26 a copy of the proceedings, documents, and plats, if any, relating to the establishment of any
38.27 road or the procuring of the right-of-way of any road which has been or may be taken over
38.28 by the state of Minnesota as a trunk highway. The copy shall be filed in the records of the
38.29 commissioner and shall be prima facie evidence of the existence of the road as described
38.30 therein. The legal fee for the copies ~~shall~~ must not be paid from the trunk highway fund.
38.31 An amount sufficient to pay the legal fee for the copies is appropriated from the general
38.32 fund to the commissioner for these costs.

39.1 Sec. 24. Minnesota Statutes 2020, section 161.20, subdivision 3, is amended to read:

39.2 Subd. 3. **Highway user tax distribution fund appropriations; trunk highway fund**
 39.3 **appropriations.** The commissioner may expend highway user tax distribution funds only
 39.4 for highway purposes and may expend trunk highway funds only for trunk highway purposes.
 39.5 ~~Payment of expenses related to~~ The following must not be funded out of the highway user
 39.6 tax distribution fund or the trunk highway fund:

39.7 (1) Bureau of Criminal Apprehension laboratory;

39.8 (2) Explore Minnesota Tourism kiosks;

39.9 (3) tourist information centers;

39.10 (4) Minnesota Safety Council;

39.11 (5) driver education programs;

39.12 (6) Emergency Medical Services Board;

39.13 (7) Mississippi River Parkway Commission;

39.14 (8) payments to MN.IT Services in excess of actual costs incurred for trunk highway
 39.15 purposes, and;

39.16 (9) personnel costs incurred on behalf of the Governor's Office ~~do not further a highway~~
 39.17 ~~purpose and do not aid in the construction, improvement, or maintenance of the highway~~
 39.18 ~~system;~~

39.19 (10) parades, events, or sponsorships of events;

39.20 (11) the creation, construction, expansion, or maintenance of bikeways;

39.21 (12) administration and related services for the Department of Public Safety, the
 39.22 commissioner's office, fiscal services, human resources, communications, and technology
 39.23 services;

39.24 (13) the statewide notification center for excavation services pursuant to chapter 216D;

39.25 (14) rent and utility expenses for the department's central office building;

39.26 (15) the cost of manufacturing license plates;

39.27 (16) the installation, construction, expansion, or maintenance of public electric vehicle
 39.28 infrastructure; and

39.29 (17) the following entities within the department: site development unit; labor compliance
 39.30 efforts in the Office of Project Management and Technical Support; Environmental

40.1 Stewardship Office; Office of Transit and Active Transportation; Office of Aeronautics;
 40.2 Passenger Rail Office; Modal Planning & Program Management Division; Statewide Radio
 40.3 Communications within the department's state aid division; Workforce and Agency Services
 40.4 Division; Office of Financial Management; Human Resources; commissioner's staff offices;
 40.5 Office of Audit; Office of Chief Counsel; Office of Civil Rights; Communications and
 40.6 Public Engagement; Office of Equity and Diversity; Government Affairs Office; and Office
 40.7 of Freight and Commercial Vehicle Operations.

40.8 The prohibition on funding includes all expenses for the named entity or program, including
 40.9 but not limited to payroll, purchased services, supplies, repairs, and equipment. This
 40.10 prohibition on spending applies to any successor entities or programs that are substantially
 40.11 similar to the entity or program named here.

40.12 Sec. 25. Minnesota Statutes 2020, section 161.23, subdivision 2, is amended to read:

40.13 Subd. 2. **Conveyance of excess.** (a) On acquiring real estate in excess of what is needed
 40.14 for trunk highway purposes as authorized in subdivision 1, the commissioner of transportation
 40.15 shall, within one year after the completion of the construction, reconstruction, or improvement
 40.16 of the highway for which a portion of the real estate was needed and required, convey and
 40.17 quitclaim the excess real estate.

40.18 (b) The excess real estate may be sold and conveyed to the owner of the land abutting
 40.19 upon the excess real estate in the same manner and under the same terms provided under
 40.20 section 161.44, subdivision 2, or to the highest responsible bidder, after receipt of sealed
 40.21 bids following mailed notice to adjacent landowners and published notice of the sale for
 40.22 three successive weeks in a newspaper or trade journal of general circulation in the territory
 40.23 from which bids are likely to be received. All bids may be rejected and new bids received
 40.24 upon like advertisement.

40.25 (c) If the lands remain unsold after being offered for sale, the commissioner may offer
 40.26 the remaining lands to any person who agrees to pay the minimum bid established for the
 40.27 public sale. The sale must continue until all eligible lands have been sold or the commissioner
 40.28 withdraws the remaining lands from the sale. The lands to be sold must be listed on the
 40.29 department's unsold property inventory list.

40.30 (d) The deed may contain restrictive clauses limiting the use of such real estate in the
 40.31 interests of safety and convenient public travel when the commissioner finds that the
 40.32 restrictions are reasonably necessary.

41.1 Sec. 26. Minnesota Statutes 2020, section 161.23, subdivision 2a, is amended to read:

41.2 Subd. 2a. **Services of licensed real estate broker.** If the lands remain unsold after being
 41.3 offered for sale to the highest bidder, the commissioner may retain the services of a licensed
 41.4 real estate broker to find a buyer. The sale price may be negotiated by the broker, but must
 41.5 not be less than ~~90~~ 80 percent of the appraised market value as determined by the
 41.6 commissioner. The broker's fee must be established by prior agreement between the
 41.7 commissioner and the broker, and must not exceed ten percent of the sale price for sales of
 41.8 \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

41.9 Sec. 27. Minnesota Statutes 2020, section 161.44, subdivision 6a, is amended to read:

41.10 Subd. 6a. **Services of licensed real estate broker.** If the lands are withdrawn from sale
 41.11 under subdivision 6b, the commissioner may retain the services of a licensed real estate
 41.12 broker to find a buyer. The sale price may be negotiated by the broker, but must not be less
 41.13 than ~~90~~ 80 percent of the appraised market value as determined by the commissioner. The
 41.14 broker's fee must be established by prior agreement between the commissioner and the
 41.15 broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The
 41.16 broker's fee must be paid to the broker from the proceeds of the sale.

41.17 Sec. 28. Minnesota Statutes 2020, section 161.44, subdivision 6b, is amended to read:

41.18 Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest
 41.19 bidder, the commissioner may offer the remaining lands to any person who agrees to pay
 41.20 at least 80 percent of the minimum bid established for the public sale. Any offers less than
 41.21 100 percent of the minimum bid must be approved by the commissioner prior to a sale. The
 41.22 sale must continue until all eligible lands have been sold or the commissioner withdraws
 41.23 the remaining lands from sale. The lands to be sold must be listed on the department's Unsold
 41.24 Property Inventory list.

41.25 Sec. 29. Minnesota Statutes 2020, section 161.465, is amended to read:

41.26 **161.465 REIMBURSEMENT FOR FIRE SERVICES.**

41.27 (a) Ordinary expenses incurred by a municipal or volunteer fire department in
 41.28 extinguishing a grass fire within the right-of-way of a trunk highway must be reimbursed
 41.29 upon certification to the commissioner of transportation ~~from the trunk highway fund.~~ In
 41.30 addition, ordinary expenses incurred by a municipal or volunteer fire department in
 41.31 extinguishing a fire outside the right-of-way of any trunk highway if the fire originated
 41.32 within the right-of-way, upon approval of a police officer or an officer or employee of the

42.1 Department of Public Safety must, upon certification to the commissioner of transportation
 42.2 by the proper official of the municipality or fire department within 60 days after the
 42.3 completion of the service, be reimbursed to the municipality or fire department ~~from funds~~
 42.4 ~~in the trunk highway fund.~~ The commissioner must not make reimbursements authorized
 42.5 by this section from the trunk highway fund. An amount sufficient to pay the reimbursement
 42.6 costs is appropriated from the general fund to the commissioner for this purpose. The
 42.7 commissioner of transportation shall take action practicable to secure reimbursement to the
 42.8 ~~trunk highway~~ general fund of money expended under this section from the person, firm,
 42.9 or corporation responsible for the fire or danger of fire.

42.10 (b) The provisions of this section shall not be construed to admit state liability for damage
 42.11 or destruction to private property or for injury to persons resulting from a fire originating
 42.12 within a trunk highway right-of-way.

42.13 Sec. 30. Minnesota Statutes 2020, section 162.145, subdivision 2, is amended to read:

42.14 Subd. 2. **Small cities assistance account.** A small cities assistance account is created
 42.15 in the special revenue fund. The account consists of funds as provided by law, and any other
 42.16 money donated, allotted, transferred, or otherwise provided to the account. Money in the
 42.17 account is annually appropriated to the commissioner and may only be expended as provided
 42.18 under this section.

42.19 Sec. 31. Minnesota Statutes 2020, section 162.145, subdivision 3, is amended to read:

42.20 Subd. 3. **Administration.** (a) ~~Subject to funds made available by law,~~ The commissioner
 42.21 ~~shall~~ must allocate all funds as provided in subdivision 4 and ~~shall~~ must, by June 1, certify
 42.22 to the commissioner of revenue the amounts to be paid.

42.23 (b) Following certification from the commissioner, the commissioner of revenue ~~shall~~
 42.24 must distribute the specified funds to cities in the same manner as local government aid
 42.25 under chapter 477A. ~~An~~ The appropriation to the commissioner under this section is available
 42.26 to the commissioner of revenue for the purposes specified in this paragraph.

42.27 (c) Notwithstanding other law to the contrary, in order to receive distributions under
 42.28 this section, a city must conform to the standards in section 477A.017, subdivision 2. A city
 42.29 that receives funds under this section must make and preserve records necessary to show
 42.30 that the funds are spent in compliance with subdivision ~~4~~ 5.

43.1 Sec. 32. Minnesota Statutes 2020, section 163.07, subdivision 2, is amended to read:

43.2 Subd. 2. **Qualifications, salary, and term.** The county highway engineer shall be a
 43.3 registered highway or civil engineer, registered under the laws of the state of Minnesota.
 43.4 The county board may appoint a new county engineer for a term of only one year. All
 43.5 reappointments shall be for a term of four years, and shall be made in May of the year in
 43.6 which the term expires. ~~The county highway engineer shall be a citizen and resident of this~~
 43.7 ~~state.~~ The county highway engineer's salary shall be fixed by the county board and shall be
 43.8 payable the same as other county officers are paid. The salary shall not be reduced during
 43.9 the county highway engineer's term of office.

43.10 Sec. 33. Minnesota Statutes 2020, section 167.45, is amended to read:

43.11 **167.45 OPERATION COSTS FOR CENTRAL OFFICE BUILDING, PAYMENT.**

43.12 The cost of operation and maintenance of the ~~new~~ central office building for the
 43.13 Department of Transportation, or so much thereof as is properly attributable to the
 43.14 Department of Transportation, ~~shall~~ must not be paid out of the trunk highway fund. An
 43.15 amount sufficient to pay these costs is appropriated from the general fund to the commissioner
 43.16 for this purpose.

43.17 Sec. 34. Minnesota Statutes 2020, section 169.812, subdivision 2, is amended to read:

43.18 Subd. 2. **Escort vehicles required; width.** (a) Except as provided in paragraphs (d) and
 43.19 (e), no escort vehicle is required if the width of an overdimensional load is 15 feet or less
 43.20 as measured at the bottom of the load or is 16 feet or less as measured at the top of the load.

43.21 (b) Only one rear escort vehicle is required on a multilane divided roadway if the width
 43.22 of an overdimensional load is more than 15 feet as measured at the bottom of the load or is
 43.23 more than 16 feet as measured at the top of the load.

43.24 (c) Only one lead escort vehicle and one rear escort vehicle is required on any undivided
 43.25 roadway if the width of an overdimensional load is more than 15 feet as measured at the
 43.26 bottom of the load or is more than 16 feet as measured at the top of the load.

43.27 (d) ~~Only~~ One lead escort vehicle, one rear escort vehicle, and one lead licensed peace
 43.28 officer is required when any part of an overdimensional load or a vehicle transporting an
 43.29 overdimensional load extends beyond the left of the centerline on an undivided roadway.

43.30 (e) The commissioner may require additional escorts when deemed necessary to protect
 43.31 public safety or to ensure against undue damage to the road foundations, surfaces, or
 43.32 structures. The commissioner must specify in the permit (1) the number of additional escorts

44.1 required; and (2) whether the operators of the escort vehicles must be licensed peace officers
44.2 or may be escort drivers, as defined in subdivision 1.

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

44.4 Sec. 35. **[169.8665] SPECIAL SOYBEAN MEAL-HAULING VEHICLE PERMIT.**

44.5 Subdivision 1. **Special three-unit vehicle permit.** The commissioner may issue a permit
44.6 for a vehicle that transports soybean meal and meets the following requirements:

44.7 (1) is a combination of vehicles, including a truck-tractor and a semitrailer drawing one
44.8 additional semitrailer, and no semitrailer used in the three-vehicle combination has an overall
44.9 length in excess of 28-1/2 feet;

44.10 (2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

44.11 (3) is operated only in this state on marked U.S. Highway 75 in Crookston to marked
44.12 U.S. Highway 2, and on marked U.S. Highway 2 from Crookston to the North Dakota
44.13 border.

44.14 Subd. 2. **Special two-unit vehicle permit.** The commissioner may issue a permit for a
44.15 vehicle that transports soybean meal and meets the following requirements:

44.16 (1) is a combination of vehicles consisting of a truck-tractor and a single semitrailer that
44.17 may exceed 48 feet, but not 53 feet, if the distance from the kingpin to the centerline of the
44.18 rear axle group of the semitrailer does not exceed 43 feet;

44.19 (2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

44.20 (3) is operated only on the highways specified in subdivision 1, clause (3).

44.21 Subd. 3. **Restrictions.** (a) A vehicle issued a permit under subdivision 1 or 2:

44.22 (1) is subject to the axle weight limits in section 169.824;

44.23 (2) is subject to bridge load limits posted pursuant to section 169.84;

44.24 (3) is subject to seasonal load restrictions under section 169.87;

44.25 (4) may not be operated with a load that exceeds the tire manufacturer's recommended
44.26 load under section 169.823, the manufacturer's gross vehicle weight rating as affixed to the
44.27 vehicle, or other certification of gross weight rating under Code of Federal Regulations,
44.28 title 49, sections 567.4 to 567.7;

44.29 (5) may not be operated on the interstate highway system; and

45.1 (6) may be operated on streets or highways under the control of a local authority only
45.2 upon the approval of the local authority. However, vehicles may have reasonable access to
45.3 terminals and facilities for food, fuel, repairs, and rest, and for continuity of route within
45.4 one mile of the national network as provided by section 169.81, subdivision 3, and Code
45.5 of Federal Regulations, title 23, section 658.19.

45.6 (b) The seasonal weight increases authorized under section 169.829 do not apply to
45.7 permits issued under this section.

45.8 Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1 must
45.9 be annual permits. The fee is \$850 for each vehicle, or a proportional amount as provided
45.10 in section 169.86, subdivision 5, and must be deposited in the trunk highway fund. An
45.11 amount sufficient to administer the permit program is appropriated from the trunk highway
45.12 fund to the commissioner for the costs of administering the permit program.

45.13 Subd. 5. **Expiration date.** Upon request of the permit applicant, the expiration date for
45.14 a permit issued under this section must be the same as the expiration date of the permitted
45.15 vehicle's registration.

45.16 **EFFECTIVE DATE.** This section is effective January 1, 2022.

45.17 Sec. 36. Minnesota Statutes 2020, section 174.03, subdivision 1b, is amended to read:

45.18 Subd. 1b. **Statewide freight and passenger rail plan.** (a) The commissioner shall
45.19 develop a comprehensive statewide freight and passenger rail plan to be ~~included and~~ revised
45.20 as a part within two years of each update to the statewide multimodal transportation plan
45.21 that prioritizes future passenger rail capital improvement projects based on a scoring system.
45.22 The plan must identify the criteria, weight of each criterion, and process used to score each
45.23 project based on the weighted criteria. The plan must list the candidate projects evaluated,
45.24 the score assigned, and any other reasons for prioritizing a project other than the score. The
45.25 commissioner shall publish the plan on the department's website.

45.26 (b) ~~Before the initial version of the plan is adopted, the commissioner shall provide a~~
45.27 ~~copy for review and comment to the chairs and ranking minority members of the senate and~~
45.28 ~~house of representatives committees with jurisdiction over transportation policy and finance.~~
45.29 ~~Notwithstanding paragraph (a), the commissioner may adopt the next revision of the statewide~~
45.30 ~~transportation plan, scheduled to be completed in calendar year 2009, prior to completion~~
45.31 ~~of the initial version of the comprehensive statewide freight and passenger rail plan. The~~
45.32 ~~commissioner shall spend all funds for passenger rail on projects listed in the plan in order~~

46.1 of priority unless the appropriation authorizing the funding explicitly designates the funding
 46.2 for a specific project.

46.3 Sec. 37. Minnesota Statutes 2020, section 174.03, subdivision 8, is amended to read:

46.4 Subd. 8. **Salaries and expenses.** Salaries and expenses of the department relating to
 46.5 highway purposes shall be paid from moneys available in the trunk highway fund, except
 46.6 as provided in section 161.20, subdivision 3. The funds provided in sections 360.011 to
 46.7 360.076 and 360.305 to 360.91 shall be expended by the commissioner of transportation in
 46.8 accordance with the purposes prescribed by those sections. Funds appropriated pursuant to
 46.9 the authority conferred by any constitutional article shall be expended in conformity with
 46.10 the purposes and uses authorized thereby.

46.11 Sec. 38. **[174.13] TRANSPORTATION PROGRAMMING AND INVESTMENT**
 46.12 **COMMITTEE.**

46.13 Subdivision 1. **Establishment; duties.** (a) The Transportation Programming and
 46.14 Investment Committee is established in the department. The committee must provide policy
 46.15 direction for the department's capital investments on the transportation system and must
 46.16 make programmatic capital investment decisions and recommendations to the commissioner.
 46.17 At a minimum, the committee must:

46.18 (1) make, approve, or confirm major policy and spending decisions related to construction
 46.19 on trunk highways;

46.20 (2) select projects pursuant to state law and department policies;

46.21 (3) make decisions on trunk highway programming;

46.22 (4) distribute uncommitted funds;

46.23 (5) direct state road construction funds to specific projects, programs, and studies; and

46.24 (6) create and maintain the investment opportunity plan and select projects from that
 46.25 list for funding as funds allow.

46.26 (b) In making programming decisions, the Transportation Programming and Investment
 46.27 Committee must follow state and federal law and any policy or procedure established by
 46.28 the commissioner. The committee and the commissioner must not override or contradict
 46.29 state or federal law or any policy or procedure adopted by the commissioner.

46.30 Subd. 2. **Members.** (a) The Transportation Programming and Investment Committee
 46.31 consists of the following ten voting members:

- 47.1 (1) the department's assistant commissioner for modal planning and program management;
- 47.2 (2) the department's assistant commissioner for state aid;
- 47.3 (3) the department's assistant commissioner for engineering services;
- 47.4 (4) the department's assistant commissioner for operations;
- 47.5 (5) the department's assistant commissioner for sustainability and public health;
- 47.6 (6) the department's chief financial officer;
- 47.7 (7) two members of the house of representatives, one appointed by the speaker of the
- 47.8 house and one appointed by the minority leader of the house; and
- 47.9 (8) two members of the senate, one appointed by the senate majority leader and one
- 47.10 appointed by the senate minority leader.
- 47.11 (b) In addition to the voting members specified in paragraph (a), the Transportation
- 47.12 Programming and Investment Committee consists of the following six nonvoting members:
- 47.13 (1) the department's assistant division director for modal planning and program
- 47.14 management;
- 47.15 (2) the department's two assistant division directors for operations;
- 47.16 (3) the department's assistant division director for engineering services;
- 47.17 (4) the department's controller or office director for financial management; and
- 47.18 (5) the department's deputy engineer for state aid.
- 47.19 (c) Any decision or recommendation made by the committee must be made by six or
- 47.20 more of the voting members described in paragraph (a), including at least one legislator
- 47.21 from each party represented by a legislator on the committee.
- 47.22 (d) The assistant commissioner for modal planning and program management, or the
- 47.23 assistant commissioner's designee, serves as the chair of the Transportation Programming
- 47.24 and Investment Committee.
- 47.25 Subd. 3. **Meetings.** (a) The Transportation Programming and Investment Committee
- 47.26 must meet at least once each calendar month.
- 47.27 (b) The chair must designate a person to take minutes for each meeting. At a minimum,
- 47.28 the minutes must include the following information:
- 47.29 (1) the members and anyone else present for the meeting;
- 47.30 (2) the issues considered by the committee;

48.1 (3) a summary of the discussion for each issue; and

48.2 (4) the number of yes and no votes for each vote taken.

48.3 The minutes must be posted on the department's website within three calendar days after
 48.4 the meeting. The minutes must remain available on the department's website for two calendar
 48.5 years after the minutes were posted.

48.6 Subd. 4. **Commissioner response.** If the commissioner does not follow a decision or
 48.7 recommendation made by the Transportation Programming and Investment Committee, the
 48.8 commissioner must notify the committee, in writing, that the commissioner did not follow
 48.9 the decision or recommendation and explain the reasons for the decision. The commissioner
 48.10 must post the notification on the department's website within three calendar days of
 48.11 submitting it to the committee. The notification must remain available on the department's
 48.12 website for two calendar years after the notification was posted.

48.13 Subd. 5. **Investment opportunity plan.** The Transportation Programming and Investment
 48.14 Committee must establish and maintain an investment opportunity plan that includes projects
 48.15 with an identified need but are not funded by or cannot be funded by the standard
 48.16 programming process. The plan must set forth a process to be used when determining how
 48.17 to allocate funding. The commissioner must publish the plan on the department's website.
 48.18 The committee must publish on the department's website a list of all projects that the
 48.19 committee considers for funding. The list must identify the projects that were selected and
 48.20 the projects that were not selected. For each project that was not selected, the commissioner
 48.21 must include the reason it was not selected.

48.22 Sec. 39. Minnesota Statutes 2020, section 174.185, subdivision 3, is amended to read:

48.23 Subd. 3. **Report.** The commissioner shall report annually to the chairs and ranking
 48.24 minority members of the senate and house of representatives committees with jurisdiction
 48.25 over transportation finance ~~beginning on January 1, 2012,~~ the results of the analyses required
 48.26 in subdivision 2.

48.27 Sec. 40. **[174.20] PAVEMENT SELECTION GUIDELINES.**

48.28 (a) The commissioner must develop, implement, and adhere to a pavement investment
 48.29 guide.

48.30 (b) The commissioner must review and approve all pavement selections made by district
 48.31 offices for construction, reconstruction, rehabilitation, or preservation projects to ensure
 48.32 that the pavement selection is consistent with the pavement investment guide. Nothing in

49.1 this section allows the commissioner to alter projects selected by district offices, except for
49.2 the type of pavement to be used.

49.3 Sec. 41. Minnesota Statutes 2020, section 174.24, subdivision 7, is amended to read:

49.4 Subd. 7. **Transit service for disabled veterans.** ~~On and after July 1, 2009,~~ An eligible
49.5 recipient of operating assistance under this section, who contracts or has contracted to
49.6 provide fixed route public transit, shall provide fixed route public transit service free of
49.7 charge for veterans, as defined in section 197.447, certified as disabled. For purposes of
49.8 this section, "certified as disabled" means certified in writing by the United States Department
49.9 of Veterans Affairs or the state commissioner of veterans affairs as having a permanent
49.10 service-connected disability.

49.11 Sec. 42. Minnesota Statutes 2020, section 174.285, subdivision 5, is amended to read:

49.12 Subd. 5. **Report.** By January 15 of each year, ~~beginning in 2012,~~ the council shall report
49.13 its findings, recommendations, and activities to the governor's office and to the chairs and
49.14 ranking minority members of the legislative committees with jurisdiction over transportation,
49.15 health, and human services, and to the legislature as provided under section 3.195.

49.16 Sec. 43. Minnesota Statutes 2020, section 174.40, subdivision 5, is amended to read:

49.17 Subd. 5. **Program administration.** (a) The commissioner shall establish general program
49.18 requirements and a competitive process for financial assistance, including but not limited
49.19 to eligibility requirements for grant recipients and projects; procedures for solicitation of
49.20 grants; application requirements; procedures for payment of financial assistance awards;
49.21 and a schedule for application, evaluation, and award of financial assistance. The
49.22 commissioner shall publish the program requirements and the competitive process on the
49.23 department's website.

49.24 (b) An application must include:

49.25 (1) a detailed and specific description of the project;

49.26 (2) an estimate, along with necessary supporting evidence, of the total costs for the
49.27 project and the allocation of identified and proposed funding sources for the project;

49.28 (3) an assessment of the need for and benefits of the project;

49.29 (4) a resolution adopted by the governing body of the school for which a safe routes to
49.30 school grant is requested, certifying that: (i) the governing body of the school supports the

50.1 project; and (ii) funds, if any, required to be supplied by the school to complete the project
50.2 are available and committed;

50.3 (5) a timeline indicating the major milestones of the project and their anticipated
50.4 completion dates; and

50.5 (6) any additional information or material the commissioner prescribes.

50.6 (c) The commissioner shall ~~make reasonable efforts to:~~

50.7 (1) publicize each solicitation for applications among all eligible recipients, ~~and;~~

50.8 (2) provide technical and informational assistance in creating and submitting applications;
50.9 and

50.10 (3) publish on the department's website a list of all projects that were considered for
50.11 funding. The list must identify the projects that were selected and the projects that were not
50.12 selected. For each project that was not selected, the commissioner must include the reason
50.13 it was not selected. This clause does not apply when there is no funding from any source
50.14 for the program in a fiscal year.

50.15 (d) ~~By January 1, 2013,~~ The commissioner of transportation shall publish and maintain
50.16 a manual on the safe routes to school program that assists applicants for and recipients of
50.17 financial assistance. The commissioner must publish the manual on the department's website.
50.18 The manual must include a list of eligibility and general program requirements, an
50.19 explanation of the application process, and a review of the criteria used to evaluate projects.

50.20 Sec. 44. Minnesota Statutes 2020, section 174.50, subdivision 6d, is amended to read:

50.21 Subd. 6d. **Major local bridges.** ~~For an appropriation made specifically for purposes of~~
50.22 ~~this subdivision,~~ The commissioner may make grants pursuant to this subdivision only if
50.23 an enacted appropriation specifically references this specific subdivision. The commissioner
50.24 must not make grants pursuant to this subdivision if an enacted appropriation references
50.25 this section generally. When authorized by this subdivision, the commissioner may make
50.26 a grant ~~under this section~~ to any political subdivision for replacement or rehabilitation of a
50.27 major local bridge ~~in which the grant award is~~ with a total bridge cost estimate of \$7,000,000
50.28 or more. If in any year money appropriated for local bridge replacement and rehabilitation
50.29 projects under this subdivision remains available after all identified and eligible projects
50.30 under this subdivision have been funded, the commissioner may use remaining funds to
50.31 make grants under this section for replacement or rehabilitation projects with a total bridge
50.32 cost estimate of less than \$7,000,000.

51.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to grants made
51.2 on or after that date.

51.3 Sec. 45. Minnesota Statutes 2020, section 174.50, subdivision 7, is amended to read:

51.4 Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation
51.5 shall develop rules, procedures for application for grants, conditions of grant administration,
51.6 standards, and criteria as provided under subdivision 6, including bridge specifications, in
51.7 cooperation with road authorities of political subdivisions, for use in the administration of
51.8 funds appropriated to the commissioner and for the administration of grants to subdivisions.
51.9 The commissioner must publish all rules, procedures, conditions, standards, and criteria on
51.10 the department's website. Grants under this section are subject to the procedures and criteria
51.11 established in this subdivision and in subdivisions 5 and 6.

51.12 (b) The maximum use of standardized bridges is encouraged. Regardless of the size of
51.13 the existing bridge, a bridge or replacement bridge is eligible for assistance from the state
51.14 transportation fund if a hydrological survey indicates that the bridge or replacement bridge
51.15 must be ten feet or more in length.

51.16 (c) As part of the standards or rules, the commissioner shall, in consultation with local
51.17 road authorities, establish a minimum distance between any two bridges that cross over the
51.18 same river, stream, or waterway, so that only one of the bridges is eligible for a grant under
51.19 this section. As appropriate, the commissioner may establish exceptions from the minimum
51.20 distance requirement or procedures for obtaining a variance.

51.21 (d) Political subdivisions may use grants made under this section to construct or
51.22 reconstruct bridges, including but not limited to:

51.23 (1) matching federal aid grants to construct or reconstruct key bridges;

51.24 (2) paying the costs to abandon an existing bridge that is deficient and in need of
51.25 replacement but where no replacement will be made; and

51.26 (3) paying the costs to construct a road or street to facilitate the abandonment of an
51.27 existing bridge if the commissioner determines that the bridge is deficient, and that
51.28 construction of the road or street is more economical than replacement of the existing bridge.

51.29 (e) Funds appropriated to the commissioner from the Minnesota state transportation
51.30 fund shall be segregated from the highway tax user distribution fund and other funds created
51.31 by article XIV of the Minnesota Constitution.

52.1 ~~(f) Except as provided in subdivision 6d, the commissioner is prohibited from awarding~~
 52.2 ~~a grant under this section for a local bridge replacement or rehabilitation project with a total~~
 52.3 ~~project cost estimate of \$7,000,000 or more. The commissioner must maintain a local bridge~~
 52.4 ~~project list that includes every project that is a local bridge replacement or rehabilitation~~
 52.5 ~~project which has approved plans. The list must include the total bridge cost estimate for~~
 52.6 ~~each project. The commissioner must update this list annually. The commissioner must~~
 52.7 ~~publish the list on the department's website.~~

52.8 ~~(g) Notwithstanding paragraph (f), the commissioner may award a grant under this~~
 52.9 ~~section for a portion of a local bridge replacement or rehabilitation project with a total~~
 52.10 ~~project cost estimate of \$7,000,000 or more if every other local bridge replacement or~~
 52.11 ~~rehabilitation project on the commissioner's priority list with a total project cost estimate~~
 52.12 ~~of less than \$7,000,000 has been fully funded. The commissioner is prohibited from awarding~~
 52.13 ~~a grant of \$7,000,000 or more under this section for a local bridge replacement or~~
 52.14 ~~rehabilitation project, except:~~

52.15 ~~(1) for major local bridges as provided in subdivision 6d; or~~

52.16 ~~(2) if every other local bridge replacement or rehabilitation project with a total bridge~~
 52.17 ~~cost estimate of \$7,000,000 or less on the local bridge project list required by paragraph (f)~~
 52.18 ~~has been fully funded.~~

52.19 ~~(h) The commissioner must publish on the department's website a list of all projects that~~
 52.20 ~~were considered for funding. The list must identify the projects that were selected and the~~
 52.21 ~~projects that were not selected. For each project that was not selected, the commissioner~~
 52.22 ~~must include the reason it was not selected. This paragraph does not apply when there is no~~
 52.23 ~~funding from any source for the program in a fiscal year.~~

52.24 ~~**EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to grants made~~
 52.25 ~~on or after that date.~~

52.26 Sec. 46. Minnesota Statutes 2020, section 174.50, is amended by adding a subdivision to
 52.27 read:

52.28 ~~**Subd. 8. Total bridge cost estimate; definition.** For purposes of this section, a "total~~
 52.29 ~~bridge cost estimate" includes the costs for the work directly relating only to the bridge~~
 52.30 ~~itself.~~

53.1 Sec. 47. Minnesota Statutes 2020, section 174.52, subdivision 5, is amended to read:

53.2 Subd. 5. **Grant procedures and criteria.** (a) The commissioner shall establish procedures
 53.3 for statutory or home rule charter cities, towns, and counties to apply for grants or loans
 53.4 from the fund and criteria to be used to select projects for funding. The commissioner must
 53.5 publish the procedures on the department's website. The commissioner shall establish these
 53.6 procedures and criteria in consultation with representatives appointed by the Association
 53.7 of Minnesota Counties, League of Minnesota Cities, Minnesota Association of Townships,
 53.8 and the appropriate state agency as needed. The criteria for determining project priority and
 53.9 the amount of a grant or loan must be based upon consideration of:

53.10 (1) the availability of other state, federal, and local funds;

53.11 (2) the regional significance of the route;

53.12 (3) effectiveness of the proposed project in eliminating a transportation system deficiency;

53.13 (4) the number of persons who will be positively impacted by the project;

53.14 (5) the project's contribution to other local, regional, or state economic development or
 53.15 redevelopment efforts including livestock and other agricultural operations permitted after
 53.16 the effective date of this section; and

53.17 (6) ability of the local unit of government to adequately provide for the safe operation
 53.18 and maintenance of the facility upon project completion.

53.19 (b) The commissioner must publish on the department's website a list of all projects that
 53.20 were considered for funding. The list must identify the projects that were selected and the
 53.21 projects that were not selected. For each project that was not selected, the commissioner
 53.22 must include the reason it was not selected. This paragraph does not apply when there is no
 53.23 funding from any source for the program in a fiscal year.

53.24 Sec. 48. Minnesota Statutes 2020, section 174.56, subdivision 1, is amended to read:

53.25 Subdivision 1. **Report required.** (a) The commissioner of transportation shall submit
 53.26 a report by December 15 of each year on (1) the status of major highway projects completed
 53.27 during the previous two years or under construction or planned during the year of the report
 53.28 and for the ensuing 15 years, (2) trunk highway fund expenditures, and (3) ~~beginning with~~
 53.29 ~~the report due in 2016,~~ efficiencies achieved during the previous two fiscal years.

53.30 (b) For purposes of this section, a "major highway project" is a highway project that has
 53.31 a total cost for all segments that the commissioner estimates at the time of the report to be

54.1 at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000
 54.2 in any nonmetropolitan highway construction district.

54.3 Sec. 49. Minnesota Statutes 2020, section 174.70, subdivision 3, is amended to read:

54.4 Subd. 3. **Deposit of fees; appropriation.** Fees collected under subdivision 2 must be
 54.5 deposited in the trunk highway fund. The fees collected are appropriated to the commissioner
 54.6 to pay for developing and maintaining the communications systems that serve state agencies.
 54.7 This appropriation is notwithstanding prohibitions on trunk highway funding for statewide
 54.8 radio communication under section 161.20.

54.9 Sec. 50. Minnesota Statutes 2020, section 174.75, is amended by adding a subdivision to
 54.10 read:

54.11 Subd. 6. **Prohibition on lane conversion.** The complete streets policy must not allow
 54.12 for the conversion of a vehicle travel lane on the trunk highway system into a bicycle lane
 54.13 or bicycle route.

54.14 Sec. 51. Minnesota Statutes 2020, section 221.83, is amended to read:

54.15 **221.83 COSTS PAID FROM TRUNK HIGHWAY FUND.**

54.16 The costs of administering the provisions of this chapter ~~shall~~ must not be paid from the
 54.17 trunk highway fund.

54.18 Sec. 52. Minnesota Statutes 2020, section 296A.083, subdivision 2, is amended to read:

54.19 Subd. 2. **Debt service forecast.** ~~On June 30, 2008, and each March 1 thereafter~~ April 1
 54.20 each year, the commissioner of management and budget shall report to the commissioner
 54.21 of revenue on trunk highway debt service. The report must include the annual amount of
 54.22 revenue from the surcharge previously deposited in the trunk highway fund, and a forecast
 54.23 of the total and annual amounts necessary to pay the remaining debt service.

54.24 Sec. 53. Minnesota Statutes 2020, section 297A.94, is amended to read:

54.25 **297A.94 DEPOSIT OF REVENUES.**

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

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

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

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

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

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

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

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

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

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

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

56.1 (g) ~~Starting after July 1, 2017, the commissioner shall deposit an amount of the~~
56.2 ~~remittances monthly into the state treasury and credit them to the highway user tax~~
56.3 ~~distribution fund as a portion of the estimated amount of taxes collected from the sale and~~
56.4 ~~purchase of motor vehicle repair parts in that month. For the remittances between July 1,~~
56.5 ~~2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. For remittances in~~
56.6 ~~each subsequent fiscal year, the monthly deposit amount is \$12,137,000. The commissioner~~
56.7 ~~must deposit the revenues derived from the taxes imposed on the sale and purchase of motor~~
56.8 ~~vehicle repair and replacement parts in the state treasury and credit:~~

56.9 (1) 54 percent to the highway user tax distribution fund;

56.10 (2) three percent to the small cities assistance account in the special revenue fund
56.11 established under section 162.145;

56.12 (3) three percent to the town road account in the county state-aid highway fund established
56.13 under section 162.081; and

56.14 (4) the remainder to the general fund.

56.15 For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01,
56.16 subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires,
56.17 accessories, and equipment incorporated into or affixed to the motor vehicle as part of the
56.18 motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or
56.19 in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this
56.20 paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially
56.21 made of rubber and if marked according to federal regulations for highway use.

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

56.25 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
56.26 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
56.27 fish and wildlife resources, including conservation, restoration, and enhancement of land,
56.28 water, and other natural resources of the state;

56.29 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
56.30 be spent only for state parks and trails;

56.31 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
56.32 be spent only on metropolitan park and trail grants;

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

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

57.6 (i) The revenue dedicated under paragraph (h) may not be used as a substitute for
57.7 traditional sources of funding for the purposes specified, but the dedicated revenue shall
57.8 supplement traditional sources of funding for those purposes. Land acquired with money
57.9 deposited in the game and fish fund under paragraph (h) must be open to public hunting
57.10 and fishing during the open season, except that in aquatic management areas or on lands
57.11 where angling easements have been acquired, fishing may be prohibited during certain times
57.12 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
57.13 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
57.14 resources under paragraph (h) must be allocated for field operations.

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

57.19 (1) 25 percent to the volunteer fire assistance grant account established under section
57.20 88.068;

57.21 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
57.22 3; and

57.23 (3) the remainder to the general fund.

57.24 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
57.25 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
57.26 sold to persons 18 years old or older and are not prohibited from use by the general public
57.27 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
57.28 the state, with the percentage determined under Laws 2017, First Special Session chapter
57.29 1, article 3, section 39.

57.30 (k) The revenues deposited under paragraphs (a) to (j) do not include the revenues,
57.31 including interest and penalties, generated by the sales tax imposed under section 297A.62,
57.32 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
57.33 article XI, section 15.

58.1 Sec. 54. Minnesota Statutes 2020, section 297A.993, is amended by adding a subdivision
58.2 to read:

58.3 Subd. 5. **Reporting.** (a) A metropolitan county, as defined in section 473.121, subdivision
58.4 4, that imposes the transportation sales and use tax under this section must annually submit
58.5 to the commissioner of transportation the following information for each of the county's
58.6 three most recently completed fiscal years:

58.7 (1) a brief overview of the projects or improvements funded under this section, whether
58.8 wholly or in part;

58.9 (2) a summary of any future funding commitments or dedications;

58.10 (3) total revenues, expenditures, encumbrances or dedications, and unexpended balances
58.11 from the sales tax;

58.12 (4) expenditure breakdowns for (i) capital and operating costs, and (ii) transportation
58.13 mode; and

58.14 (5) a summary of any bonds, notes, or other obligations under subdivision 4 that includes
58.15 identification of total outstanding debt obligations and debt that is authorized but unissued.

58.16 (b) The information under paragraph (a) must be submitted in the form, manner, and
58.17 schedule prescribed by the commissioner of transportation. The information must be
58.18 structured to provide financial information in six-month increments corresponding to state
58.19 and local fiscal years.

58.20 (c) By February 15 annually, the commissioner of transportation must submit a report
58.21 to the members of the legislative committees with jurisdiction over transportation policy
58.22 and finance that compiles the information received under paragraph (a).

58.23 Sec. 55. Minnesota Statutes 2020, section 360.012, is amended by adding a subdivision
58.24 to read:

58.25 Subd. 1a. **Ordinances of political subdivisions.** A political subdivision must: (1) allow
58.26 the commissioner to review a proposed ordinance affecting the operation of an unmanned
58.27 aircraft; and (2) notify the commissioner whenever the political subdivision adopts an
58.28 ordinance affecting the operation of unmanned aircraft.

59.1 Sec. 56. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision
59.2 to read:

59.3 Subd. 57a. **Small unmanned aircraft.** "Small unmanned aircraft" means an aircraft, as
59.4 defined in subdivision 37, that weighs less than 55 pounds and is operated without the
59.5 possibility of human intervention from within or on the aircraft.

59.6 Sec. 57. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision
59.7 to read:

59.8 Subd. 57b. **Small unmanned aircraft system.** "Small unmanned aircraft system" means
59.9 a small unmanned aircraft and all of its associated elements, including components and
59.10 communication links, that are required to control and operate the aircraft.

59.11 Sec. 58. Minnesota Statutes 2020, section 360.55, is amended by adding a subdivision to
59.12 read:

59.13 Subd. 9. **Small unmanned aircraft systems.** (a) Any small unmanned aircraft system
59.14 in which the unmanned aircraft weighs less than 55 pounds at takeoff, including payload
59.15 and anything affixed to the aircraft, either:

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

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

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

59.21 Sec. 59. Minnesota Statutes 2020, section 360.59, subdivision 10, is amended to read:

59.22 **Subd. 10. Certificate of insurance.** (a) Every owner of aircraft in this state when applying
59.23 for registration, reregistration, or transfer of ownership shall supply any information the
59.24 commissioner reasonably requires to determine that the aircraft during the period of its
59.25 contemplated operation is covered by an insurance policy with limits of not less than
59.26 \$100,000 per passenger seat liability both for passenger bodily injury or death and for
59.27 property damage; not less than \$100,000 for bodily injury or death to each nonpassenger
59.28 in any one accident; and not less than \$300,000 per occurrence for bodily injury or death
59.29 to nonpassengers in any one accident. The insurance must comply with section 60A.081,
59.30 unless that section is inapplicable under section 60A.081, subdivision 3.

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

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

60.13 (c) Nothing in this subdivision shall be construed to require an owner of aircraft to
60.14 maintain passenger seat liability coverage on aircraft for which an experimental certificate
60.15 has been issued by the administrator of the Federal Aviation Administration pursuant to
60.16 Code of Federal Regulations, title 14, sections 21.191 to 21.195 and ~~91.42~~ 91.319,
60.17 whereunder persons operating the aircraft are prohibited from carrying passengers in the
60.18 aircraft or for an unmanned aircraft. Whenever the aircraft becomes certificated to carry
60.19 passengers, passenger seat liability coverage shall be required as provided in this subdivision.

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

60.27 (e) A small unmanned aircraft system that meets the requirements of section 360.55,
60.28 subdivision 9, is not subject to the requirements under paragraphs (a) and (b). Owners of
60.29 small unmanned aircraft systems that meet the requirements of section 360.55, subdivision
60.30 9, must, at the time of registration, provide proof of insurability in a form acceptable to the
60.31 commissioner. Additionally, such operators must maintain records and proof that each flight
60.32 was insured for the limits established in paragraph (a).

61.1 Sec. 60. APPOINTMENTS; TRANSPORTATION PROGRAMMING AND
61.2 INVESTMENT COMMITTEE.

61.3 The speaker the house, the minority leader of the house, the senate majority leader, and
61.4 the senate minority leader must make the appointments to the Transportation Programming
61.5 and Investment Committee by June 30, 2021.

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

61.7 Sec. 61. FREIGHT NETWORK OPTIMIZATION TOOL CREATION.

61.8 (a) The commissioner of transportation, in consultation with the commissioner of
61.9 employment and economic development, must procure a statewide freight network
61.10 optimization tool. The tool, at a minimum, must be able to:

61.11 (1) use data and mathematical models to reduce transportation inefficiencies for lowering
61.12 supply chain costs to Minnesota businesses;

61.13 (2) develop return on investment metrics to promote public-private partnerships that
61.14 result in network investments that address supply chain bottlenecks;

61.15 (3) analyze site locations for economic development that help to lower the cost of moving
61.16 goods;

61.17 (4) improve the state's capabilities for transportation network planning and creating an
61.18 efficient multimodal network for moving goods and people;

61.19 (5) identify investments that relieve freight bottlenecks which reduce costs for freight
61.20 transportation system users and generate public benefits; and

61.21 (6) develop strategic supply chain information to help identify economic development
61.22 opportunities for business expansion or relocation in Minnesota.

61.23 (b) The commissioner of transportation, in consultation with the commissioner of
61.24 employment and economic development and the Minnesota Freight Advisory Committee,
61.25 must establish a process that allows public or private entities to access and use the tool.

61.26 Sec. 62. LEGISLATIVE ROUTE NO. 263 REMOVED.

61.27 (a) Minnesota Statutes, section 161.115, subdivision 194, is repealed effective the day
61.28 after the commissioner of transportation receives a copy of the agreement between the
61.29 commissioner and the governing body of Martin County to transfer jurisdiction of Legislative
61.30 Route No. 263 and notifies the revisor of statutes under paragraph (b).

62.1 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
 62.2 Statutes when the commissioner of transportation sends notice to the revisor electronically
 62.3 or in writing that the conditions required to transfer the route have been satisfied.

62.4 Sec. 63. **LEGISLATIVE ROUTE NO. 267 REMOVED.**

62.5 (a) Minnesota Statutes, section 161.115, subdivision 198, is repealed effective the day
 62.6 after the commissioner of transportation receives a copy of the agreement between the
 62.7 commissioner and the governing body of Murray County to transfer jurisdiction of Legislative
 62.8 Route No. 267 and notifies the revisor of statutes under paragraph (b).

62.9 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
 62.10 Statutes when the commissioner of transportation sends notice to the revisor electronically
 62.11 or in writing that the conditions required to transfer the route have been satisfied.

62.12 Sec. 64. **MNPASS LANES; REQUEST TO FEDERAL HIGHWAY**
 62.13 **ADMINISTRATION.**

62.14 The commissioner of transportation must request approval from the Federal Highway
 62.15 Administration to allow MnPASS lanes to be used by any vehicle on New Year's Day,
 62.16 Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

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

62.18 Sec. 65. **TRAFFIC-CONTROL SIGNAL REQUIRED.**

62.19 If left turn lanes are constructed on marked Trunk Highway 47 at the intersection with
 62.20 McKinley Street in Anoka, the commissioner of transportation must install a traffic-control
 62.21 signal at the intersection.

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

62.23 Sec. 66. **TRANSPORTATION PROJECT SELECTION PROCESS.**

62.24 Subdivision 1. **Adoption of policy.** (a) The commissioner of transportation must develop,
 62.25 adopt, and implement a policy for every program or process the commissioner uses to
 62.26 evaluate, prioritize, or select capital projects; award grants for capital projects; or allocate
 62.27 funding or resources for capital projects, including trunk highway and general obligation
 62.28 bonds. At a minimum, the commissioner must adopt a policy for capital project selections
 62.29 and programs for each of the following: rail grade separation program; greater Minnesota
 62.30 transit capital program; safety improvements on crude oil corridors; facilities capital

63.1 improvement program; Minnesota rail service improvement program; port development
63.2 assistance program; and airport projects funded entirely with state or local funds. Prior to
63.3 developing, adopting, or implementing a policy for a program or selection process, the
63.4 commissioner must consult with the following entities, where appropriate: the Federal
63.5 Highway Administration; metropolitan planning organizations; regional development
63.6 commissions; area transportation partnerships; local governments; the Metropolitan Council;
63.7 transportation stakeholders; or other appropriate federal, state, or local government agencies.
63.8 The commissioner must develop, adopt, and implement the policy no later than November
63.9 1, 2022, and may update the policy as appropriate. The commissioner must publish the
63.10 policy and updates on the department's website and through other effective means selected
63.11 by the commissioner.

63.12 (b) For each selection process, the policy adopted under this section must:

63.13 (1) establish a process that identifies criteria, the weight of each criterion, and a process
63.14 to score each project based on the weighted criteria. The scoring system may consider project
63.15 readiness as a criterion for evaluation, but project readiness must not be a major factor in
63.16 determining the final score;

63.17 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law
63.18 or added by the commissioner;

63.19 (3) identify for stakeholders and the general public the candidate project selected under
63.20 each selection process and every project considered that was not selected;

63.21 (4) involve area transportation partnerships and other local authorities, as appropriate,
63.22 in the process of scoring and ranking candidate projects under consideration;

63.23 (5) publicize scoring and decision outcomes concerning each candidate project, including
63.24 the projects that were considered but not selected, and the reason each project was not
63.25 selected; and

63.26 (6) require that the projects in the state transportation improvement program include the
63.27 score assigned to the project.

63.28 (c) This section does not apply to the following: the safe routes to school program under
63.29 Minnesota Statutes, section 174.40; the local bridge replacement program under Minnesota
63.30 Statutes, section 174.50; the local road improvement program under Minnesota Statutes,
63.31 section 174.52; highway railroad grade crossing-warning devices replacement; statewide
63.32 freight safety improvements; the airport capital improvement program; or high priority
63.33 bridges for the trunk highway system. This section does not apply to any programs or

64.1 processes for which the commissioner has already established a project selection process
64.2 pursuant to Laws 2017, First Special Session chapter 3, article 3, section 124.

64.3 (d) For purposes of this section, a capital project means a project to purchase, replace,
64.4 or recondition the physical assets that make up the transportation system.

64.5 Subd. 2. **Report to legislature.** By February 1, 2023, the commissioner must submit a
64.6 report to the chairs and ranking minority members of the legislative committees with
64.7 jurisdiction over transportation policy and finance concerning the adopted policy and how
64.8 the policy is anticipated to improve the consistency, objectivity, and transparency of the
64.9 selection process. The report must include information on input from members of the public
64.10 and the organizations identified in subdivision 1.

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

64.12 Sec. 67. **TRANSPORTATION REVENUE AND EXPENDITURES; REPORT.**

64.13 (a) The commissioner of transportation, in collaboration with the commissioners of
64.14 revenue and management and budget, must submit a report to the chairs and ranking minority
64.15 members of the legislative committees with jurisdiction over transportation policy and
64.16 finance on transportation revenues and expenditures in Minnesota.

64.17 (b) At a minimum, the report must include analysis regarding:

64.18 (1) revenue sources for transportation activities, including detailed information on how
64.19 much revenue is generated on both a geographic and a per-capita basis;

64.20 (2) the various constitutional and statutory formulas used to distribute transportation
64.21 funding, including detailed information on the amounts spent under each formula over the
64.22 past five years;

64.23 (3) expenditures for transportation-related activities, including detailed information on
64.24 how transportation funds are distributed and expended on both a geographic and a per-capita
64.25 basis;

64.26 (4) the current number of roadways with two or more paved lanes on a per-county basis;
64.27 and

64.28 (5) the projected cost to meet Minnesota's transportation needs, taking into account
64.29 specific factors that include but are not limited to (i) action needed to achieve meaningful
64.30 congestion relief, and (ii) labor costs to both maintain existing transportation assets and
64.31 expand to meet future needs.

64.32 (c) The report under this section must be submitted no later than January 1, 2022.

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

65.2 Sec. 68. **REPEALER.**

65.3 (a) Minnesota Statutes 2020, sections 16A.60; and 160.93, subdivisions 2a and 3, are
65.4 repealed.

65.5 (b) Laws 2000, chapter 479, article 2, section 1, as amended by Laws 2000, chapter 499,
65.6 section 41, and Laws 2001, First Special Session chapter 5, article 20, section 20, is repealed.

65.7 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2021. Paragraph (b) is effective
65.8 August 1, 2021.

65.9 Sec. 69. **EFFECTIVE DATE.**

65.10 Except where otherwise provided, this article is effective July 1, 2021.

65.11 **ARTICLE 3**

65.12 **DEPARTMENT OF PUBLIC SAFETY**

65.13 Section 1. Minnesota Statutes 2020, section 84.787, subdivision 7, is amended to read:

65.14 Subd. 7. **Off-highway motorcycle.** (a) "Off-highway motorcycle" means a motorized,
65.15 off-highway vehicle traveling on two wheels and having a seat or saddle designed to be
65.16 straddled by the operator and handlebars for steering control, including a vehicle that is
65.17 registered under chapter 168 for highway use if it is also used for off-highway operation on
65.18 trails or unimproved terrain.

65.19 (b) Off-highway motorcycle does not include an electric-assisted bicycle as defined in
65.20 section 169.011, subdivision 27.

65.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

65.22 Sec. 2. Minnesota Statutes 2020, section 84.797, subdivision 7, is amended to read:

65.23 Subd. 7. **Off-road vehicle.** (a) "Off-road vehicle" or "vehicle" means a motor-driven
65.24 recreational vehicle capable of cross-country travel on natural terrain without benefit of a
65.25 road or trail.

65.26 (b) Off-road vehicle does not include a snowmobile; an all-terrain vehicle; a motorcycle;
65.27 an electric-assisted bicycle as defined in section 169.011, subdivision 27; a watercraft; a
65.28 farm vehicle being used for farming; a vehicle used for military, fire, emergency, or law
65.29 enforcement purposes; a construction or logging vehicle used in the performance of its

66.1 common function; a motor vehicle owned by or operated under contract with a utility,
 66.2 whether publicly or privately owned, when used for work on utilities; a commercial vehicle
 66.3 being used for its intended purpose; snow-grooming equipment when used for its intended
 66.4 purpose; or an aircraft.

66.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

66.6 Sec. 3. Minnesota Statutes 2020, section 84.92, subdivision 8, is amended to read:

66.7 Subd. 8. **All-terrain vehicle or vehicle.** (a) "All-terrain vehicle" or "vehicle" means a
 66.8 motorized vehicle with: (1) not less than three, but not more than six low pressure or
 66.9 non-pneumatic tires; (2) a total dry weight of 2,000 pounds or less; and (3) a total width
 66.10 from outside of tire rim to outside of tire rim that is 65 inches or less. All-terrain vehicle
 66.11 includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

66.12 (b) All-terrain vehicle does not include ~~a~~ an electric-assisted bicycle as defined in section
 66.13 169.011, subdivision 27, golf cart, mini-truck, dune buggy, or go-cart or a vehicle designed
 66.14 and used specifically for lawn maintenance, agriculture, logging, or mining purposes.

66.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

66.16 Sec. 4. Minnesota Statutes 2020, section 168.002, subdivision 18, is amended to read:

66.17 Subd. 18. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle designed
 66.18 and originally manufactured to operate primarily on highways, and not operated exclusively
 66.19 upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle
 66.20 and includes vehicles known as trackless trolleys that are propelled by electric power obtained
 66.21 from overhead trolley wires but not operated upon rails. ~~It does not include snowmobiles,~~
 66.22 ~~manufactured homes, or park trailers.~~

66.23 (b) "Motor vehicle" includes an all-terrain vehicle only if the all-terrain vehicle (1) has
 66.24 at least four wheels, (2) is owned and operated by a physically disabled person, and (3)
 66.25 displays both disability plates and a physically disabled certificate issued under section
 66.26 169.345.

66.27 (c) "Motor vehicle" does not include an all-terrain vehicle except (1) an all-terrain vehicle
 66.28 described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before
 66.29 August 1, 1985. The owner may continue to license an all-terrain vehicle described in clause
 66.30 (2) as a motor vehicle until it is conveyed or otherwise transferred to another owner, is
 66.31 destroyed, or fails to comply with the registration and licensing requirements of this chapter.

67.1 (d) "Motor vehicle" does not include a snowmobile; a manufactured home; a park trailer;
 67.2 an electric personal assistive mobility device as defined in section 169.011, subdivision 26;

67.3 ~~(e) "Motor vehicle" does not include~~ a motorized foot scooter as defined in section
 67.4 169.011, subdivision 46; or an electric-assisted bicycle as defined in section 169.011,
 67.5 subdivision 27.

67.6 ~~(e)~~ (e) "Motor vehicle" includes an off-highway motorcycle modified to meet the
 67.7 requirements of chapter 169 according to section 84.788, subdivision 12.

67.8 **EFFECTIVE DATE.** This section is effective August 1, 2021.

67.9 Sec. 5. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

67.10 Subd. 1m. **Electric All-electric vehicle.** (a) In addition to the tax under subdivision 1a,
 67.11 a surcharge of \$75 \$229 is imposed for an all-electric vehicle, as defined in section 169.011,
 67.12 subdivision 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this
 67.13 subdivision must be deposited in the highway user tax distribution fund.

67.14 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
 67.15 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
 67.16 respectively, by a corresponding percentage. The commissioner must collect the adjusted
 67.17 surcharge amount under this paragraph on vehicle registrations occurring on or after the
 67.18 effective date of the gasoline excise tax adjustment.

67.19 Sec. 6. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
 67.20 read:

67.21 Subd. 1n. **Plug-in hybrid electric vehicle.** (a) In addition to the tax under subdivision
 67.22 1a, a surcharge of \$114.50 is imposed for a plug-in hybrid electric vehicle as defined in
 67.23 section 169.011, subdivision 54a. Notwithstanding subdivision 8, revenue from the fee
 67.24 imposed under this subdivision must be deposited in the highway user tax distribution fund.

67.25 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
 67.26 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
 67.27 respectively, by a corresponding percentage. The commissioner must collect the adjusted
 67.28 surcharge amount under this paragraph on vehicle registrations occurring on or after the
 67.29 effective date of the gasoline excise tax adjustment.

68.1 Sec. 7. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
68.2 read:

68.3 Subd. 1o. **All-electric motorcycle.** (a) In addition to the tax under subdivision 1b, a
68.4 surcharge of \$46 is imposed for an all-electric motorcycle as defined in section 169.011,
68.5 subdivision 1b. Notwithstanding subdivision 8, revenue from the fee imposed under this
68.6 subdivision must be deposited in the highway user tax distribution fund.

68.7 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
68.8 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
68.9 respectively, by a corresponding percentage. The commissioner must collect the adjusted
68.10 surcharge amount under this paragraph on motorcycle registrations occurring on or after
68.11 the effective date of the gasoline excise tax adjustment.

68.12 Sec. 8. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
68.13 read:

68.14 Subd. 1p. **Plug-in hybrid electric motorcycle.** (a) In addition to the tax under subdivision
68.15 1b, a surcharge of \$23 is imposed for a plug-in hybrid electric motorcycle as defined in
68.16 section 169.011, subdivision 54c. Notwithstanding subdivision 8, revenue from the fee
68.17 imposed under this subdivision must be deposited in the highway user tax distribution fund.

68.18 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
68.19 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
68.20 respectively, by a corresponding percentage. The commissioner must collect the adjusted
68.21 surcharge amount under this paragraph on motorcycle registrations occurring on or after
68.22 the effective date of the gasoline excise tax adjustment.

68.23 Sec. 9. **[168.0135] MOTOR VEHICLE REGISTRATION SELF-SERVICE KIOSKS.**

68.24 Subdivision 1. **Authorization.** (a) The commissioner, in consultation with deputy
68.25 registrars, must establish a process to implement, locate, and install self-service kiosks that
68.26 may be used for passenger vehicle and motorcycle registration renewals. The commissioner
68.27 must establish reasonable performance, security, technical, and financial standards to approve
68.28 a vendor. Self-service kiosks authorized by this section must:

68.29 (1) allow a customer to renew a passenger vehicle or motorcycle registration pursuant
68.30 to section 168.013, without assistance of a deputy registrar;

68.31 (2) collect the appropriate annual contribution for a special license plate;

69.1 (3) process requests for duplicate license plates, except that the self-service kiosk must
69.2 not process any request for a special plate that requires documentation to prove eligibility
69.3 to receive that type of plate;

69.4 (4) dispense license plate registration renewal stickers to the applicant at the time of the
69.5 application; and

69.6 (5) display the contact phone number and e-mail address of the deputy registrar's office
69.7 that is responsible for the self-service kiosk.

69.8 (b) A self-service kiosk may dispense license plates, except that a kiosk must not dispense
69.9 any type of special license plate that requires documentation to prove eligibility to receive
69.10 that type of plate.

69.11 (c) This section only applies to deputy registrars appointed pursuant to section 168.33,
69.12 subdivision 2.

69.13 Subd. 2. **Administration.** (a) The commissioner must contract with a vendor to provide
69.14 the hardware and software necessary to implement the self-service kiosk program. The
69.15 commissioner must provide fair and reasonable access to department facilities, staff, and
69.16 technology. The vendor is responsible for the maintenance and installation of all self-service
69.17 kiosks. The vendor must provide training to deputy registrars on how to operate and
69.18 troubleshoot issues with a self-service kiosk.

69.19 (b) In order to have a self-service kiosk placed in a deputy registrar's service area, the
69.20 deputy registrar must make a request to the commissioner. The commissioner must review
69.21 the request. If the request is approved, the commissioner must place a self-service kiosk in
69.22 the requesting deputy registrar's service area.

69.23 (c) The deputy registrar that requested the placement of the self-service kiosk is
69.24 responsible for the kiosk. The deputy registrar must coordinate with the vendor for
69.25 administration and to ensure that all registration materials contained within the self-service
69.26 kiosks are properly handled and accounted for.

69.27 Subd. 3. **Fees.** (a) The commissioner may assess a convenience fee of \$5 or less for each
69.28 transaction completed using a self-service kiosk. The vendor must collect and retain the
69.29 revenue from any convenience fee that is assessed.

69.30 (b) The filing fees in section 168.33, subdivision 7, apply to transactions conducted at
69.31 a self-service kiosk. The deputy registrar must retain the filing fees.

70.1 (c) The fees authorized in this subdivision are in addition to any transaction fees,
70.2 convenience fees, or other fees charged by a financial institution for use of a debit or credit
70.3 card.

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

70.5 Sec. 10. Minnesota Statutes 2020, section 168.12, subdivision 1, is amended to read:

70.6 Subdivision 1. **Plates; design, visibility, periods of issuance.** (a) The commissioner,
70.7 upon approval and payment, shall issue to the applicant the plates required by this chapter,
70.8 bearing the state name and an assigned vehicle registration number. The number assigned
70.9 by the commissioner may be a combination of a letter or sign with figures. The color of the
70.10 plates and the color of the abbreviation of the state name and the number assigned must be
70.11 in marked contrast. The plates must be lettered, spaced, or distinguished to suitably indicate
70.12 the registration of the vehicle according to the rules of the commissioner.

70.13 (b) When a vehicle is registered on the basis of total gross weight, the plates issued must
70.14 clearly indicate by letters or other suitable insignia the maximum gross weight for which
70.15 the tax has been paid.

70.16 (c) Plates issued to a noncommercial vehicle must bear the inscription "noncommercial"
70.17 unless the vehicle is displaying a special plate authorized and issued under this chapter.

70.18 (d) A one-ton pickup truck that is used for commercial purposes and is subject to section
70.19 168.185, is eligible to display special plates as authorized and issued under this chapter.

70.20 (e) The plates must be so treated as to be at least 100 times brighter than the conventional
70.21 painted number plates. When properly mounted on an unlighted vehicle, the plates, when
70.22 viewed from a vehicle equipped with standard headlights, must be visible for a distance of
70.23 not less than 1,500 feet and readable for a distance of not less than 110 feet.

70.24 (f) The commissioner shall issue plates for the following periods:

70.25 (1) New plates issued pursuant to section 168.012, subdivision 1, must be issued to a
70.26 vehicle for as long as the vehicle is owned by the exempt agency and the plate shall not be
70.27 transferable from one vehicle to another but the plate may be transferred with the vehicle
70.28 from one tax-exempt agency to another.

70.29 (2) Plates issued for passenger automobiles must be issued for a seven-year period. All
70.30 plates issued under this paragraph must be replaced if they are seven years old or older at
70.31 the time of registration renewal or will become so during the registration period.

71.1 (3) Plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, must be
71.2 for a seven-year period.

71.3 (4) Plates issued under subdivisions 2c and 2d and ~~section~~ sections 168.123, 168.1235,
71.4 and 168.1255 must be issued for the life of the veteran under section 169.79.

71.5 (5) Plates for any vehicle not specified in clauses (1) to (3) must be issued for the life
71.6 of the vehicle.

71.7 (g) In a year in which plates are not issued, the commissioner shall issue for each
71.8 registration a sticker to designate the year of registration. This sticker must show the year
71.9 or years for which the sticker is issued, and is valid only for that period. The plates and
71.10 stickers issued for a vehicle may not be transferred to another vehicle during the period for
71.11 which the sticker is issued, except when issued for a vehicle registered under section 168.187.

71.12 (h) Despite any other provision of this subdivision, plates issued to a vehicle used for
71.13 behind-the-wheel instruction in a driver education course in a public school may be
71.14 transferred to another vehicle used for the same purpose without payment of any additional
71.15 fee. The public school shall notify the commissioner of each transfer of plates under this
71.16 paragraph. The commissioner may prescribe a format for notification.

71.17 Sec. 11. Minnesota Statutes 2020, section 168.12, subdivision 5, is amended to read:

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

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

71.30	License Plate	Single	Double
71.31	Regular and Disability	\$ 5.25 <u>13.50</u>	\$ 7.00 <u>15.50</u>
71.32		10.00	11.50
71.33	Special	\$ <u>13.50</u>	\$ <u>15.50</u>

72.1			11.50	
72.2	Personalized (Replacement)	\$	<u>13.50</u>	\$ 15.50
72.3			15.00	16.50
72.4	Collector Category	\$	<u>13.50</u>	\$ <u>15.50</u>
72.5	Emergency Vehicle Display	\$	3.00	\$ 6.00
72.6	Utility Trailer Self-Adhesive	\$	2.50	
72.7	Vertical Motorcycle Plate	\$	100.00	NA
72.8	Replacement Dealer Plates	\$	5.25	
72.9	Replacement Tax Exempt Plates	\$	5.25	
72.10	Stickers			
72.11	Duplicate year	\$	1.25 <u>1.50</u>	\$ 1.25 <u>1.50</u>
72.12	International Fuel Tax Agreement	\$	2.50	

72.13 (c) Notwithstanding paragraph (b), for plates issued on and after August 1, 2019, and
 72.14 before July 1, 2022, the following plate and validation sticker fees apply for the original,
 72.15 duplicate, or replacement issuance of a plate in a plate year:

72.16	License Plate		Single	Double
72.17	Regular and Disability	\$	6.00	\$ 8.00
72.18	Special	\$	11.00	\$ 12.50
72.19	Personalized (Replacement)	\$	12.50	\$ 16.50
72.20	Collector Category	\$	16.00	\$ 17.50
72.21	Emergency Vehicle Display	\$	3.00	\$ 6.00
72.22	Utility Trailer Self-Adhesive	\$	2.50	
72.23	Vertical Motorcycle Plate	\$	100.00	NA
72.24	Replacement Dealer Plates	\$	5.25	
72.25	Replacement Tax Exempt Plates	\$	5.25	
72.26	Stickers			
72.27	Duplicate year	\$	1.50	\$ 1.50
72.28	International Fuel Tax Agreement	\$	2.50	

72.29 (d) For vehicles that require two of the categories in paragraph (b) or (c), the registrar
 72.30 shall only charge the higher of the two fees and not a combined total.

72.31 **Sec. 12. [168.1258] MINNESOTA 100 CLUB PLATES.**

72.32 **Subdivision 1. Issuance of plates.** The commissioner must issue Minnesota 100 Club
 72.33 **special plates or a single motorcycle plate to an applicant who:**

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

73.1 (2) pays the registration tax as required under section 168.013;

73.2 (3) pays a fee in the amount specified under section 168.12, subdivision 5, for each set
73.3 of plates, along with any other fees required by this chapter;

73.4 (4) contributes a minimum of \$40 annually to the Minnesota 100 Club account; and

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

73.7 Subd. 2. **Design.** The commissioner must adopt a suitable design for the plate, in
73.8 consultation with representatives from the Minnesota 100 Club.

73.9 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
73.10 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
73.11 if the subsequent vehicle is:

73.12 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

73.13 (2) registered to the same individual to whom the special plates were originally issued.

73.14 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
73.15 168.1293, subdivision 2.

73.16 Subd. 5. **Contributions; account; appropriation.** Contributions collected under
73.17 subdivision 1, clause (4), must be deposited in the Minnesota 100 Club account, which is
73.18 established in the special revenue fund. Money in the account is annually appropriated to
73.19 the commissioner. This appropriation is first for the annual cost of administering the account
73.20 funds, and the remaining funds are for distribution to the Minnesota 100 Club to further the
73.21 organization's mission and purpose of providing charitable gifts and contributions.

73.22 **EFFECTIVE DATE.** This section is effective July 1, 2021, for Minnesota 100 Club
73.23 special plates issued on or after that date.

73.24 Sec. 13. **[168.1283] MINNESOTA AGRICULTURE SPECIAL PLATES.**

73.25 Subdivision 1. **Issuance of plates.** The commissioner must issue Minnesota agriculture
73.26 special plates or a single motorcycle plate to an applicant who:

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

73.29 (2) pays an additional fee in the amount specified for special plates under section 168.12,
73.30 subdivision 5;

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

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

74.2 (5) contributes a minimum of \$20 annually to the Minnesota agriculture account; and

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

74.5 Subd. 2. **Design.** In consultation with the commissioner of agriculture, the commissioner
74.6 must adopt a suitable plate design that includes a depiction of lands and activity related to
74.7 agriculture.

74.8 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
74.9 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
74.10 if the subsequent vehicle is:

74.11 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

74.12 (2) registered to the same individual to whom the special plates were originally issued.

74.13 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
74.14 168.1293, subdivision 2.

74.15 Subd. 5. **Contributions; account; appropriation.** Contributions collected under
74.16 subdivision 1, clause (5), must be deposited in the Minnesota agriculture account, which is
74.17 established in the special revenue fund. Money in the account is appropriated to the
74.18 commissioner of public safety. This appropriation is first for the annual cost of administering
74.19 the account funds, and the remaining funds are for distribution to (1) the Minnesota FFA
74.20 Foundation to support the mission of the foundation, and (2) the University of Minnesota
74.21 Extension Service to support Minnesota 4-H programming and activities. The commissioner
74.22 must annually consult with the Minnesota FFA Foundation and the University of Minnesota
74.23 Extension Service for recommendations regarding how to allocate funds.

74.24 **EFFECTIVE DATE.** This section is effective January 1, 2022, for Minnesota agriculture
74.25 special plates issued on or after that date.

74.26 Sec. 14. Minnesota Statutes 2020, section 168.183, is amended to read:

74.27 **168.183 MOTOR VEHICLES OF CERTAIN NONRESIDENTS.**

74.28 Subdivision 1. **Payment of taxes.** All trucks, truck-tractors, trucks using combination,
74.29 and buses which comply with all of the provisions of section 168.181, subdivision 1, clause
74.30 (6), but are excluded from the exemptions solely because of the temporary nature of their
74.31 movement in this state, shall be required to comply with all laws and rules as to the payment
74.32 of taxes applicable to like vehicles owned by Minnesota residents, except that nonresidents

75.1 may make application to pay the tax for each vehicle proportionate to the number of months
75.2 or fraction thereof the vehicles are in this state. For the purposes of this subdivision, buses
75.3 do not include charter buses that are considered proratable vehicles under section 168.187,
75.4 subdivision 4. Fees are determined by section 168.013, subdivision 1e.

75.5 Subd. 2. **Contents of application.** The application shall contain such information and
75.6 shall be executed in such manner as the registrar may require and shall include a complete
75.7 itinerary of the applicant and shall be accompanied by such evidence of ownership as the
75.8 registrar shall deem necessary.

75.9 Subd. 3. **Permit.** Upon payment of the required tax the registrar shall issue, in lieu of
75.10 registration plates, a permit for each vehicle so taxed. The permit shall contain the name
75.11 and address of the owner, the make, type, serial number and year model of the vehicle, the
75.12 expiration date and any other information deemed necessary by the registrar. The permit
75.13 must be ~~carried in the vehicle at all times~~ available in a format prescribed by the registrar
75.14 while the vehicle is being operated in this state.

75.15 Sec. 15. Minnesota Statutes 2020, section 168.187, subdivision 17, is amended to read:

75.16 Subd. 17. **Trip permit.** Subject to agreements or arrangements made or entered into
75.17 pursuant to subdivision 7, the commissioner may issue trip permits for use of Minnesota
75.18 highways by individual vehicles, on an occasional basis, for periods not to exceed 120 hours
75.19 in compliance with rules promulgated pursuant to subdivision 23 ~~and upon payment of a~~
75.20 ~~fee of \$15.~~ The fee for the trip permit is calculated as one-twelfth of the amount determined
75.21 under section 168.013, subdivision 1e, rounded to the nearest whole dollar. For the purposes
75.22 of this subdivision, "on an occasional basis" means no more than one permit per vehicle
75.23 within a 30-day period, which begins the day a permit is effective.

75.24 Sec. 16. Minnesota Statutes 2020, section 168.301, subdivision 1, is amended to read:

75.25 Subdivision 1. **Surrender plates and credit tax paid.** (a) On transferring a motor
75.26 vehicle, the transferor shall surrender the registration plates and assign the registration tax
75.27 paid to the credit of the transferee.

75.28 (b) A fee of \$10 shall be charged on each transfer of title within the state, other than
75.29 transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds, as
75.30 specified in section 115A.908.

76.1 Sec. 17. Minnesota Statutes 2020, section 168.31, subdivision 4, is amended to read:

76.2 Subd. 4. **Installments; registration generally.** (a) If the tax for a vehicle assessed under
76.3 section 168.013, subdivision 1c, 1d, 1e, or 1g, amounts to more than \$400, the owner may
76.4 pay the tax by installments.

76.5 (b) The owner shall tender with the application for registration one-third of the annual
76.6 tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of \$10. Instead
76.7 of this fee, the applicant may furnish a bond, bank letter of credit, or certificate of deposit
76.8 approved by the registrar of motor vehicles, for the total of the tax still due. The amount of
76.9 the bond, letter of credit, or certificate of deposit may include any penalties assessed. The
76.10 bond, letter of credit, or certificate of deposit must be for the benefit of the state for monetary
76.11 loss caused by failure of the vehicle owner to pay delinquent license fees and penalties.

76.12 (c) The remainder of the tax due must be paid in two equal installments; The due date
76.13 of the first installment is ~~the first day of the fifth month of the registration period for which~~
76.14 ~~the tax is assessed~~ July 1, and the second installment is due ~~on the first day of the ninth~~
76.15 ~~month of the registration period for which the tax is assessed~~ November 1.

76.16 (d) When the applicant elects to pay the administrative fee, the registrar shall issue to
76.17 the applicant validation stickers indicating the expiration date of a registration. When the
76.18 applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue
76.19 regular validation stickers for the registration year.

76.20 (e) If an owner of a vehicle fails to pay an installment on or before its due date, the
76.21 vehicle must not be used on the public streets or highways in this state until the installment
76.22 or installments of the tax remaining due on the vehicle have been paid in full for the licensed
76.23 year together with a penalty at the rate of \$1 per day for the remainder of the month in which
76.24 the balance of the tax becomes due and \$4 a month for each succeeding month or fraction
76.25 of a month during which the balance of the tax remains unpaid. Upon the payment of the
76.26 balance of the tax and the penalties, the registrar shall issue a registration certificate to the
76.27 owner of the vehicle in the manner provided by law. The registrar shall deny installment
76.28 payment privileges provided in this subdivision in the subsequent year to any owner on any
76.29 or all vehicles of the owner who during the current year fails to pay any installment due
76.30 within one month after the due date.

77.1 Sec. 18. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision
77.2 to read:

77.3 Subd. 5a. **Vehicle records subscription service.** (a) The commissioner may implement
77.4 a vehicle records subscription service to provide information concerning access to motor
77.5 vehicle records, including regular notice of records that have changed, to subscribers who:

77.6 (1) pay applicable fees; and

77.7 (2) are approved by the commissioner in accordance with section 168.346 and United
77.8 States Code, title 18, section 2721.

77.9 (b) If a vehicle records subscription service is implemented, the commissioner must
77.10 establish a fee that does not exceed \$3,680 per month for a subscription to the service. Fees
77.11 collected under this paragraph must be credited to the vehicle services operating account
77.12 under section 299A.705, subdivision 1, and are appropriated to the commissioner for the
77.13 purposes in this paragraph and paragraph (a).

77.14 (c) If a motor vehicle records subscription service is implemented, the commissioner
77.15 must charge a fee of \$0.02 per motor vehicle record requested. Of the fees collected, 20
77.16 percent must be credited to the vehicle services operating account under section 299A.705,
77.17 subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision;
77.18 30 percent must be credited to the data security account in the special revenue fund under
77.19 section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle
77.20 services technology account under section 299A.705, subdivision 3.

77.21 Sec. 19. Minnesota Statutes 2020, section 168.327, subdivision 6, is amended to read:

77.22 Subd. 6. **Review and audit of ~~purchases of bulk driver license and motor vehicle~~**
77.23 **records subscription service.** Each subscriber and each requester of bulk vehicle records
77.24 subscription of vehicle records or driver's license records shall annually engage an
77.25 independent professional organization to audit its uses of bulk data and its information
77.26 technology security procedures, including the methods and practices employed in the
77.27 processing and use of driver and vehicle services data. Within 30 days of the date of the
77.28 audit report, each subscriber and requester must submit each report to the legislative auditor
77.29 and the commissioner.

78.1 Sec. 20. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision
78.2 to read:

78.3 Subd. 7. Custom data request record fee. (a) For purposes of this subdivision, "custom
78.4 data request records" means a total of 1,000 or more vehicle title records and vehicle
78.5 registration records or a total of 1,000 or more driver's license records.

78.6 (b) The commissioner must charge a fee of \$0.02 per record for custom data request
78.7 vehicle records and custom data request vehicle registration records or custom data request
78.8 driver's license records.

78.9 (c) Of the vehicle record fees collected, 20 percent must be credited to the vehicle services
78.10 operating account under section 299A.705, subdivision 1, and is appropriated to the
78.11 commissioner for the purposes of this subdivision; 30 percent must be credited to the data
78.12 security account in the special revenue fund under section 3.9741, subdivision 5; and 50
78.13 percent must be credited to the driver and vehicle services technology account under section
78.14 299A.705, subdivision 3.

78.15 (d) Of the driver's license record fees collected, 20 percent must be credited to the driver
78.16 services operating account under section 299A.705, subdivision 2, and is appropriated to
78.17 the commissioner for the purposes of this subdivision; 30 percent must be credited to the
78.18 data security account in the special revenue fund under section 3.9741, subdivision 5; and
78.19 50 percent must be credited to the driver and vehicle services technology account under
78.20 section 299A.705, subdivision 3.

78.21 (e) Additional fees apply for technical staff to create the custom set of data.

78.22 Sec. 21. Minnesota Statutes 2020, section 168.33, subdivision 7, is amended to read:

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

78.25 (1) \$7 is imposed on every vehicle registration renewal, excluding pro rate transactions;
78.26 and

78.27 (2) \$11 is imposed on every other type of vehicle transaction, including motor carrier
78.28 fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

78.29 (b) Notwithstanding paragraph (a):

78.30 (1) a filing fee may not be charged for a document returned for a refund or for a correction
78.31 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

79.1 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
79.2 vehicle.

79.3 (c) For every transaction where a deputy registrar collects a fee pursuant to paragraph
79.4 (a), clause (1), the commissioner must transmit a payment of \$1 to the deputy registrar that
79.5 collected the fee. For every transaction where a deputy registrar collects a fee pursuant to
79.6 paragraph (a), clause (2), the commissioner must transmit a payment of \$3 to the deputy
79.7 registrar that collected the fee. The commissioner must make the payments required by this
79.8 paragraph on a quarterly basis. An amount sufficient to make the payments required by this
79.9 paragraph is appropriated to the commissioner from the vehicle services operating account
79.10 in the special revenue fund.

79.11 (d) The filing fee must be shown as a separate item on all registration renewal notices
79.12 sent out by the commissioner.

79.13 ~~(d)~~ (e) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may
79.14 be paid by credit card or debit card. The deputy registrar may collect a surcharge on the
79.15 statutory fees, taxes, and filing fee not greater than the cost of processing a credit card or
79.16 debit card transaction, in accordance with emergency rules established by the commissioner
79.17 of public safety. The surcharge must be used to pay the cost of processing credit and debit
79.18 card transactions.

79.19 ~~(e)~~ (f) The fees collected under this subdivision by the department must be allocated as
79.20 follows:

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

79.22 (i) \$5.50 must be deposited in the vehicle services operating account; and

79.23 (ii) \$1.50 must be deposited in the driver and vehicle services technology account; and

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

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

79.26 (ii) \$6.00 must be deposited in the vehicle services operating account; and

79.27 (iii) \$1.50 must be deposited in the driver and vehicle services technology account.

79.28 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to transactions
79.29 completed on or after that date.

80.1 Sec. 22. Minnesota Statutes 2020, section 168.63, subdivision 5, is amended to read:

80.2 Subd. 5. **Annual recomputation and tax adjustment.** At the close of each calendar
80.3 year and not later than February 15th of the next succeeding year, beginning with 1959, the
80.4 registrar of motor vehicles shall recompute and redetermine the number of intercity buses
80.5 required to have been registered in Minnesota for the prior year and the actual amount of
80.6 tax liability for such previous year shall likewise be redetermined. Any additional tax which
80.7 may be due by any owner or operator of intercity buses shall be paid forthwith. If it is
80.8 determined as a result of such recomputation that there has been an overpayment of tax, the
80.9 amount of such overpayment shall be credited to the amount of tax which may be due by
80.10 the owner or operator of intercity buses in any subsequent year. In the event any owner or
80.11 operator of intercity buses discontinues operations in Minnesota and has a tax credit due as
80.12 a result of overpayment of motor vehicle taxes for any year, the amount of such overpayment
80.13 shall be refunded. Such sums as are necessary to make the refunds herein are hereby
80.14 appropriated annually from the ~~highway user tax distribution~~ general fund.

80.15 Sec. 23. Minnesota Statutes 2020, section 168A.11, subdivision 1, is amended to read:

80.16 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who
80.17 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring
80.18 the vehicle to another person, other than by the creation of a security interest, the dealer
80.19 shall promptly execute the assignment and warranty of title by a dealer, showing the names
80.20 and addresses of the transferee and of any secured party holding a security interest created
80.21 or reserved at the time of the resale, and the date of the security agreement in the spaces
80.22 provided therefor on the certificate of title or secure reassignment.

80.23 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the
80.24 dealer need not register the vehicle but shall pay one month's registration tax. If a dealer
80.25 elects to apply for a certificate of title on a vehicle held for resale, the department shall not
80.26 place any legend on the title that no motor vehicle sales tax was paid by the dealer, but may
80.27 indicate on the title whether the vehicle is a new or used vehicle.

80.28 (c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer
80.29 shall also, in the space provided therefor on the certificate of title or secure reassignment,
80.30 state the true cumulative mileage registered on the odometer or that the exact mileage is
80.31 unknown if the odometer reading is known by the transferor to be different from the true
80.32 mileage.

80.33 (d) The transferee shall complete the application for title section on the certificate of
80.34 title or separate title application form prescribed by the department. The dealer shall mail

81.1 or deliver the certificate to the registrar or deputy registrar with the transferee's application
81.2 for a new certificate and appropriate taxes and fees, within ten business days.

81.3 (e) With respect to vehicles sold to buyers who will remove the vehicle from this state,
81.4 the dealer shall remove any license plates from the vehicle, issue a 31-day temporary permit
81.5 pursuant to section 168.091, and notify the registrar within 48 hours of the sale that the
81.6 vehicle has been removed from this state. The notification must be made in an electronic
81.7 format prescribed by the registrar. The dealer may contract with a deputy registrar for the
81.8 notification of sale to an out-of-state buyer. The deputy registrar may charge a fee ~~not to~~
81.9 ~~exceed~~ of \$7 per transaction to provide this service.

81.10 Sec. 24. Minnesota Statutes 2020, section 168A.11, subdivision 2, is amended to read:

81.11 Subd. 2. **Notification on vehicle held for resale; service fee.** Within 48 hours of
81.12 acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that
81.13 the dealership is holding the vehicle for resale. The notification must be made electronically
81.14 as prescribed by the registrar. The dealer may contract this service to a deputy registrar and
81.15 the registrar may charge a fee ~~not to exceed~~ of \$7 per transaction to provide this service.

81.16 Sec. 25. Minnesota Statutes 2020, section 168A.151, subdivision 1, is amended to read:

81.17 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
81.18 Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle through payment of
81.19 damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp
81.20 the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in
81.21 a manner prescribed by the department. Within ten days of obtaining the title of a vehicle
81.22 through payment of damages, an insurer must notify the department in a manner prescribed
81.23 by the department.

81.24 (b) A person shall immediately apply for a salvage certificate of title if the person acquires
81.25 a damaged ~~late-model or high-value~~ vehicle with an out-of-state title and the vehicle:

81.26 (1) is a vehicle that was acquired by an insurer through payment of damages;

81.27 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle;

81.28 or

81.29 (3) has an out-of-state salvage certificate of title as proof of ownership.

81.30 (c) A self-insured owner of a ~~late-model or high-value~~ vehicle that sustains damage by
81.31 collision or other occurrence which exceeds 80 percent of its actual cash value shall
81.32 immediately apply for a salvage certificate of title.

82.1 (d) A person who retains ownership of a late-model or high-value motor vehicle and
82.2 receives a total loss settlement from an insurance company shall immediately apply for a
82.3 salvage certificate of title.

82.4 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to: (1) a
82.5 vehicle subject to this section that is acquired on or after that date; (2) a vehicle that sustains
82.6 damage by collision as described in paragraph (c) on or after that date; or (3) a vehicle for
82.7 which a person receives a total loss settlement as described in paragraph (d) on or after that
82.8 date.

82.9 Sec. 26. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
82.10 to read:

82.11 Subd. 1b. **All-electric motorcycle.** (a) "All-electric motorcycle" means an electric
82.12 motorcycle that is solely able to be powered by an electric motor drawing current from
82.13 rechargeable storage batteries, fuel cells, or other portable sources of electrical current.

82.14 (b) All-electric motorcycle excludes a plug-in hybrid electric motorcycle.

82.15 Sec. 27. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
82.16 to read:

82.17 Subd. 15a. **Class 1 electric-assisted bicycle.** "Class 1 electric-assisted bicycle" means
82.18 an electric-assisted bicycle equipped with an electric motor that provides assistance only
82.19 when the rider is pedaling and ceases to provide assistance when the bicycle reaches the
82.20 speed of 20 miles per hour.

82.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

82.22 Sec. 28. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
82.23 to read:

82.24 Subd. 15b. **Class 2 electric-assisted bicycle.** "Class 2 electric-assisted bicycle" means
82.25 an electric-assisted bicycle equipped with an electric motor that is capable of propelling the
82.26 bicycle without the rider pedaling and ceases to provide assistance when the bicycle reaches
82.27 the speed of 20 miles per hour.

82.28 **EFFECTIVE DATE.** This section is effective August 1, 2021.

83.1 Sec. 29. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
83.2 to read:

83.3 Subd. 15c. **Class 3 electric-assisted bicycle.** "Class 3 electric-assisted bicycle" means
83.4 an electric-assisted bicycle equipped with an electric motor that provides assistance only
83.5 when the rider is pedaling and ceases to provide assistance when the bicycle reaches the
83.6 speed of 28 miles per hour.

83.7 **EFFECTIVE DATE.** This section is effective August 1, 2021.

83.8 Sec. 30. Minnesota Statutes 2020, section 169.011, subdivision 27, is amended to read:

83.9 Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a bicycle with
83.10 two or three wheels that:

83.11 (1) has a saddle and fully operable pedals for human propulsion;

83.12 (2) meets the requirements:

83.13 ~~(i) of federal motor vehicle safety standards for a motor-driven cycle in Code of Federal~~
83.14 ~~Regulations, title 49, sections 571.1 et seq.; or~~

83.15 ~~(ii) for bicycles under Code of Federal Regulations, title 16, part 1512, or successor~~
83.16 ~~requirements; and~~

83.17 (3) ~~has~~ is equipped with an electric motor that ~~(i) has a power output of not more than~~
83.18 ~~1,000~~ 750 ~~watts, (ii) is incapable of propelling the vehicle at a speed of more than 20 miles~~
83.19 ~~per hour, (iii) is incapable of further increasing the speed of the device when human power~~
83.20 ~~alone is used to propel the vehicle at a speed of more than 20 miles per hour, and (iv)~~
83.21 ~~disengages or ceases to function when the vehicle's brakes are applied; and~~

83.22 (4) meets the requirements of a class 1, class 2, or class 3 electric-assisted bicycle.

83.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

83.24 Sec. 31. Minnesota Statutes 2020, section 169.011, subdivision 42, is amended to read:

83.25 Subd. 42. **Motor vehicle.** (a) "Motor vehicle" means every vehicle which is self-propelled
83.26 and every vehicle which is propelled by electric power obtained from overhead trolley wires.

83.27 (b) Motor vehicle does not include an electric-assisted bicycle, an electric personal
83.28 assistive mobility device, or a vehicle moved solely by human power.

83.29 **EFFECTIVE DATE.** This section is effective August 1, 2021.

84.1 Sec. 32. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
84.2 to read:

84.3 Subd. 54c. **Plug-in hybrid electric motorcycle.** "Plug-in hybrid electric motorcycle"
84.4 means an electric motorcycle that:

84.5 (1) contains an internal combustion engine and also allows power to be delivered to the
84.6 drive wheels by a battery-powered electric motor;

84.7 (2) when connected to the electrical grid via an electrical outlet, is able to recharge its
84.8 battery; and

84.9 (3) has the ability to travel at least 20 miles powered substantially by electricity.

84.10 Sec. 33. Minnesota Statutes 2020, section 169.035, subdivision 3, is amended to read:

84.11 Subd. 3. **Transportation by animal.** ~~Every~~ A person riding an animal or ~~driving any~~
84.12 ~~animal drawing a~~ operating an animal-drawn vehicle upon a roadway ~~shall be~~ is subject to
84.13 the provisions of this chapter applicable to the driver of a vehicle, except those provisions
84.14 which by their nature can have no application. A person operating an animal-drawn vehicle
84.15 must comply with sections 169.18, subdivision 10; 169.522; and 169.58, subdivision 6.

84.16 Sec. 34. Minnesota Statutes 2020, section 169.09, subdivision 13, is amended to read:

84.17 Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All reports
84.18 and supplemental information required under this section must be for the use of the
84.19 commissioner of public safety and other appropriate state, federal, county, and municipal
84.20 governmental agencies for accident analysis purposes, except:

84.21 (1) upon written request, the commissioner of public safety or any law enforcement
84.22 agency shall disclose the report required under subdivision 8 to:

84.23 (i) any individual involved in the accident, the representative of the individual's estate,
84.24 or the surviving spouse, or one or more surviving next of kin, or a trustee appointed under
84.25 section 573.02;

84.26 (ii) any other person injured in person, property, or means of support, or who incurs
84.27 other pecuniary loss by virtue of the accident;

84.28 (iii) legal counsel of a person described in item (i) or (ii); ~~or~~

84.29 (iv) a representative of the insurer of any person described in item (i) or (ii); or

85.1 (v) a city or county attorney or an attorney representing the state in an implied consent
85.2 action who is charged with the prosecution of a traffic or criminal offense that is the result
85.3 of a traffic crash investigation conducted by law enforcement;

85.4 (2) the commissioner of public safety shall, upon written request, provide the driver
85.5 filing a report under subdivision 7 with a copy of the report filed by the driver;

85.6 (3) the commissioner of public safety may verify with insurance companies vehicle
85.7 insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

85.8 (4) the commissioner of public safety shall provide the commissioner of transportation
85.9 the information obtained for each traffic accident involving a commercial motor vehicle,
85.10 for purposes of administering commercial vehicle safety regulations;

85.11 (5) upon specific request, the commissioner of public safety shall provide the
85.12 commissioner of transportation the information obtained regarding each traffic accident
85.13 involving damage to identified state-owned infrastructure, for purposes of debt collection
85.14 under section 161.20, subdivision 4; and

85.15 (6) the commissioner of public safety may give to the United States Department of
85.16 Transportation commercial vehicle accident information in connection with federal grant
85.17 programs relating to safety.

85.18 (b) Accident reports and data contained in the reports are not discoverable under any
85.19 provision of law or rule of court. No report shall be used as evidence in any trial, civil or
85.20 criminal, or any action for damages or criminal proceedings arising out of an accident.
85.21 However, the commissioner of public safety shall furnish, upon the demand of any person
85.22 who has or claims to have made a report or upon demand of any court, a certificate showing
85.23 that a specified accident report has or has not been made to the commissioner solely to prove
85.24 compliance or failure to comply with the requirements that the report be made to the
85.25 commissioner.

85.26 (c) Nothing in this subdivision prevents any individual who has made a report under
85.27 this section from providing information to any individuals involved in an accident or their
85.28 representatives or from testifying in any trial, civil or criminal, arising out of an accident,
85.29 as to facts within the individual's knowledge. It is intended by this subdivision to render
85.30 privileged the reports required, but it is not intended to prohibit proof of the facts to which
85.31 the reports relate.

85.32 (d) Disclosing any information contained in any accident report, except as provided in
85.33 this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.

86.1 (e) The commissioner of public safety shall charge authorized persons as described in
86.2 paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee collected
86.3 under this paragraph must be deposited in the special revenue fund and credited to the driver
86.4 services operating account established in section 299A.705 and ten percent must be deposited
86.5 in the general fund. The commissioner may also furnish an electronic copy of the database
86.6 of accident records, which must not contain personal or private data on an individual, to
86.7 private agencies as provided in paragraph (g), for not less than the cost of preparing the
86.8 copies on a bulk basis as provided in section 13.03, subdivision 3.

86.9 (f) The fees specified in paragraph (e) notwithstanding, the commissioner and law
86.10 enforcement agencies shall charge commercial users who request access to response or
86.11 incident data relating to accidents a fee not to exceed 50 cents per record. "Commercial
86.12 user" is a user who in one location requests access to data in more than five accident reports
86.13 per month, unless the user establishes that access is not for a commercial purpose. Of the
86.14 money collected by the commissioner under this paragraph, 90 percent must be deposited
86.15 in the special revenue fund and credited to the driver services operating account established
86.16 in section 299A.705 and ten percent must be deposited in the general fund.

86.17 (g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner shall provide
86.18 an electronic copy of the accident records database to the public on a case-by-case basis
86.19 using the cost-recovery charges provided for under section 13.03, subdivision 3. The database
86.20 provided must not contain personal or private data on an individual. However, unless the
86.21 accident records database includes the vehicle identification number, the commissioner
86.22 shall include the vehicle registration plate number if a private agency certifies and agrees
86.23 that the agency:

86.24 (1) is in the business of collecting accident and damage information on vehicles;

86.25 (2) will use the vehicle registration plate number only for identifying vehicles that have
86.26 been involved in accidents or damaged, to provide this information to persons seeking access
86.27 to a vehicle's history and not for identifying individuals or for any other purpose; and

86.28 (3) will be subject to the penalties and remedies under sections 13.08 and 13.09.

86.29 Sec. 35. Minnesota Statutes 2020, section 169.18, subdivision 10, is amended to read:

86.30 Subd. 10. **Slower vehicles.** (a) Upon a roadway with one lane in the direction of travel,
86.31 a person proceeding at a speed that is sufficiently low as to create a traffic hazard, including
86.32 when operating an animal-drawn vehicle upon a roadway or shoulder of a roadway, must
86.33 operate the vehicle as close as practicable to the right-hand curb or edge of the roadway.

87.1 (b) Upon a roadway with more than one lane in the same direction of travel, a person
87.2 must move out of the left-most lane to allow another vehicle to pass, when practicable under
87.3 existing conditions. A left-most lane under this paragraph is the lane adjacent to one
87.4 designated and posted for a specific type of traffic, including as provided under section
87.5 160.93. This paragraph does not apply when:

- 87.6 (1) overtaking and passing another vehicle proceeding in the same direction;
- 87.7 (2) preparing for a left turn at an intersection or into a private road or driveway;
- 87.8 (3) preparing to exit a controlled-access highway on the left side of the road;
- 87.9 (4) the lane is designated and posted for a specific type of traffic; or
- 87.10 (5) the vehicle is an authorized emergency vehicle.

87.11 Sec. 36. Minnesota Statutes 2020, section 169.222, subdivision 4, is amended to read:

87.12 Subd. 4. **Riding rules.** (a) Every person operating a bicycle upon a roadway shall ride
87.13 as close as practicable to the right-hand curb or edge of the roadway except under any of
87.14 the following situations:

- 87.15 (1) when overtaking and passing another vehicle proceeding in the same direction;
- 87.16 (2) when preparing for a left turn at an intersection or into a private road or driveway;
- 87.17 (3) when reasonably necessary to avoid conditions, including fixed or moving objects,
87.18 vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe
87.19 to continue along the right-hand curb or edge; or
- 87.20 (4) when operating on the shoulder of a roadway or in a bicycle lane.

87.21 (b) If a bicycle is traveling on a shoulder of a roadway, the bicycle shall travel in the
87.22 same direction as adjacent vehicular traffic.

87.23 (c) Persons riding bicycles upon a roadway or shoulder shall not ride more than two
87.24 abreast and shall not impede the normal and reasonable movement of traffic and, on a laned
87.25 roadway, shall ride within a single lane.

87.26 (d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a
87.27 crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal
87.28 when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle
87.29 upon a sidewalk within a business district unless permitted by local authorities. Local
87.30 authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their
87.31 jurisdiction.

88.1 (e) An individual operating a bicycle or other vehicle on a bikeway shall leave a safe
 88.2 distance when overtaking a bicycle or individual proceeding in the same direction on the
 88.3 bikeway, and shall maintain clearance until safely past the overtaken bicycle or individual.

88.4 (f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder
 88.5 on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same
 88.6 circumstances.

88.7 ~~(g) A person may operate an electric-assisted bicycle on the shoulder of a roadway, on~~
 88.8 ~~a bikeway, or on a bicycle trail if not otherwise prohibited under section 85.015, subdivision~~
 88.9 ~~1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as~~
 88.10 ~~applicable.~~

88.11 **EFFECTIVE DATE.** This section is effective August 1, 2021.

88.12 Sec. 37. Minnesota Statutes 2020, section 169.222, subdivision 6a, is amended to read:

88.13 Subd. 6a. **Operator age Electric-assisted bicycle; riding rules.** (a) A person may
 88.14 operate an electric-assisted bicycle in the same manner as provided for operation of other
 88.15 bicycles, including but not limited to operation on the shoulder of a roadway, a bicycle lane,
 88.16 and a bicycle route, and operation without the motor engaged on a bikeway or bicycle trail.

88.17 (b) A person may operate a class 1 or class 2 electric-assisted bicycle with the motor
 88.18 engaged on a bicycle path, bicycle trail, or shared use path unless prohibited under section
 88.19 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2,
 88.20 paragraph (b), as applicable.

88.21 (c) A person may operate a class 3 electric-assisted bicycle with the motor engaged on
 88.22 a bicycle path, bicycle trail, or shared use path unless the local authority or state agency
 88.23 having jurisdiction over the bicycle path or trail prohibits the operation.

88.24 (d) The local authority or state agency having jurisdiction over a trail that is designated
 88.25 as nonmotorized and that has a natural surface tread made by clearing and grading the native
 88.26 soil with no added surfacing materials may regulate the operation of an electric-assisted
 88.27 bicycle.

88.28 (e) No person under the age of 15 shall operate an electric-assisted bicycle.

88.29 **EFFECTIVE DATE.** This section is effective August 1, 2021.

89.1 Sec. 38. Minnesota Statutes 2020, section 169.222, is amended by adding a subdivision
89.2 to read:

89.3 Subd. 6b. **Electric-assisted bicycle; equipment.** (a) The manufacturer or distributor of
89.4 an electric-assisted bicycle must apply a label to the bicycle that is permanently affixed in
89.5 a prominent location. The label must contain the classification number, top assisted speed,
89.6 and motor wattage of the electric-assisted bicycle, and must be printed in a legible font with
89.7 at least 9-point type.

89.8 (b) A person must not modify an electric-assisted bicycle to change the motor-powered
89.9 speed capability or motor engagement unless the person replaces the label required in
89.10 paragraph (a) with revised information.

89.11 (c) An electric-assisted bicycle must operate in a manner so that the electric motor is
89.12 disengaged or ceases to function when the rider stops pedaling or when the brakes are
89.13 applied.

89.14 (d) A class 3 electric-assisted bicycle must be equipped with a speedometer that displays
89.15 the speed at which the bicycle is traveling in miles per hour.

89.16 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2022. Paragraphs (b) to (d)
89.17 are effective August 1, 2021.

89.18 Sec. 39. Minnesota Statutes 2020, section 169.451, subdivision 3, is amended to read:

89.19 ~~Subd. 3. **Rules of commissioner Inspection criteria.** (a) The commissioner of public~~
89.20 ~~safety shall provide by rule for the issuance and display of distinctive inspection certificates.~~

89.21 ~~(b) The commissioner of public safety shall provide by rule a point system for evaluating~~
89.22 ~~the effect on safety operation of any variance from law detected during inspections conducted~~
89.23 ~~pursuant to subdivision 1.~~

89.24 (a) The Department of Public Safety shall inspect school buses in accordance with the
89.25 School Bus Inspection Manual as prescribed in section 169.4501, subdivision 3. Upon
89.26 completion of an inspection, a printed or electronic vehicle examination report must be
89.27 provided to the carrier or school district.

89.28 (b) A school bus displaying a defect as defined in the "School Bus Recommended
89.29 Out-of-Service Criteria" in the most recent edition of the "National School Transportation
89.30 Specification and Procedures" adopted by the National Congress on School Transportation
89.31 is deemed unsafe for student transportation. A rejection sticker shall be affixed to the lower
89.32 left corner of the windshield. The sticker shall be removed only upon authorization from a

90.1 member of the State Patrol who has determined that all defects have been corrected. Pending
 90.2 reinspection and certification of the vehicle by a member of the State Patrol, a bus bearing
 90.3 a rejection sticker may be used to transport students if the defects have been corrected and
 90.4 the vehicle examination report is signed by the owner or a designee certifying that all defects
 90.5 have been corrected. The signed report shall be carried in the first aid kit on the bus. For
 90.6 purposes of this paragraph, a member of the State Patrol means a trooper or an employee
 90.7 of the Department of Public Safety described in section 299D.06.

90.8 (c) A school bus that has had an inspection completed in which no out-of-service defects
 90.9 were identified is deemed to have passed the inspection and an inspection certificate shall
 90.10 be affixed to the lower left corner of the windshield. All defects identified must be repaired
 90.11 within 14 days of the inspection. The person completing the repairs shall sign and date the
 90.12 inspection report indicating the repairs were made. The inspection report must be retained
 90.13 at the principle place of business of the carrier or school district for 12 months following
 90.14 the inspection and must be available for review by a representative of the commissioner of
 90.15 public safety.

90.16 (d) A defect discovered during an inspection that was identified during a previous
 90.17 inspection but has not been corrected results in a failed inspection. A rejection sticker shall
 90.18 be affixed to the lower left corner of the windshield.

90.19 Sec. 40. Minnesota Statutes 2020, section 169.522, subdivision 1, is amended to read:

90.20 Subdivision 1. **Displaying emblem; rules.** (a) All animal-drawn vehicles, motorized
 90.21 golf carts when operated on designated roadways pursuant to section 169.045, implements
 90.22 of husbandry, and other machinery, including all road construction machinery, which are
 90.23 designed for operation at a speed of 30 miles per hour or less, must display a triangular
 90.24 slow-moving vehicle emblem, except (1) when being used in actual construction and
 90.25 maintenance work and traveling within the limits of a construction area marked in accordance
 90.26 with the Manual on Uniform Traffic Control Devices, as set forth in section 169.06, or (2)
 90.27 for a towed implement of husbandry that is empty and that is not self-propelled, in which
 90.28 case it may be towed at lawful speeds greater than 30 miles per hour without removing the
 90.29 slow-moving vehicle emblem. The emblem must consist of a fluorescent or illuminated
 90.30 red-orange triangle with a dark red reflective border and be mounted so as to be visible from
 90.31 a distance of not less than 600 feet to the rear. When a primary power unit towing an
 90.32 implement of husbandry or other machinery displays a slow-moving vehicle emblem visible
 90.33 from a distance of 600 feet to the rear, it is not necessary to display a similar emblem on
 90.34 the secondary unit. All slow-moving vehicle emblems sold in this state must be so designed

91.1 that when properly mounted they are visible from a distance of not less than 600 feet to the
 91.2 rear when directly in front of lawful lower beam of headlamps on a motor vehicle. The
 91.3 commissioner of public safety shall adopt standards and specifications for the design and
 91.4 position of mounting the slow-moving vehicle emblem. Such standards and specifications
 91.5 must be adopted by rule in accordance with the Administrative Procedure Act.

91.6 (b) An alternate slow-moving vehicle emblem consisting of a dull black triangle with a
 91.7 white reflective border may be used after obtaining a permit from the commissioner under
 91.8 rules of the commissioner. A person with a permit to use an alternate slow-moving vehicle
 91.9 emblem must:

91.10 (1) carry in the vehicle a regular slow-moving vehicle emblem and display the emblem
 91.11 when operating a vehicle between sunset and sunrise, and at any other time when visibility
 91.12 is impaired by weather, smoke, fog, or other conditions; and

91.13 (2) permanently affix to the rear of the slow-moving vehicle at least 72 square inches
 91.14 of reflective tape that reflects the color red.

91.15 (c) In addition to the emblem requirement under this subdivision, an animal-drawn
 91.16 vehicle must comply with section 169.58, subdivision 6.

91.17 Sec. 41. Minnesota Statutes 2020, section 169.58, is amended by adding a subdivision to
 91.18 read:

91.19 Subd. 6. **Animal-drawn vehicles.** (a) An animal-drawn vehicle must be equipped with
 91.20 an identification lamp or lamps that indicate the vehicle's presence and are visible from a
 91.21 distance of at least 500 feet from both the front and the rear. The lighting requirement under
 91.22 this subdivision may be met using a lamp powered by energy generated from the vehicle's
 91.23 movement.

91.24 (b) This subdivision does not apply to an animal-drawn vehicle that: (1) operates
 91.25 exclusively between the hours of sunrise and sunset and never during periods of reduced
 91.26 visibility, inclement weather, or insufficient light; or (2) never operates on a public roadway.

91.27 Sec. 42. Minnesota Statutes 2020, section 169.864, subdivision 4, is amended to read:

91.28 Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1, clause
 91.29 (1), must be annual permits. The fee is \$850 for each vehicle combination and must be
 91.30 deposited in the trunk highway fund. The fee for annual permits issued under subdivision
 91.31 2 is \$300 for a 90,000-pound vehicle combination or \$500 for a 97,000-pound vehicle
 91.32 combination. The fee for annual permits issued under subdivision 2a is \$850. An amount

92.1 sufficient to administer the permit program is appropriated from the ~~trunk highway general~~
 92.2 fund to the commissioner for the costs of administering the permit program.

92.3 Sec. 43. Minnesota Statutes 2020, section 169.866, subdivision 3, is amended to read:

92.4 Subd. 3. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1 must
 92.5 be annual permits. The fee is \$850 for each vehicle, or a proportional amount as provided
 92.6 in section 169.86, subdivision 5, and must be deposited in the trunk highway fund. An
 92.7 amount sufficient to administer the permit program is appropriated from the ~~trunk highway~~
 92.8 general fund to the commissioner for the costs of administering the permit program.

92.9 Sec. 44. Minnesota Statutes 2020, section 169.869, subdivision 1, is amended to read:

92.10 Subdivision 1. **Definition.** For purposes of this section, "road construction materials"
 92.11 means street or highway construction materials, including ~~but not limited to:~~

92.12 (1) aggregate material as defined in section 298.75, subdivision 1, paragraph (a);

92.13 (2) hot mix asphalt, plastic concrete, cementitious materials, concrete admixtures, asphalt
 92.14 cement, and recycled road materials; and

92.15 (3) those bulk materials used in road construction or delivered directly to a plant or
 92.16 production facility.

92.17 Sec. 45. Minnesota Statutes 2020, section 171.05, subdivision 2, is amended to read:

92.18 Subd. 2. **Person less than 18 years of age.** (a) The department may issue an instruction
 92.19 permit to an applicant who is 15, 16, or 17 years of age and who:

92.20 (1) has completed a course of driver education in another state, has a previously issued
 92.21 valid license from another state, or:

92.22 (i) is enrolled in either: behind-the-wheel training in a driver education program; and

92.23 (ii) has completed:

92.24 ~~(i) a public, private, or commercial~~ (A) the classroom phase of instruction in a driver
 92.25 education program that is approved by the commissioner of public safety and that includes
 92.26 classroom and behind-the-wheel training; or

92.27 (B) 15 hours of classroom instruction in a driver education program that presents
 92.28 classroom and behind-the-wheel instruction concurrently;

92.29 ~~(ii) an approved behind-the-wheel driver education program~~ (C) home-classroom driver
 92.30 training, when the student is receiving full-time instruction in a home school within the

93.1 meaning of sections 120A.22 and 120A.24, the student is working toward a ~~homeschool~~
 93.2 home school diploma, the ~~student is taking~~ home-classroom driver training ~~with classroom~~
 93.3 materials are approved by the commissioner of public safety, and the student's parent has
 93.4 certified the student's ~~homeschool~~ home school and home-classroom driver training status
 93.5 on the form approved by the commissioner; or

93.6 (D) an online driver education program authorized by section 171.395;

93.7 ~~(2) has completed the classroom phase of instruction in the driver education program~~
 93.8 ~~or has completed 15 hours of classroom instruction in a program that presents classroom~~
 93.9 ~~and behind-the-wheel instruction concurrently;~~

93.10 ~~(3)~~ (2) has passed a test of the applicant's eyesight;

93.11 ~~(4)~~ (3) has passed a department-administered test of the applicant's knowledge of traffic
 93.12 laws;

93.13 ~~(5)~~ (4) has completed the required application, which must be approved by (i) either
 93.14 parent when both reside in the same household as the minor applicant or, if otherwise, then
 93.15 (ii) the parent or spouse of the parent having custody or, in the event there is no court order
 93.16 for custody, then (iii) the parent or spouse of the parent with whom the minor is living or,
 93.17 if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor, (v) the
 93.18 foster parent or the director of the transitional living program in which the child resides or,
 93.19 in the event a person under the age of 18 has no living father, mother, or guardian, or is
 93.20 married or otherwise legally emancipated, then (vi) the applicant's adult spouse, adult close
 93.21 family member, or adult employer; provided, that the approval required by this clause
 93.22 contains a verification of the age of the applicant and the identity of the parent, guardian,
 93.23 adult spouse, adult close family member, or adult employer; and

93.24 ~~(6)~~ (5) has paid all fees required in section 171.06, subdivision 2.

93.25 (b) In addition, the applicant may submit a certification stating that a primary driving
 93.26 supervisor has completed the supplemental parental curriculum under section 171.0701,
 93.27 subdivision 1a, for the purposes of provisional license requirements under section 171.055,
 93.28 subdivision 1, paragraph (a), clause (6). The certification must be completed by a driver
 93.29 education instructor, as defined under section 171.0701, subdivision 1a.

93.30 (c) For the purposes of determining compliance with the certification of paragraph (a),
 93.31 clause (1), item (ii), subitem (C), the commissioner may request verification of a student's
 93.32 ~~homeschool~~ home school status from the superintendent of the school district in which the
 93.33 student resides and the superintendent shall provide that verification.

94.1 (d) A driver education program under this subdivision includes a public, private, or
 94.2 commercial program, and must be approved by the commissioner.

94.3 ~~(d)~~ (e) The instruction permit is valid for two years from the date of application and may
 94.4 be renewed upon payment of a fee equal to the fee for issuance of an instruction permit
 94.5 under section 171.06, subdivision 2.

94.6 Sec. 46. Minnesota Statutes 2020, section 171.06, subdivision 2a, is amended to read:

94.7 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) In addition to the appropriate fee
 94.8 under subdivision 2, the fee for any duplicate driver's license obtained for the purpose of
 94.9 adding a two-wheeled vehicle endorsement on a driver's license is increased by \$18.50:

94.10 (1) \$26.50 for each first such an initial endorsement or a duplicate license obtained for
 94.11 the purpose of adding the endorsement; and

94.12 ~~\$13~~ (2) \$17 for each license renewal thereof with the endorsement.

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

94.14 (1) \$14 \$19 of the additional fee for each first duplicate license under paragraph (a),
 94.15 clause (1), and \$7 \$11 of the additional fee for each renewal under paragraph (a), clause
 94.16 (2), must be credited to the motorcycle safety fund, which is hereby created; and

94.17 (2) the remainder of the additional fee must be credited to the general fund.

94.18 ~~(b)~~ (c) All application forms prepared by the commissioner for two-wheeled vehicle
 94.19 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle
 94.20 safety fund.

94.21 **EFFECTIVE DATE.** This section is effective August 1, 2021, for driver's license
 94.22 application and issuance on or after that date.

94.23 Sec. 47. Minnesota Statutes 2020, section 171.06, subdivision 3, is amended to read:

94.24 Subd. 3. **Contents of application; other information.** (a) An application must:

94.25 (1) state the full name, date of birth, sex, and either (i) the residence address of the
 94.26 applicant, or (ii) designated address under section 5B.05;

94.27 (2) as may be required by the commissioner, contain a description of the applicant and
 94.28 any other facts pertaining to the applicant, the applicant's driving privileges, and the
 94.29 applicant's ability to operate a motor vehicle with safety;

94.30 (3) state:

- 95.1 (i) the applicant's Social Security number; or
- 95.2 (ii) if the applicant does not have a Social Security number and is applying for a
- 95.3 Minnesota identification card, instruction permit, or class D provisional or driver's license,
- 95.4 that the applicant certifies that the applicant is not eligible for a Social Security number;
- 95.5 (4) contain a notification to the applicant of the availability of a living will/health care
- 95.6 directive designation on the license under section 171.07, subdivision 7; and
- 95.7 (5) include a method for the applicant to:
- 95.8 (i) request a veteran designation on the license under section 171.07, subdivision 15,
- 95.9 and the driving record under section 171.12, subdivision 5a;
- 95.10 (ii) indicate a desire to make an anatomical gift under ~~paragraph (d)~~ subdivision 3b,
- 95.11 paragraph (e);
- 95.12 (iii) as applicable, designate document retention as provided under section 171.12,
- 95.13 subdivision 3c; and
- 95.14 (iv) indicate emergency contacts as provided under section 171.12, subdivision 5b.
- 95.15 (b) Applications must be accompanied by satisfactory evidence demonstrating:
- 95.16 (1) identity, date of birth, and any legal name change if applicable; and
- 95.17 (2) for driver's licenses and Minnesota identification cards that meet all requirements of
- 95.18 the REAL ID Act:
- 95.19 (i) principal residence address in Minnesota, including application for a change of address,
- 95.20 unless the applicant provides a designated address under section 5B.05;
- 95.21 (ii) Social Security number, or related documentation as applicable; and
- 95.22 (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.
- 95.23 (c) An application for an enhanced driver's license or enhanced identification card must
- 95.24 be accompanied by:
- 95.25 (1) satisfactory evidence demonstrating the applicant's full legal name and United States
- 95.26 citizenship; and
- 95.27 (2) a photographic identity document.

95.28 Sec. 48. Minnesota Statutes 2020, section 171.061, subdivision 4, is amended to read:

95.29 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$8 for each

95.30 application. Except as provided in paragraph (c), the fee shall cover all expenses involved

96.1 in receiving, accepting, or forwarding to the department the applications and fees required
96.2 under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions
96.3 3 and 3a.

96.4 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
96.5 credit card or debit card. The driver's license agent may collect a convenience fee on the
96.6 statutory fees and filing fees not greater than the cost of processing a credit card or debit
96.7 card transaction. The convenience fee must be used to pay the cost of processing credit card
96.8 and debit card transactions. The commissioner shall adopt rules to administer this paragraph
96.9 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
96.10 does not apply.

96.11 (c) The department shall maintain the photo identification equipment for all agents
96.12 appointed as of January 1, 2000. Upon the retirement, resignation, death, or discontinuance
96.13 of an existing agent, and if a new agent is appointed in an existing office pursuant to
96.14 Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota Rules, part
96.15 7404.0400, the department shall provide and maintain photo identification equipment without
96.16 additional cost to a newly appointed agent in that office if the office was provided the
96.17 equipment by the department before January 1, 2000. All photo identification equipment
96.18 must be compatible with standards established by the department.

96.19 (d) A filing fee retained by the agent employed by a county board must be paid into the
96.20 county treasury and credited to the general revenue fund of the county. An agent who is not
96.21 an employee of the county shall retain the filing fee in lieu of county employment or salary
96.22 and is considered an independent contractor for pension purposes, coverage under the
96.23 Minnesota State Retirement System, or membership in the Public Employees Retirement
96.24 Association.

96.25 (e) Before the end of the first working day following the final day of the reporting period
96.26 established by the department, the agent must forward to the department all applications
96.27 and fees collected during the reporting period except as provided in paragraph (d).

96.28 (f) For every transaction where an agent collects a fee pursuant to paragraph (a), the
96.29 commissioner must transmit a payment of \$3 to the agent that collected the fee. The
96.30 commissioner must make the payments required by this paragraph on a quarterly basis.
96.31 Payments made to an agent employed by a county board must be paid into the county
96.32 treasury and credited to the general revenue fund of the county. An amount sufficient to
96.33 make the payments required by this paragraph is appropriated to the commissioner from
96.34 the driver services operating account in the special revenue fund.

97.1 Sec. 49. Minnesota Statutes 2020, section 171.071, is amended by adding a subdivision
97.2 to read:

97.3 Subd. 4. **Variance for homebound individuals.** (a) Notwithstanding section 171.07 or
97.4 Minnesota Rules, part 7410.1810, the commissioner may grant a variance from the
97.5 photograph requirements for a noncompliant identification card if: (1) the individual is
97.6 homebound as defined in paragraph (b); (2) the individual has submitted proof of homebound
97.7 status; and (3) the department has a photograph of the applicant on file that was taken within
97.8 the last four years or during the most recent renewal cycle or the applicant has submitted a
97.9 photograph to the department that meets the requirements of section 171.07, Minnesota
97.10 Rules, part 7410.1810, subpart 1, and other technical requirements established by the
97.11 commissioner such as background color and electronic file size to ensure the image can be
97.12 used on a credential and conforms with images taken by the department. Applicants granted
97.13 a photograph variance under this subdivision are not required to appear in person to have
97.14 a new photograph taken.

97.15 (b) For purposes of this subdivision, "homebound" means the individual is unable to
97.16 leave the individual's residence due to a medical, physical, or mental health condition or
97.17 infirmity as documented in writing by a physician, case worker, or social worker.

97.18 Sec. 50. Minnesota Statutes 2020, section 171.12, subdivision 7b, is amended to read:

97.19 **Subd. 7b. Data privacy; noncompliant license or identification card.** (a) With respect
97.20 to noncompliant licenses or identification cards, the commissioner is prohibited from:

97.21 (1) electronically disseminating outside the state data that is not disseminated as of May
97.22 19, 2017; or

97.23 (2) utilizing any electronic validation or verification system accessible from or maintained
97.24 outside the state that is not in use as of May 19, 2017.

97.25 (b) The limitations in paragraph (a) do not apply to the extent necessary to: (1) maintain
97.26 compliance with the driver's license compact under section 171.50 and applicable federal
97.27 law governing commercial driver's licenses; and (2) perform identity verification as part of
97.28 an application for a replacement Social Security card issued by the Social Security
97.29 Administration.

97.30 (c) For purposes of this subdivision, "outside the state" includes federal agencies, states
97.31 other than Minnesota, organizations operating under agreement among the states, and private
97.32 entities.

98.1 **EFFECTIVE DATE.** This section is effective February 1, 2022, or upon completion
 98.2 of the necessary programming changes to the driver and vehicle services information system,
 98.3 whichever is earlier.

98.4 Sec. 51. Minnesota Statutes 2020, section 171.13, subdivision 1, is amended to read:

98.5 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
 98.6 **disabled veterans.** (a) Each applicant for a driver's license must pass the examination
 98.7 required by this section before being issued a driver's license. Except as otherwise provided
 98.8 ~~in this section~~ by sections 171.83 or 171.70 to 171.82, the commissioner shall examine each
 98.9 ~~applicant for a driver's license by such agency as the commissioner directs~~ must conduct
 98.10 the examination. This examination must include:

98.11 (1) a test of the applicant's eyesight;

98.12 (2) a test of the applicant's ability to read and understand highway signs regulating,
 98.13 warning, and directing traffic;

98.14 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
 98.15 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
 98.16 penalties and financial consequences resulting from violations of laws prohibiting the
 98.17 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
 98.18 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
 98.19 transportation safety, including the significance of school bus lights, signals, stop arm, and
 98.20 passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and
 98.21 dangers of carbon monoxide poisoning;

98.22 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the
 98.23 operation of a motor vehicle; and

98.24 (5) other physical and mental examinations as the commissioner finds necessary to
 98.25 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

98.26 (b) Notwithstanding paragraph (a), ~~no~~ the commissioner must not deny an application
 98.27 for a driver's license may be denied an applicant based on the exclusive grounds that the
 98.28 applicant's eyesight is deficient in color perception or that the applicant has been diagnosed
 98.29 with diabetes mellitus. War veterans operating motor vehicles especially equipped for
 98.30 disabled persons, if otherwise entitled to a license, must be granted such license.

98.31 (c) The commissioner shall make provision for giving the examinations under this
 98.32 subdivision either in the county where the applicant resides or at a place adjacent thereto
 98.33 reasonably convenient to the applicant.

99.1 (d) The commissioner shall ensure that an applicant is able to obtain an appointment for
 99.2 an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the
 99.3 applicant's request if, under the applicable statutes and rules of the commissioner, the
 99.4 applicant is eligible to take the examination.

99.5 EFFECTIVE DATE. Paragraph (a) is effective August 1, 2021. Paragraph (b) is effective
 99.6 July 1, 2021.

99.7 Sec. 52. Minnesota Statutes 2020, section 171.13, subdivision 6, is amended to read:

99.8 Subd. 6. ~~Initial motorcycle~~ Two-wheeled vehicle endorsement examination fee. A
 99.9 person applying for an initial ~~motorcycle~~ two-wheeled vehicle endorsement on a driver's
 99.10 license shall pay at the place of examination a total fee of \$21, which includes the a \$2.50
 99.11 examination fee and, an endorsement fee, ~~but does not include the fee for a duplicate driver's~~
 99.12 ~~license~~ as prescribed in section 171.06, subdivision 2a, and the appropriate driver's license
 99.13 fee as prescribed in section 171.06, subdivision 2. ~~Of this amount, \$11 must be credited as~~
 99.14 ~~provided in section 171.06, subdivision 2a, paragraph (a), clause (1), \$2.50 must be credited~~
 99.15 ~~to the driver services operating account in the special revenue fund specified under section~~
 99.16 ~~299A.705, and the remainder must be credited to the general fund.~~

99.17 EFFECTIVE DATE. This section is effective August 1, 2021, for driver's license
 99.18 application and issuance on or after that date.

99.19 Sec. 53. Minnesota Statutes 2020, section 171.13, subdivision 7, is amended to read:

99.20 Subd. 7. ~~Repeat Examination fee fees.~~ (a) A fee of \$10 must be paid by an individual
 99.21 to take a third and any subsequent knowledge test administered by the department if the
 99.22 individual has failed two previous consecutive knowledge tests on the subject.

99.23 (b) A fee of \$20 must be paid by an individual to take a third and any subsequent skills
 99.24 or road test administered by the department if the individual has previously failed two
 99.25 consecutive skill or road tests in a specified class of motor vehicle.

99.26 (c) A fee of \$20 must be paid by an individual who fails to appear for a scheduled skills
 99.27 or road test or who cancels a skills or road test within 24 hours of the appointment time.

99.28 (d) All fees received under this subdivision must be paid into the state treasury and
 99.29 credited to the driver services operating account in the special revenue fund specified under
 99.30 section 299A.705.

99.31 EFFECTIVE DATE. This section is effective July 1, 2021.

100.1 Sec. 54. Minnesota Statutes 2020, section 171.13, subdivision 9, is amended to read:

100.2 Subd. 9. **Online driver's license knowledge testing authorization.** (a) The commissioner
100.3 must implement online knowledge testing as provided in this subdivision. The commissioner
100.4 must not charge a fee to a driver education program or an authorized entity for access to
100.5 the online knowledge testing system or for administering the online knowledge test. The
100.6 commissioner must administer the fourth or subsequent knowledge test for a person.

100.7 (b) Upon written request from a driver education program licensed by the department,
100.8 the commissioner must grant access to the department's web-based knowledge testing system
100.9 to the driver education program. Once granted access to the online knowledge testing system,
100.10 a driver education program may administer the online knowledge test to a student of the
100.11 program.

100.12 (c) An entity other than a driver education program may apply to the commissioner for
100.13 authority to administer online knowledge tests. The commissioner may approve or disapprove
100.14 an application for administering the online knowledge tests under this paragraph. Upon
100.15 approving an application of an entity, the commissioner must grant access to the department's
100.16 web-based knowledge testing system to that authorized entity. Once granted access to the
100.17 online knowledge testing system, the authorized entity may administer the online knowledge
100.18 test.

100.19 (d) A driver education program or authorized entity:

100.20 (1) must provide all computers and equipment for persons that take the online knowledge
100.21 test;

100.22 (2) must provide appropriate proctors to monitor persons taking the online knowledge
100.23 test; and

100.24 (3) may charge a fee of no more than \$10 for administering the online knowledge test.

100.25 (e) For purposes of paragraph (d), clause (2), a proctor must be:

100.26 (1) an employee of the driver education program, authorized entity, or a state or local
100.27 government;

100.28 (2) a driver's license agent; or

100.29 (3) a classroom teacher, school administrator, or paraprofessional at a public or private
100.30 school, excluding a home school.

100.31 The proctor must be physically present at the location where the test is being administered.

100.32 A proctor must not be a relative of the person taking the test. For purposes of this paragraph,

101.1 a relative is a spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
 101.2 including adoptive, half, step, and in-law relationships.

101.3 **EFFECTIVE DATE.** This section is effective on the earlier of August 1, 2021, or the
 101.4 day following the expiration of the peacetime emergency declared in Executive Order 20-01
 101.5 and extended by subsequent executive orders.

101.6 Sec. 55. Minnesota Statutes 2020, section 171.13, is amended by adding a subdivision to
 101.7 read:

101.8 Subd. 10. **Test locations.** The commissioner must establish locations throughout the
 101.9 state where an individual may take the driver's license knowledge test, road test, or both.
 101.10 At a minimum, the commissioner must establish testing locations in the following cities:
 101.11 Ada, Aitkin, Albert Lea, Alexandria, Anoka, Arden Hills, Austin, Bagley, Baudette, Bemidji,
 101.12 Benson, Blue Earth, Brainerd, Breckenridge, Buffalo, Caledonia, Cambridge, Chaska,
 101.13 Crookston, Detroit Lakes, Duluth, Eagan, East Grand Forks, Elbow Lake, Ely, Fairmont,
 101.14 Faribault, Fergus Falls, Foley, Gaylord, Glencoe, Glenwood, Grand Marais, Grand Rapids,
 101.15 Granite Falls, Hallock, Hastings, Hibbing, Hutchinson, International Falls, Ivanhoe, Jackson,
 101.16 LaCrescent, LeCenter, Lindstrom, Litchfield, Little Falls, Long Prairie, Luverne, Madison,
 101.17 Mahnomen, Mankato, Marshall, Milaca, Minneapolis, Montevideo, Moorhead, Moose Lake,
 101.18 Mora, Morris, New Ulm, Olivia, Ortonville, Park Rapids, Paynesville, Pine City, Pipestone,
 101.19 Plymouth, Preston, Red Wing, Redwood Falls, Rochester, Roseau, Sauk Centre, Slayton,
 101.20 St. Cloud, St. James, St. Paul, St. Peter, Stillwater, Thief River Falls, Two Harbors, Virginia,
 101.21 Wabasha, Wadena, Walker, Warren, Waseca, Wheaton, Willmar, Windom, Winona, and
 101.22 Worthington. Each location must offer both knowledge tests and road tests, except that the
 101.23 locations in Minneapolis and St. Paul may offer only knowledge tests. The commissioner
 101.24 must offer the same services at each of these locations on the same number of days and the
 101.25 same number of hours that were offered on March 1, 2020. Nothing in this section prevents
 101.26 the commissioner from opening additional testing locations or expanding service at the
 101.27 locations named in this subdivision.

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

101.29 Sec. 56. Minnesota Statutes 2020, section 171.27, is amended to read:

101.30 **171.27 EXPIRATION OF LICENSE EXPIRATION AND RENEWAL; ~~MILITARY~~**
 101.31 **~~EXCEPTION~~ EXCEPTIONS.**

101.32 (a) Except as otherwise provided in this section, the expiration date for each driver's
 101.33 license is the birthday of the driver in the fourth year following the date of issuance of the

102.1 license. The birthday of the driver shall be as indicated on the application for a driver's
102.2 license. A license may be renewed on or before expiration or within one year after expiration
102.3 upon application, payment of the required fee, and passing the examination required of all
102.4 drivers for renewal. Driving privileges shall be extended or renewed on or preceding the
102.5 expiration date of an existing driver's license unless the commissioner believes that the
102.6 licensee is no longer qualified as a driver.

102.7 (b) The expiration date for each under-21 license shall be the 21st birthday of the licensee.
102.8 Upon the licensee attaining the age of 21 and upon the application, payment of the required
102.9 fee, and passing the examination required of all drivers for renewal, a driver's license shall
102.10 be issued unless the commissioner determines that the licensee is no longer qualified as a
102.11 driver.

102.12 (c) The expiration date for each provisional license is two years after the date of
102.13 application for the provisional license.

102.14 (d) Notwithstanding paragraphs (a) to (c), the expiration date for a license issued to a
102.15 person with temporary lawful status is the last day of the person's legal stay in the United
102.16 States, or one year after issuance if the last day of the person's legal stay is not identified.

102.17 (e) ~~Any~~ A valid Minnesota driver's license issued to:

102.18 (1) a person then or subsequently serving outside Minnesota in active military service,
102.19 as defined in section 190.05, subdivision 5, in any branch or unit of the armed forces of the
102.20 United States;

102.21 (2) a person then or subsequently serving outside Minnesota as a volunteer in the Peace
102.22 Corps; or

102.23 (3) the person's spouse; of a person in clause (1) or (2);

102.24 ~~shall continue~~ continues in full force and effect without requirement for renewal until the
102.25 date one year following the ~~service member's~~ person's separation or discharge from active
102.26 military or volunteer service, and until the license holder's birthday in the fourth full year
102.27 following the person's most recent license renewal or, in the case of a provisional license,
102.28 until the person's birthday in the third full year following the renewal.

102.29 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2021. Paragraph (b) is effective
102.30 July 1, 2021.

103.1 Sec. 57. Minnesota Statutes 2020, section 171.29, subdivision 2, is amended to read:

103.2 Subd. 2. **Reinstatement fees and surcharges allocated and appropriated.** (a) An
103.3 individual whose driver's license has been revoked as provided in subdivision 1, except
103.4 under section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota
103.5 Statutes 2012, section 609.21, must pay a \$30 fee before the driver's license is reinstated.

103.6 (b) A person whose driver's license has been revoked as provided in subdivision 1 under
103.7 section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota Statutes
103.8 2012, section 609.21, must pay a \$250 fee plus a \$430 surcharge before the driver's license
103.9 is reinstated, except as provided in paragraph (f). The \$250 fee is to be credited as follows:

103.10 (1) Twenty percent must be credited to the driver services operating account in the
103.11 special revenue fund as specified in section 299A.705.

103.12 (2) Sixty-seven percent must be credited to the general fund.

103.13 (3) Eight percent must be credited to a separate account to be known as the Bureau of
103.14 Criminal Apprehension account. Money in this account is annually appropriated to the
103.15 commissioner of public safety and the appropriated amount must be apportioned 80 percent
103.16 for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

103.17 (4) Five percent must be credited to a separate account to be known as the vehicle
103.18 forfeiture account, which is created in the special revenue fund. The money in the account
103.19 is annually appropriated to the commissioner for costs of handling vehicle forfeitures.

103.20 (c) The revenue from \$50 of the surcharge must be credited to a separate account to be
103.21 known as the traumatic brain injury and spinal cord injury account. The revenue from \$50
103.22 of the surcharge on a reinstatement under paragraph (f) is credited from the first installment
103.23 payment to the traumatic brain injury and spinal cord injury account. The money in the
103.24 account is annually appropriated to the commissioner of health to be used as follows: 83
103.25 percent for contracts with a qualified community-based organization to provide information,
103.26 resources, and support to assist persons with traumatic brain injury and their families to
103.27 access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury
103.28 registry created in section 144.662. For the purposes of this paragraph, a "qualified
103.29 community-based organization" is a private, not-for-profit organization of consumers of
103.30 traumatic brain injury services and their family members. The organization must be registered
103.31 with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt
103.32 organization and must have as its purposes:

104.1 (1) the promotion of public, family, survivor, and professional awareness of the incidence
104.2 and consequences of traumatic brain injury;

104.3 (2) the provision of a network of support for persons with traumatic brain injury, their
104.4 families, and friends;

104.5 (3) the development and support of programs and services to prevent traumatic brain
104.6 injury;

104.7 (4) the establishment of education programs for persons with traumatic brain injury; and

104.8 (5) the empowerment of persons with traumatic brain injury through participation in its
104.9 governance.

104.10 A patient's name, identifying information, or identifiable medical data must not be disclosed
104.11 to the organization without the informed voluntary written consent of the patient or patient's
104.12 guardian or, if the patient is a minor, of the parent or guardian of the patient.

104.13 (d) The remainder of the surcharge must be credited to a separate account to be known
104.14 as the remote electronic alcohol-monitoring program account. The commissioner shall
104.15 transfer the balance of this account to the commissioner of management and budget on a
104.16 monthly basis for deposit in the general fund.

104.17 (e) When these fees are collected by a licensing agent, appointed under section 171.061,
104.18 a handling charge is imposed in the amount specified under section 171.061, subdivision
104.19 4. The reinstatement fees and surcharge must be deposited in an approved depository as
104.20 directed under section 171.061, subdivision 4.

104.21 (f) A person whose driver's license has been revoked as provided in subdivision 1 under
104.22 section 169A.52, 169A.54, or 171.177 ~~and who the court certifies as being financially~~
104.23 ~~eligible for a public defender under section 611.17,~~ may choose to pay 50 percent and an
104.24 additional \$25 of the total amount of the surcharge and 50 percent of the fee required under
104.25 paragraph (b) to reinstate the person's driver's license, provided the person meets all other
104.26 requirements of reinstatement. If a person chooses to pay 50 percent of the total and an
104.27 additional \$25, the driver's license must expire after two years. The person must pay an
104.28 additional 50 percent less \$25 of the total to extend the license for an additional two years,
104.29 provided the person is otherwise still eligible for the license. After this final payment of the
104.30 surcharge and fee, the license may be renewed on a standard schedule, as provided under
104.31 section 171.27. A handling charge may be imposed for each installment payment. Revenue
104.32 from the handling charge is credited to the driver services operating account in the special
104.33 revenue fund and is appropriated to the commissioner.

105.1 (g) Any person making installment payments under paragraph (f), whose driver's license
105.2 subsequently expires, or is canceled, revoked, or suspended before payment of 100 percent
105.3 of the surcharge and fee, must pay the outstanding balance due for the initial reinstatement
105.4 before the driver's license is subsequently reinstated. Upon payment of the outstanding
105.5 balance due for the initial reinstatement, the person may pay any new surcharge and fee
105.6 imposed under paragraph (b) in installment payments as provided under paragraph (f).

105.7 Sec. 58. [171.395] ONLINE DRIVER EDUCATION PROGRAM.

105.8 (a) A licensed driver education program may provide online driver education as provided
105.9 in this section. The online driver education program must satisfy the requirements for
105.10 classroom driver education as provided in section 171.0701, subdivision 1, and Minnesota
105.11 Rules, chapter 7411. In addition, an online driver education program must:

105.12 (1) include a means for the student to measure performance outcomes;

105.13 (2) use a pool of rotating quiz questions;

105.14 (3) incorporate accountability features to ensure the identity of the student while engaged
105.15 in the course of online study;

105.16 (4) measure the amount of time that the student spends in the course;

105.17 (5) provide technical support to customers that is available 24 hours per day, seven days
105.18 per week;

105.19 (6) require a licensed Minnesota driver education instructor to monitor each student's
105.20 progress and be available to answer questions in a timely manner, provided that the instructor
105.21 is not required to monitor progress or answer questions in real time;

105.22 (7) store course content and student data on a secure server that is protected against data
105.23 breaches and is regularly backed up;

105.24 (8) incorporate preventive measures in place to protect against the access of private
105.25 information;

105.26 (9) include the ability to update course content uniformly throughout the state; and

105.27 (10) provide online interactive supplemental parental curriculum consistent with section
105.28 171.0701, subdivision 1a.

105.29 (b) Except as required by this section, the commissioner is prohibited from imposing
105.30 requirements on online driver education programs that are not equally applicable to classroom
105.31 driver education programs.

106.1 Sec. 59. [171.70] DEFINITIONS.

106.2 (a) For purposes of sections 171.70 to 171.82, the following terms have the meanings
106.3 given.

106.4 (b) "Applicant" means an entity applying for approval to be a third-party testing program.

106.5 (c) "Entity" includes an individual, natural person, and a legal or corporate person,
106.6 however organized unless otherwise expressly described or limited.

106.7 (d) "Letter of approval" means the document issued by the commissioner to the third-party
106.8 testing program authorizing the program to administer road tests for class D drivers' licenses.

106.9 (e) "Road test" means the actual physical demonstration of the ability to exercise ordinary
106.10 and reasonable control in the operation of a motor vehicle as required by section 171.13,
106.11 subdivision 1, paragraph (a), clause (4).

106.12 (f) "Third-party tester" means an individual who is an employee of a third-party testing
106.13 program who has qualified for a third-party tester certificate issued by the commissioner
106.14 granting the individual authorization to conduct road tests for class D drivers' licenses.

106.15 (g) "Third-party tester certificate" means a certificate issued by the commissioner to the
106.16 third-party tester authorizing the third-party tester to administer road tests for class D drivers'
106.17 licenses on behalf of a specified third-party testing program.

106.18 (h) "Third-party testing program" means a program authorized by the commissioner to
106.19 administer to an individual the road test for class D drivers' licenses.

106.20 **EFFECTIVE DATE.** This section is effective August 1, 2021.

106.21 Sec. 60. [171.71] THIRD-PARTY TESTER; AUTHORIZATION.

106.22 The commissioner must allow a third-party tester that complies with the requirements
106.23 of sections 171.70 to 171.82 to conduct road tests for people applying for class D drivers'
106.24 licenses.

106.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

106.26 Sec. 61. [171.72] PROGRAM APPLICATION; APPROVAL.

106.27 Subdivision 1. **Application.** The applicant shall apply to the commissioner for approval
106.28 to be a third-party testing program authorized to administer road tests for class D drivers'
106.29 licenses. The applicant must submit the application to the commissioner and provide the
106.30 information in subdivision 2. A third-party testing program or a third-party tester employed

107.1 by the program must not conduct road tests until the program is approved by the
107.2 commissioner.

107.3 Subd. 2. **Application contents.** To apply for approval as a third-party testing program,
107.4 an applicant must complete an application containing the information specified in this
107.5 section:

107.6 (1) business name;

107.7 (2) business registration number if a business, or tax identification number if a nonprofit
107.8 entity;

107.9 (3) address of the business's administrative office;

107.10 (4) telephone number and e-mail address of the administrative office;

107.11 (5) name of an authorized official responsible for the program and application, and the
107.12 official's title and telephone number;

107.13 (6) a map, drawing, or written description of the test route to be used for road tests;

107.14 (7) the name, birth date, home address, and driver's license number of all individuals
107.15 the applicant wants to employ as a certified third-party tester;

107.16 (8) attestation that the applicant carries the required insurance, as described in chapter
107.17 65B, for all vehicles used for testing; and

107.18 (9) attestation by the authorized official that the information submitted is true and
107.19 accurate.

107.20 Subd. 3. **Location requirement.** To qualify as a third-party testing program, the applicant
107.21 must be located in the state and must maintain an administrative office in at least one
107.22 permanent, regularly occupied building with a permanent address.

107.23 Subd. 4. **Employment of certified tester.** The applicant must employ one or more
107.24 certified third-party testers who meet the qualifications in section 171.75.

107.25 Subd. 5. **Evaluation.** The commissioner shall evaluate the application submitted by the
107.26 third-party testing program applicant. If the application is satisfactory, the commissioner
107.27 must approve the application.

107.28 Subd. 6. **Limitation.** The commissioner is prohibited from imposing any criteria or
107.29 requirements that are not specified by this section.

107.30 Subd. 7. **Commissioner's letter of approval.** Upon approval of an application submitted
107.31 pursuant to this section, the commissioner shall issue a letter of approval to designate a

108.1 third-party testing program. The letter of approval constitutes an agreement between the
108.2 state and the third-party testing program administering road tests for a class D driver's
108.3 license. A letter of approval to operate a third-party testing program is not transferable.

108.4 **EFFECTIVE DATE.** This section is effective August 1, 2021.

108.5 Sec. 62. **[171.73] INDEMNIFICATION.**

108.6 An applicant shall agree to indemnify and hold harmless the state and all state officers,
108.7 employees, and agents of the state from and against all claims, losses, damages, costs, and
108.8 other proceedings made, sustained, brought, or prosecuted in any manner based on or
108.9 occasioned by or attributive to any injury, infringement, or damage rising from any act or
108.10 omission of the third-party testing program or the program's employees in the performance
108.11 of testing duties.

108.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

108.13 Sec. 63. **[171.74] USE OF CERTIFIED THIRD-PARTY TESTERS.**

108.14 The third-party testing program shall allow only individuals who have been certified by
108.15 the commissioner as third-party testers under sections 171.75 to 171.76 to administer road
108.16 tests. The program shall maintain, on file in the program's administrative office, a copy of
108.17 the valid certificate of each third-party tester employed by the program.

108.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

108.19 Sec. 64. **[171.75] THIRD-PARTY TESTER QUALIFICATIONS.**

108.20 Subdivision 1. **Generally.** To be certified as a third-party tester, an individual must make
108.21 application to, and be approved by, the commissioner as provided in this section. The
108.22 individual must:

108.23 (1) possess a valid driver's license;

108.24 (2) be 21 years of age or older;

108.25 (3) have been a licensed driver in a United States state for the past three years;

108.26 (4) before the date of application, have maintained continuous valid driving privileges
108.27 for the past year;

108.28 (5) successfully pass a prequalifying tester examination;

108.29 (6) be an employee of a third-party testing program;

109.1 (7) successfully complete the test administration training required of state-employed
109.2 examiners; and

109.3 (8) have the class of driver's license and endorsements to operate the type of vehicles
109.4 for which the road tests are administered.

109.5 The examination and training required by clauses (5) and (7) must be identical for
109.6 state-employed examiners and third-party testers.

109.7 Subd. 2. **State employee.** A certified third-party tester must not be an employee of the
109.8 department.

109.9 Subd. 3. **Employment.** A certified third-party tester must have a certificate for each
109.10 third-party testing program that employs the tester. The tester must reapply and be approved
109.11 for a new certificate to conduct tests on behalf of a new third-party testing program. The
109.12 tester may be simultaneously employed by more than one program.

109.13 Subd. 4. **Maintaining certification.** To maintain certification as a third-party tester, an
109.14 individual must:

109.15 (1) conduct at least 12 road tests annually from the date of initial issuance of a third-party
109.16 tester certificate;

109.17 (2) be evaluated at least annually on the administration of tests and record keeping;

109.18 (3) attend annual in-service training, workshops, or seminars provided by the
109.19 commissioner, provided that the requirements are the same as for testers employed by the
109.20 department;

109.21 (4) submit monthly testing reports in a format specified by the commissioner; and

109.22 (5) account for all records of examination issued by the commissioner to a third-party
109.23 tester and submit the record of examination immediately to the commissioner after completing
109.24 a road test.

109.25 Subd. 5. **Limitation.** The commissioner is prohibited from imposing any criteria or
109.26 requirements on third-party testing programs or third-party testers that are not specified by
109.27 this section.

109.28 **EFFECTIVE DATE.** This section is effective August 1, 2021.

109.29 Sec. 65. **[171.76] CERTIFICATES AND LETTER OF APPROVAL.**

109.30 Subdivision 1. **Tester certificates.** The commissioner shall issue a certificate to each
109.31 approved third-party tester of a third-party testing program. The third-party testing program

110.1 must keep a copy of the certificate of each third-party tester employed by the program on
110.2 file in the office of the program. A third-party tester's certificate is effective on the date of
110.3 issuance by the commissioner and expires four years after issuance. A third-party tester
110.4 may not conduct road tests without a valid third-party tester certificate. A certificate issued
110.5 to a third-party tester is not transferable.

110.6 Subd. 2. **Certificate renewal time frame.** A third-party tester must submit an application
110.7 for renewal of the tester's certificate to the commissioner no less than 30 days before the
110.8 date the previously issued certificate expires.

110.9 **EFFECTIVE DATE.** This section is effective August 1, 2021.

110.10 Sec. 66. **[171.77] TEST PROOF.**

110.11 The third-party testing program shall provide a record of examination, on a format
110.12 obtained from or approved by the commissioner, to an individual who has passed a road
110.13 test for a class D driver's license. The record of examination, which must be presented at
110.14 the time of application for a class D driver's license, must specify that the individual has
110.15 passed the required test or tests administered by the third-party testing program.

110.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

110.17 Sec. 67. **[171.78] AUDITS.**

110.18 Subdivision 1. **Random examinations, inspections, and audits.** A third-party testing
110.19 program shall agree to allow representatives of the commissioner, on behalf of the state, to
110.20 conduct random examinations, inspections, and audits of the testing operation without prior
110.21 notice.

110.22 Subd. 2. **On-site inspections.** A third-party testing program shall permit on-site
110.23 inspections by agents of the commissioner as necessary to determine compliance with
110.24 sections 171.70 to 171.82.

110.25 Subd. 3. **Examination of test administration.** On at least an annual basis, agents of the
110.26 commissioner who are state employees must be permitted to:

110.27 (1) take the tests actually administered by the third-party testing program as if the state
110.28 employees were test applicants;

110.29 (2) test a sample of drivers who were tested by the third-party testing program to compare
110.30 passing and failing results; or

110.31 (3) conduct a road test simultaneously with the third-party tester to compare test results.

111.1 Subd. 4. **Notice of test schedule.** Upon request, no less than 48 hours in advance, the
 111.2 third-party testing program shall provide the commissioner with the scheduled times and
 111.3 dates that skill tests and road tests are to be given.

111.4 **EFFECTIVE DATE.** This section is effective August 1, 2021.

111.5 Sec. 68. **[171.79] TEST ADMINISTRATION.**

111.6 Subdivision 1. **Generally.** Road tests conducted by a third-party tester must meet the
 111.7 requirements in Minnesota Rules, parts 7410.4800 to 7410.5380. The commissioner is
 111.8 prohibited from imposing additional test administration criteria or requirements on third-party
 111.9 testers.

111.10 Subd. 2. **Third-party tester restrictions.** A third-party tester shall not:

111.11 (1) delegate any portion of testing to another individual;

111.12 (2) be the spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
 111.13 including adoptive, half, step, and in-law relationships, of the person taking the test;

111.14 (3) test anyone with a physical disability who may need an individualized restriction
 111.15 added to the person's driver's license; or

111.16 (4) test anyone who has not completed all coursework and training before administering
 111.17 a road test.

111.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

111.19 Sec. 69. **[171.80] RECORD KEEPING; REPORTING REQUIREMENTS.**

111.20 Subdivision 1. **Records of administered tests.** An approved third-party testing program
 111.21 shall maintain at the program's administrative offices, for a minimum of three years, the
 111.22 tester's copy of the record of examination of any driver for whom the third-party testing
 111.23 program conducts a test, whether or not the driver passes or fails the test. Each record of
 111.24 examination must include:

111.25 (1) the full name of the driver;

111.26 (2) the date the driver took the test; and

111.27 (3) the name and certificate number of the third-party tester conducting the test.

111.28 Subd. 2. **Records of third-party testers.** The third-party testing program shall maintain,
 111.29 at the program's administrative offices, a record of each third-party tester in the employ of
 111.30 the third-party testing program at that location. Each record must include:

112.1 (1) a valid and complete tester certificate indicating the third-party tester has met all
112.2 qualifications;

112.3 (2) a copy of the third-party tester's current driving record, which must be updated
112.4 annually; and

112.5 (3) evidence that the third-party tester is an employee of the third-party testing program.

112.6 Subd. 3. **Record retention.** The third-party testing program shall retain all third-party
112.7 tester records for three years after a third-party tester leaves the employ of the third-party
112.8 testing program.

112.9 Subd. 4. **Reporting requirements.** The third-party testing program shall report the
112.10 number of road tests administered annually by all third-party testers employed by the
112.11 program. The report must be in writing or in an electronic format approved by the
112.12 commissioner and must be received by the commissioner within 45 days of the end of each
112.13 calendar year.

112.14 Subd. 5. **Data Practices Act.** All third-party testing programs and third-party testers are
112.15 subject to section 13.05, subdivision 11.

112.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

112.17 Sec. 70. **[171.81] NOTIFICATION REQUIREMENTS.**

112.18 Subdivision 1. **Generally.** The third-party testing program shall ensure that the
112.19 commissioner is notified in writing or by electronic means:

112.20 (1) 30 days before any change in the third-party testing program's name or address;

112.21 (2) ten days before any change in the third-party tester employed by the third-party
112.22 testing program;

112.23 (3) within ten days of a change in a third-party tester's driving status;

112.24 (4) within ten days of the third-party testing program ceasing business operations in
112.25 Minnesota; or

112.26 (5) within ten days of a third-party tester:

112.27 (i) receiving notice from any state that the tester's driving privileges have been withdrawn;
112.28 or

112.29 (ii) failing to comply with the third-party testing program or third-party tester
112.30 requirements in sections 171.70 to 171.82.

113.1 Subd. 2. **Test route change.** Before changing a test route, a third-party testing program
113.2 must submit a written request and obtain written approval from the commissioner for any
113.3 proposed change in the road test route. The request may be submitted by facsimile or e-mail.

113.4 Subd. 3. **Tester change.** A third-party tester shall notify the commissioner within ten
113.5 days of leaving the employ of a third-party testing program.

113.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

113.7 Sec. 71. **[171.82] DENIAL, CANCELLATION, OR SUSPENSION OF PROGRAM**
113.8 **OR TESTER; APPEAL.**

113.9 Subdivision 1. **Denial.** The commissioner may deny an application for a third-party
113.10 testing program or tester certificate if the applicant does not qualify for approval or
113.11 certification under sections 171.70 to 171.81. In addition, a misstatement or misrepresentation
113.12 is grounds for denying a letter of approval or tester certificate.

113.13 Subd. 2. **Cancellation or suspension.** The commissioner may cancel the approval of a
113.14 third-party testing program or third-party tester or may suspend a program or tester for:

113.15 (1) failure to comply with or satisfy any provision of sections 171.70 to 171.81;

113.16 (2) falsification of any records or information relating to the third-party testing program;

113.17 (3) performance in a manner that compromises the integrity of the third-party testing
113.18 program. The commissioner must use the same standards of integrity for state-employed
113.19 testers and third-party testers; or

113.20 (4) the withdrawal of a third-party tester's driving privileges.

113.21 Subd. 3. **Commissioner's discretion.** (a) The existence of grounds for cancellation or
113.22 suspension under subdivision 2 is determined at the sole discretion of the commissioner. If
113.23 the commissioner determines that grounds for cancellation or suspension exist for failure
113.24 to comply with or satisfy any requirement in sections 171.70 to 171.81, the commissioner
113.25 may immediately cancel or suspend the third-party testing program or third-party tester
113.26 from administering any further tests.

113.27 (b) When an application to be a third-party testing program or third-party tester
113.28 application is denied, or when individual program approval or a tester's certificate is canceled,
113.29 a notice must be mailed to the subject indicating the reasons for the denial or cancellation
113.30 and that the third-party testing program or third-party tester may appeal the decision as
113.31 provided in subdivision 5.

114.1 Subd. 4. **Correction order.** If an audit by the commissioner identifies a situation that
114.2 needs correction but does not merit suspension or cancellation, the commissioner may issue
114.3 a correction order to a third-party tester or program for 30 days to correct a deficiency before
114.4 the program or tester becomes subject to suspension or cancellation. The notice must include
114.5 the basis for requiring the correction. The notice must notify the individual of the ability to
114.6 appeal the correction order as provided in subdivision 5. The third-party testing program
114.7 or third-party tester is permitted 30 days to correct the deficiency without having to reapply.

114.8 Subd. 5. **Notice of denial or cancellation; request for reconsideration and hearing.** (a)
114.9 Within 20 calendar days of receiving a notice of cancellation or denial issued pursuant to
114.10 subdivision 3 or correction order issued pursuant to subdivision 4, the third-party testing
114.11 program or third-party tester may submit a request for reconsideration in writing to the
114.12 commissioner. The commissioner shall review the request for reconsideration and issue a
114.13 decision within 30 days of receipt of the request. Upon receipt of the commissioner's decision,
114.14 the affected party may initiate a contested case proceeding under chapter 14.

114.15 (b) As an alternative to the process in paragraph (a), the affected party may initiate a
114.16 contested case proceeding within 20 calendar days of receiving a notice of cancellation or
114.17 denial issued pursuant to subdivision 3 or a correction order issued pursuant to subdivision
114.18 4.

114.19 (c) If a correction order issued pursuant to subdivision 4 is contested as provided in
114.20 paragraph (a) or (b), the commissioner must not enforce the correction order until a final
114.21 decision has been made following the contested case proceeding.

114.22 **EFFECTIVE DATE.** This section is effective August 1, 2021.

114.23 Sec. 72. **[171.83] THIRD-PARTY COMMERCIAL DRIVER'S LICENSE ROAD**
114.24 **TESTS.**

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

114.27 (b) "Applicant" means the individual or entity applying to be a third-party tester program
114.28 or a third-party tester.

114.29 (c) " Road test" means the actual physical demonstration of ability to exercise ordinary
114.30 and reasonable control in the operation of a motor vehicle as required in section 171.13,
114.31 subdivision 1, paragraph (a), clause (4).

115.1 (d) "Third-party tester" or "tester" means an individual who is an employee of a
115.2 third-party testing program and is authorized by the commissioner to conduct the road test
115.3 for a commercial driver's license.

115.4 (e) "Third-party testing program" or "program" means a program approved by the
115.5 commissioner to administer the road test conducted by a third-party tester.

115.6 **Subd. 2. Third-party testing program; application.** (a) A third-party testing program
115.7 applicant must apply in the manner specified by the commissioner for approval to administer
115.8 the road test. A third-party testing program may administer the road test under this section
115.9 if the program is approved by the commissioner.

115.10 (b) A program application to the commissioner must include:

115.11 (1) the business or entity name;

115.12 (2) a business registration number if a business or tax identification number if a nonprofit
115.13 entity;

115.14 (3) mailing address, telephone number, and e-mail address of the administrative office;

115.15 (4) the name of an authorized official responsible for the program and application and
115.16 the official's title and telephone number;

115.17 (5) a map, drawing, or written description of each test route to be used for road tests;

115.18 (6) the name, birth date, home address, and driver's license number of all individuals
115.19 the applicant wants to employ as a certified third-party tester;

115.20 (7) the amount for fees, if any, that will be charged; and

115.21 (8) a surety bond, in the amount prescribed by the commissioner.

115.22 **Subd. 3. Third-party testing program; office location.** To qualify as a third-party
115.23 testing program, the applicant must be located in Minnesota and must maintain an
115.24 administrative office in at least one permanent, regularly occupied building with a permanent
115.25 address.

115.26 **Subd. 4. Third-party testing program; evaluation and approval.** (a) The commissioner
115.27 must evaluate each application submitted by a third-party testing program applicant. If the
115.28 application is satisfactory, the commissioner must approve the application.

115.29 (b) Upon approval of a third-party testing program application, the commissioner must
115.30 issue a letter of approval designating the third-party testing program. The letter of approval

116.1 constitutes an agreement between the state and the third-party testing program that authorizes
116.2 the program to administer the road test for a commercial driver's license.

116.3 (c) A letter of approval to operate a third-party testing program is not transferable.

116.4 Subd. 5. **Third-party tester; authority.** (a) An individual may conduct the road test
116.5 for a commercial driver's license under this section if the person:

116.6 (1) is a third-party tester;

116.7 (2) possesses a valid third-party tester certificate, as provided in subdivision 6; and

116.8 (3) meets the requirements under Minnesota Rules, chapter 7410, and Code of Federal
116.9 Regulations, title 49, part 383.

116.10 (b) A third-party tester is subject to the same requirements as examiners employed by
116.11 the state, including but not limited to background checks. The third-party tester must pay
116.12 the cost for a required background check.

116.13 Subd. 6. **Third-party tester; certificates.** (a) The commissioner must issue a third-party
116.14 tester certificate to an individual who satisfactorily completes the required training and is
116.15 authorized as a third-party tester.

116.16 (b) A third-party tester certificate is effective on the date of issuance and expires four
116.17 years after issuance. A third-party tester must submit an application for renewal of the
116.18 certificate to the commissioner no less than 30 days before the date the previously issued
116.19 certificate expires.

116.20 (c) The third-party testing program must keep a copy of the certificate of each third-party
116.21 tester employed by the program on file in the administrative office of the program.

116.22 (d) A third-party tester certificate is not transferable.

116.23 Subd. 7. **Training and information.** (a) The commissioner must provide a training
116.24 process that allows an individual to become authorized as a third-party tester.

116.25 (b) The commissioner must provide to each third-party tester all relevant information
116.26 on how to conduct the road test. At a minimum, the commissioner must provide:

116.27 (1) the criteria on which applicants for a commercial driver's license must be tested
116.28 during the road test;

116.29 (2) the method of scoring and evaluating the applicant;

116.30 (3) the method and criteria for determining test routes; and

116.31 (4) the necessary documentation to conduct the road test.

117.1 Subd. 8. **Road tests.** (a) A third-party tester must conduct the commercial driver's license
117.2 road test in the manner and subject to the requirements of this section; section 171.131;
117.3 Minnesota Rules, chapter 7410; and Code of Federal Regulations, title 49, part 383; and as
117.4 prescribed by the commissioner.

117.5 (b) If the third-party tester also provides behind-the-wheel instruction for student drivers
117.6 or employees, the third-party tester must not use the same routes for training and conducting
117.7 the road test.

117.8 (c) Upon passage of the road test, the third-party tester must provide the person with
117.9 certification of passage of the road test. The certification must be in a form prescribed by
117.10 the commissioner.

117.11 (d) The commissioner must administer the fourth or subsequent road test for a person.

117.12 Subd. 9. **Prohibited road tests.** A third-party tester must not conduct a road test for a
117.13 person who is required to be examined by the commissioner under section 171.13, subdivision
117.14 3, and Minnesota Rules, part 7410.2400.

117.15 Subd. 10. **Indemnification.** The department shall be held harmless for any claims, losses,
117.16 damages, costs, and other proceedings made, sustained, brought, or prosecuted in any manner
117.17 based on or occasioned by or attributive to any injury, infringement, or damage rising from
117.18 any act or omission of the third-party tester or the third-party testing program in the
117.19 performance of testing duties.

117.20 Subd. 11. **Application.** This section does not apply to the commissioner or employees
117.21 of the state that conduct the road test.

117.22 Subd. 12. **Oversight; investigations.** (a) The commissioner must monitor and audit the
117.23 road tests conducted by third-party testers.

117.24 (b) The commissioner must establish a process to investigate alleged violations of the
117.25 law and complaints made against third-party testers or programs. The third-party tester or
117.26 program must be given notice of an investigation and be allowed to participate in the
117.27 investigation. The commissioner must provide the results of an audit or investigation to the
117.28 third-party program and any third-party testers.

117.29 Subd. 13. **Denial; cancellation; suspension.** (a) The commissioner may deny an
117.30 application for a third-party testing program or third-party tester if the applicant does not
117.31 qualify for approval or certification under this section or Minnesota Rules, parts 7410.6000
117.32 to 7410.6540. In addition, a misstatement or misrepresentation is grounds for denying a
117.33 letter of approval for a third-party program or a third-party tester certificate.

118.1 (b) The commissioner may cancel the approval of a third-party testing program or
118.2 third-party tester or may suspend a program or tester for:

118.3 (1) failure to comply with or satisfy any provision of this section or Minnesota Rules,
118.4 parts 7410.6000 to 7410.6540;

118.5 (2) falsification of any records or information relating to the third-party testing program;

118.6 (3) performance in a manner that compromises the integrity of the third-party testing
118.7 program. The commissioner must use the same standards of integrity for state-employed
118.8 testers and third-party testers; or

118.9 (4) the withdrawal of a third-party tester's driving privileges.

118.10 Subd. 14. **Commissioner's discretion.** (a) The existence of grounds for cancellation or
118.11 suspension under subdivision 13 is determined at the sole discretion of the commissioner.

118.12 If the commissioner determines that grounds for cancellation or suspension exist for failure
118.13 to comply with or satisfy any requirement in this section or Minnesota Rules, parts 7410.6000
118.14 to 7410.6540, the commissioner may immediately cancel or suspend the third-party testing
118.15 program or third-party tester from administering any further tests.

118.16 (b) When an application to be a third-party testing program or third-party tester
118.17 application is denied, or when individual program approval or a tester's certificate is canceled,
118.18 a notice must be mailed to the subject indicating the reasons for the denial or cancellation
118.19 and that the third-party testing program or third-party tester may appeal the decision as
118.20 provided in subdivision 16.

118.21 Subd. 15. **Correction order.** If an audit by the commissioner identifies a situation that
118.22 needs correction but does not merit suspension or cancellation, the commissioner may issue
118.23 a correction order to a third-party tester or program for 30 days to correct a deficiency before
118.24 the program or tester becomes subject to suspension or cancellation. The notice must include
118.25 the basis for requiring the correction. The notice must notify the individual of the ability to
118.26 appeal the correction order as provided in subdivision 16. The third-party testing program
118.27 or third-party tester is permitted 30 days to correct the deficiency without having to reapply.

118.28 Subd. 16. **Notice of denial or cancellation; request for reconsideration and**
118.29 **hearing.** (a) Within 20 calendar days of receiving a notice of cancellation or denial issued
118.30 pursuant to subdivision 14 or correction order issued pursuant to subdivision 15, the
118.31 third-party testing program or third-party tester may submit a request for reconsideration
118.32 in writing to the commissioner. The commissioner shall review the request for reconsideration
118.33 and issue a decision within 30 days of receipt of the request. Upon receipt of the

119.1 commissioner's decision, the affected party may request a contested case hearing under
119.2 chapter 14.

119.3 (b) As an alternative to the process in paragraph (a), the affected party may initiate a
119.4 contested case proceeding within 20 calendar days of receiving a notice of cancellation or
119.5 denial issued pursuant to subdivision 14 or a correction order issued pursuant to subdivision
119.6 15.

119.7 (c) If a correction order issued pursuant to subdivision 15 is appealed under paragraph
119.8 (a) or (b), the commissioner must not enforce the correction order until the appeal is complete.

119.9 Subd. 17. **Rulemaking.** The commissioner must not adopt new rules or amend existing
119.10 rules to implement the requirements of this section. Except where otherwise provided by
119.11 this section, the commissioner shall apply applicable provisions from Minnesota Rules,
119.12 parts 7410.6000 to 7410.6540, to third-party testing of commercial drivers' licenses.

119.13 Sec. 73. Minnesota Statutes 2020, section 299D.03, subdivision 2a, is amended to read:

119.14 Subd. 2a. **Salary and benefits survey.** (a) By January 1 of 2021, ~~2023, 2027~~ 2024,
119.15 2027, and ~~2031~~ 2030, the legislative auditor must conduct a compensation and benefit survey
119.16 of law enforcement officers in every police department:

119.17 (1) in a city with a population in excess of 25,000, located in a metropolitan county, as
119.18 defined in section 473.121, subdivision 4, that is represented by a union certified by the
119.19 Bureau of Mediation Services; or

119.20 (2) in a city of the first class.

119.21 The State Patrol must also be included in the survey.

119.22 (b) The legislative auditor must base the survey on compensation and benefits for the
119.23 past completed calendar year. The survey must be based on full-time equivalent employees.
119.24 The legislative auditor must calculate compensation using base salary, overtime wages, and
119.25 premium pay. Premium pay is payment that is received by a majority of employees and
119.26 includes but is not limited to education pay and longevity pay. The legislative auditor must
119.27 not include any payments made to officers or troopers for work performed for an entity
119.28 other than the agency that employs the officer or trooper, regardless of who makes the
119.29 payment. The legislative auditor must also include in the survey all benefits, including
119.30 insurance, retirement, and pension benefits. The legislative auditor must include contributions
119.31 from both the employee and employer when determining benefits.

120.1 (c) The legislative auditor must compile the survey results into a report. The report must
 120.2 show each department separately. For each department, the survey must include:

120.3 (1) an explanation of the salary structure, and include minimum and maximum salaries
 120.4 for each range or step; and

120.5 (2) an explanation of benefits offered, including the options that are offered and the
 120.6 employee and employer contribution for each option.

120.7 Wherever possible, the report must be designed so that the data for each department is in
 120.8 the same table or grid format to facilitate easy comparison.

120.9 (d) By January 15 of 2021, 2023, 2027, and 2031, the legislative auditor must transmit
 120.10 the survey report to the chairs and ranking minority members of the house of representatives
 120.11 and senate committees with jurisdiction over the State Patrol budget.

120.12 (e) It is the legislature's intent to use the information in this study to compare salaries
 120.13 between the identified police departments and the State Patrol and to make appropriate
 120.14 increases to patrol trooper salaries. For purposes of this paragraph, "patrol troopers" has the
 120.15 meaning given in subdivision 2, paragraph (a).

120.16 Sec. 74. Minnesota Statutes 2020, section 325E.15, is amended to read:

120.17 **325E.15 TRANSFER OF MOTOR VEHICLE; MILEAGE DISCLOSURE.**

120.18 No person shall transfer a motor vehicle without disclosing ~~in writing~~ to the transferee
 120.19 the true mileage registered on the odometer reading or that the actual mileage is unknown
 120.20 if the odometer reading is known by the transferor to be different from the true mileage.

120.21 The regulations contained in Code of Federal Regulations, title 49, sections 580.1 to 580.17,
 120.22 ~~as amended through October 1, 1998, implementing title IV of the Federal Motor Vehicle~~
 120.23 ~~Information and Cost Savings Act that implement odometer disclosure requirements and~~
 120.24 prescribe the manner in which electronic or written disclosure must be made in this state
 120.25 ~~and~~, are adopted by reference. No transferor shall violate any regulations adopted under
 120.26 this section or knowingly give a false statement to a transferee in making any disclosure
 120.27 required by the regulations.

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

121.1 Sec. 75. [345.16] STATE; UNCLAIMED PROPERTY; DISPOSITION; DUTY OF
121.2 STATE PATROL.

121.3 Subdivision 1. State Patrol seizure. A State Patrol trooper may seize and retain any
121.4 personal property abandoned upon any public highway right-of-way, other public premises,
121.5 or other state-owned property.

121.6 Subd. 2. Notice. Notice by the State Patrol of lost or abandoned property in its possession
121.7 must be made to the rightful owner, if the owner is known, by certified mail. The rightful
121.8 owner may reclaim the property within 90 days of notice after paying any expenses incurred
121.9 by the agency for processing and retaining such property.

121.10 Subd. 3. Disposal. Unclaimed property may be sold at public sale, disposed of as state
121.11 surplus property, or destroyed based on the agency's judgment of the property's condition
121.12 and value.

121.13 Subd. 4. Money. All lost or abandoned money and the proceeds from the sale of other
121.14 abandoned or lost property retained by the State Patrol pursuant to this section must be
121.15 deposited into the general fund.

121.16 Sec. 76. ADDITIONAL FUNDING FOR STATE PATROL FOR CIVIL UNREST
121.17 OR RIOTING.

121.18 Any request to the legislature for additional State Patrol funding for trooper response to
121.19 civil unrest or rioting must include:

121.20 (1) a complete explanation of the need for additional troopers for the response; and

121.21 (2) an explanation of why the response was a higher priority than patrolling highways.

121.22 This section applies to the governor's proposed budget and to any request by the Department
121.23 of Public Safety. Additional funding includes funding from any source.

121.24 Sec. 77. ANIMAL-DRAWN VEHICLES; SAFETY MANUAL.

121.25 (a) The commissioner of public safety, in collaboration with the Department of
121.26 Transportation, State Patrol, traffic safety organizations, and other interested parties, must
121.27 develop and publish an animal-drawn vehicles safety manual. When developing the manual,
121.28 the commissioner must evaluate similar manuals already published by other states.

121.29 (b) At a minimum, the safety manual must discuss and provide specific guidance with
121.30 respect to:

121.31 (1) animal-drawn vehicle courtesy and conduct;

122.1 (2) relevant traffic regulations, including traffic signs, traffic signals, pavement markings,
122.2 driving rules, and equipment requirements;

122.3 (3) an overview of how other vehicles and motorists interact with animal-drawn vehicles
122.4 on the roadway;

122.5 (4) safety best practices;

122.6 (5) travel information; and

122.7 (6) any other information the commissioner deems necessary.

122.8 (c) The commissioner must publish the manual under this section on or before January
122.9 1, 2022.

122.10 (d) The manual under this section is not an administrative rule under Minnesota Statutes,
122.11 chapter 14, including section 14.386. The commissioner is exempt from provisions of
122.12 Minnesota Statutes, chapter 14, with respect to any activities taken under this section.

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

122.14 **Sec. 78. DRIVER'S LICENSE SAME-DAY ISSUANCE PILOT PROJECT.**

122.15 (a) The commissioner of public safety must conduct a same-day driver's license pilot
122.16 project as described in this section. The pilot project must be in the cities of Lakeville and
122.17 Moorhead and include any driver's license agent in either city that requests to participate
122.18 in the pilot project. This section applies to driver's license agents participating in the pilot
122.19 project.

122.20 (b) An applicant who submits a properly completed application for a noncompliant
122.21 driver's license, instruction permit, or identification card must be provided with the license
122.22 or card at the time of the application. The license or card must be processed and produced
122.23 at the site of the application. The applicant must not be required to go to another location
122.24 to receive the license or card. The applicant must not be provided with a temporary license
122.25 or card.

122.26 (c) The commissioner must provide the participating driver's license agents with any
122.27 necessary equipment to process and produce the driver's licenses and identification cards
122.28 on site.

122.29 (d) By January 1, 2024, the commissioner must submit a report on the pilot project to
122.30 the chairs and ranking minority members of the legislative committees with jurisdiction
122.31 over transportation policy and finance. At a minimum, the report must include the following:

- 123.1 (1) a description of the pilot project and the locations that participated in the pilot project;
- 123.2 (2) how many noncompliant drivers' licenses, instruction permits, or identification cards
- 123.3 were processed during the pilot project;
- 123.4 (3) any information or feedback from the driver's license agents about the pilot project;
- 123.5 (4) a recommendation on whether the issuance of same-day noncompliant drivers'
- 123.6 licenses, instruction permits, or identification cards should be expanded statewide.
- 123.7 **EFFECTIVE DATE.** This section is effective on October 1, 2022, and applies to
- 123.8 applications received on or after that date.

123.9 **Sec. 79. IMPLEMENTATION.**

- 123.10 The commissioner of public safety must implement the requirements of Minnesota
- 123.11 Statutes, sections 171.70 to 171.82, with existing resources. The commissioner must not
- 123.12 hire additional staff to implement the requirements of Minnesota Statutes, sections 171.70
- 123.13 to 171.82, or to conduct audits as required by Minnesota Statutes, section 171.78.

123.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

123.15 **Sec. 80. PAYABLE OFFENSES; BEST PRACTICES.**

- 123.16 The Office of Traffic Safety, in consultation with the state court administrator's office
- 123.17 and the State Patrol, shall confer with law enforcement officers and prosecutors to determine
- 123.18 best practices for law enforcement agencies and prosecutorial offices to employ when
- 123.19 processing cases where a citation is issued to ensure that the citation does not inadvertently
- 123.20 fail to require a court appearance when one is warranted under the circumstances. The best
- 123.21 practices must address proper levels of review for these cases and encourage cooperation
- 123.22 between law enforcement agencies and prosecutorial offices. The office shall disseminate
- 123.23 the best practices upon completion.

123.24 **Sec. 81. SCHOOL BUS AND COMMERCIAL DRIVER'S LICENSE KNOWLEDGE**

123.25 **TEST AVAILABILITY.**

- 123.26 The commissioner of public safety must ensure adequate availability of time slots for
- 123.27 knowledge tests for commercial driver's licenses and school bus endorsements. These tests
- 123.28 must be readily available across the state. Where necessary to provide adequate time slots,
- 123.29 the commissioner must prioritize these tests above class D driver's license knowledge tests.

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

124.1 Sec. 82. **VEHICLE REGISTRATION SELF-SERVICE KIOSK REPORT.**

124.2 By December 1, 2022, the commissioner of public safety must submit to the legislative
124.3 committees with jurisdiction over transportation policy and finance a report on self-service
124.4 kiosks authorized in Minnesota Statutes, section 168.0135. At a minimum, the report must
124.5 include the following information:

124.6 (1) the number of completed transactions at self-service kiosks;

124.7 (2) the number of failed or canceled transactions at self-service kiosks; and

124.8 (3) the location of each self-service kiosk and the name of the business or entity that is
124.9 operating at that address; and

124.10 (4) any recommendations to the legislature to improve the use of self-service kiosks,
124.11 including proposed legislation.

124.12 Sec. 83. **REVISOR INSTRUCTION.**

124.13 (a) The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
124.14 169.011, so that the terms appear in alphabetical order. The revisor must make necessary
124.15 cross-reference changes in Minnesota Statutes consistent with the renumbering.

124.16 (b) The revisor of statutes must correct cross references to the paragraphs in Minnesota
124.17 Statutes, section 168.33, subdivision 7, as necessitated by the relettering of paragraphs in
124.18 section 20.

124.19 Sec. 84. **REPEALER.**

124.20 (a) Minnesota Statutes 2020, sections 168.327, subdivision 5; and 169.09, subdivision
124.21 7, are repealed.

124.22 (b) Minnesota Rules, parts 7410.2610, subparts 1, 2, 3, 3a, 5a, 5b, and 6; 7411.0535;
124.23 7414.1490; 7470.0300; 7470.0400; 7470.0500; 7470.0600; and 7470.0700, are repealed.

124.24 Sec. 85. **EFFECTIVE DATE.**

124.25 Except where otherwise provided, this article is effective July 1, 2021.

125.1

ARTICLE 4

125.2

METROPOLITAN COUNCIL

125.3 Section 1. Minnesota Statutes 2020, section 473.386, is amended by adding a subdivision

125.4 to read:

125.5 Subd. 9. **Fares.** The council must establish fares for special transportation services in
125.6 accordance with federal law. The council must use all fares collected for special transportation
125.7 services exclusively for purposes related to special transportation services.

125.8 Sec. 2. Minnesota Statutes 2020, section 473.386, is amended by adding a subdivision to
125.9 read:

125.10 Subd. 10. **Forecasted funding.** (a) For purposes of this subdivision, "biennium" and
125.11 "fiscal year" have the meanings given in section 16A.011, subdivisions 6 and 14, respectively.

125.12 (b) In each February and November forecast of state revenues and expenditures under
125.13 section 16A.103, the commissioner of management and budget must incorporate a state
125.14 obligation from the general fund for the annual net costs to the council to implement the
125.15 special transportation service under this section. Notwithstanding section 16A.11, subdivision
125.16 3, the appropriation base in each fiscal year of the upcoming biennium is as determined in
125.17 this subdivision.

125.18 (c) The commissioner must determine net costs under paragraph (b) as:

125.19 (1) the amount necessary to:

125.20 (i) maintain service levels accounting for expected demand, including service area, hours
125.21 of service, ride scheduling requirements, and fares per council policy;

125.22 (ii) maintain the general existing condition of the special transportation service bus fleet,
125.23 including bus maintenance and replacement; and

125.24 (iii) meet the requirements of this section; plus

125.25 (2) the amount of forecast adjustments, as determined by the commissioner of
125.26 management and budget in consultation with the council, necessary to match (i) actual
125.27 special transportation service program costs in the prior fiscal year, and (ii) adjusted program
125.28 costs forecasted for the second year of the current biennium, for a forecast prepared in the
125.29 first year of the biennium; less

125.30 (3) funds identified for the special transportation service from nonstate sources.

126.1 (d) In conjunction with each February and November forecast, the council must submit
 126.2 a financial review of the special transportation service to the chairs and ranking minority
 126.3 members of the legislative committees with jurisdiction over transportation policy and
 126.4 finance and to the commissioner of management and budget. At a minimum, the financial
 126.5 review must include:

126.6 (1) a summary of special transportation service sources of funds and expenditures for
 126.7 the prior two fiscal years and each fiscal year of the forecast period, which must include:

126.8 (i) a breakout by expenditures categories; and

126.9 (ii) information that is sufficient to identify a conversion between state fiscal years and
 126.10 the fiscal years of the council;

126.11 (2) details on cost assumptions used in the forecast;

126.12 (3) information on ridership and farebox recovery rates for the prior two fiscal years
 126.13 and each fiscal year of the forecast period;

126.14 (4) identification of the amount of appropriations necessary for any forecast adjustments
 126.15 as identified under paragraph (d); and

126.16 (5) information as prescribed by the commissioner.

126.17 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2023, and
 126.18 applies beginning with the November 2023 forecast for each fiscal year beginning on or
 126.19 after July 1, 2024. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,
 126.20 Ramsey, Scott, and Washington.

126.21 **Sec. 3. [473.4487] COUNTY RESPONSIBILITY FOR GUIDEWAY FUNDING.**

126.22 (a) Counties shall fund guideways, as defined in section 473.4485, subdivision 1,
 126.23 including current and future guideways pursuant to the requirements in this section.

126.24 (b) A host county or counties must fund:

126.25 (1) planning, design, engineering, construction, pre-revenue operations, and other costs
 126.26 associated with guideway development that exceed federal, state, local government, or other
 126.27 funds dedicated to the guideway. This requirement pertains to all costs associated with
 126.28 guideway development, including associated costs not eligible for federal funding;

126.29 (2) operating costs of guideway services determined by the service operator to be
 126.30 necessary to meet reasonable standards for access, safety, and reliability and that exceed

127.1 fare revenues and federal, state, local government, or other funds dedicated to the guideway;
 127.2 and

127.3 (3) capital maintenance, replacement, and modernization costs determined by the operator
 127.4 of guideway services to be necessary to meet reasonable standards for access, safety,
 127.5 reliability, and upkeep of the guideway and that exceed federal, state, local government, or
 127.6 other funds dedicated to the guideway.

127.7 (c) For purposes of this section, "host county or counties" means those counties where
 127.8 the guideway is located.

127.9 (d) The distribution of costs among host counties must be delineated through a
 127.10 proportional methodology agreed to by the host counties.

127.11 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021. This
 127.12 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
 127.13 Washington.

127.14 **Sec. 4. [473.452] TRANSIT OPERATING RESERVES; REPORT.**

127.15 (a) By February 1 each year, each replacement service provider under section 473.388
 127.16 must report to the council its projected total operating expenses for the current calendar
 127.17 year and its projected operating reserve fund balance as of the previous December 31.

127.18 (b) By March 1 each year, the council must submit a report to the chairs and ranking
 127.19 minority members of the legislative committees with jurisdiction over transportation policy
 127.20 and finance. The report must include:

127.21 (1) the information from each provider received under paragraph (a); and

127.22 (2) the council's projected total operating expenses for the current calendar year and its
 127.23 projected operating reserve fund balance as of the previous December 31.

127.24 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021. This
 127.25 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
 127.26 Washington.

127.27 **Sec. 5. [476.4058] BUSWAY OPERATION.**

127.28 Money from a local governmental unit, as defined in section 473.121, subdivision 6,
 127.29 must not be used to pay costs of operation or maintenance for a busway, as defined in section
 127.30 473.4485, subdivision 1.

128.1 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, and
128.2 applies to busways that begin revenue operations before January 1, 2023.

128.3 Sec. 6. **DISTRIBUTION OF FUNDS; METROPOLITAN COUNCIL.**

128.4 (a) The Metropolitan Council must distribute funds received from the Coronavirus
128.5 Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and the American
128.6 Rescue Plan (ARP) to replacement services providers according to the urbanized area
128.7 formula as provided in United States Code, title 49, section 5307.

128.8 (b) The Metropolitan Council must distribute any future federal funds received pursuant
128.9 to a federal coronavirus relief act to replacement service providers according to the urbanized
128.10 area formula as provided in United States Code, title 49, section 5307.

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

128.12 Sec. 7. **FEDERAL FUNDS REPORTING REQUIREMENTS; REPLACEMENT**
128.13 **SERVICE PROVIDERS.**

128.14 (a) For purposes of this section, "federal funds" means any funding received by the
128.15 Metropolitan Council, and allocated to replacement service providers under Minnesota
128.16 Statutes, section 473.388, from the federal government pursuant to any federal law, rule,
128.17 grant, or loan relating to the infectious disease known as COVID-19. This includes but is
128.18 not limited to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public
128.19 Law 116-136.

128.20 (b) Replacement service providers must report all expenditures of federal funds to the
128.21 chairs and ranking minority members of the legislative committees with jurisdiction over
128.22 transportation finance and policy by February 15, 2022, and annually thereafter until all
128.23 federal funds are expended. The report must include the total amount of each expenditure,
128.24 the purpose of each expenditure, and any additional information necessary to properly
128.25 document each expenditure.

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

128.27 Sec. 8. **TERMINATION OF NORTHSTAR COMMUTER RAIL SERVICE.**

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

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

128.31 (c) "Council" means the Metropolitan Council.

129.1 (d) "FTA" means the Federal Transit Administration.

129.2 (e) "Northstar" means the Northstar Commuter Rail line that provides rail passenger
129.3 service between downtown Minneapolis and Big Lake, including stops in Fridley, Coon
129.4 Rapids, Anoka, Ramsey, and Elk River.

129.5 Subd. 2. **Federal approval.** Within 30 days of the enactment of this section, the council
129.6 and the commissioner must request approval from the FTA to discontinue operations of the
129.7 Northstar commuter rail. As part of the request, the council and commissioner must specify
129.8 that the state will not reimburse the FTA or any other federal agency for federal funds spent
129.9 on Northstar. Within seven days of receiving a response to the request, the council and
129.10 commissioner must report to the chairs and ranking minority members of the legislative
129.11 committees with jurisdiction over transportation policy and finance on the outcome of the
129.12 request. The report must include a copy of the request submitted to the FTA and a copy of
129.13 the FTA's response. If the FTA grants the request, the report must include the plans for
129.14 terminating Northstar services and how the council and commissioner will comply with
129.15 subdivisions 3 to 5 of this section.

129.16 Subd. 3. **Service terminated.** Upon receiving approval from the FTA, the council shall
129.17 immediately terminate all services related to Northstar, including stopping all passenger
129.18 service, closing all stations, and ending law enforcement services provided by the
129.19 Metropolitan Transit Police along the route.

129.20 Subd. 4. **Agreements terminated.** (a) Upon receiving approval from the FTA, the
129.21 commissioner and the council shall immediately terminate all memorandums of
129.22 understanding, joint powers agreements, contracts, or any other agreement entered into with
129.23 any public or private entity pursuant to Minnesota Statutes, sections 174.82 and 473.4057,
129.24 for the planning, development, construction, operation, or maintenance of Northstar.

129.25 (b) Upon receiving approval from the FTA and pursuant to Minnesota Statutes, section
129.26 473.4057, subdivision 5, the commissioner shall immediately terminate any lease, license,
129.27 assignment, right of access, or other agreement provided to the council to develop, operate,
129.28 and maintain Northstar.

129.29 Subd. 5. **Assets sold; disposition of proceeds.** (a) Upon receiving approval from the
129.30 FTA, the council shall immediately convey ownership in any real or personal property
129.31 related to Northstar that was previously owned and conveyed by the commissioner or
129.32 Department of Transportation under Minnesota Statutes, section 473.4075, subdivision 5,
129.33 back to the commissioner.

130.1 (b) Upon receiving approval from the FTA, the council and the commissioner shall
130.2 immediately sell or otherwise dispose of all assets related to Northstar, including but not
130.3 limited to equipment, supplies, materials, rolling stock, facilities, improvements, personal
130.4 property, and real property.

130.5 (c) All sales and disposition of real and personal property under this subdivision shall
130.6 be conducted pursuant to Minnesota Statutes, section 16B.2975.

130.7 Subd. 6. **Report to legislature.** If the FTA grants the request to terminate Northstar
130.8 service as described in subdivision 2, the council and commissioner must report to the chairs
130.9 and ranking minority members of the legislative committees with jurisdiction over
130.10 transportation policy and finance by January 1, 2022, on how subdivisions 2 to 5 were
130.11 implemented.

130.12 Subd. 7. **Appropriation cancellation.** If the FTA grants the request to terminate Northstar
130.13 service as described in subdivision 2, any unspent funds remaining from the appropriation
130.14 under Laws 2019, First Special Session chapter 3, article 1, section 2, subdivision 2,
130.15 paragraph (b), shall immediately cancel to the general fund.

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

130.17 Sec. 9. **REPEALER.**

130.18 Minnesota Statutes 2020, sections 473.13, subdivision 1b; and 473.4051, subdivisions
130.19 2 and 3, are repealed.

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

16A.60 COST TO COLLECT HIGHWAY TAXES TO GENERAL FUND.

The commissioner, when authorized from time to time by law, shall transfer money from the highway user tax distribution fund to the general fund. The transfer is to reimburse the general fund for the cost of collecting the taxes mentioned in the constitution, article XIV.

160.93 USER FEES; HIGH-OCCUPANCY VEHICLE AND DYNAMIC SHOULDER LANES.

Subd. 2a. **I-35W high-occupancy vehicle and dynamic shoulder lane account.** (a) An I-35W high-occupancy vehicle and dynamic shoulder lane account is established in the special revenue fund. Money collected from fees authorized under subdivision 1 for the marked Interstate Highway 35W (I-35W) corridor must be deposited in the account and used as described in this subdivision. Money in the account is appropriated to the commissioner.

(b) During the first year of revenue operations, the commissioner shall use the money received in that year to pay the costs of operating and administering the fee collection system within the corridor, up to \$1,000,000. Any remaining money must be transferred to the Metropolitan Council for improvement of bus transit services within the I-35W corridor including transit capital expenses.

(c) During the second and subsequent years of revenue operations, the commissioner shall use money in the account as follows:

(1) each year, allocate the lesser amount of \$1,000,000 or 75 percent of the revenues for operating and administering the fee collection system within the corridor;

(2) transfer the remaining amount up to the amount allocated under clause (1) to the Metropolitan Council for improvement of bus transit within the corridor including capital expenses; and

(3) allocate any remaining amount as follows: (i) 25 percent to the commissioner for operating and administering the fee collection system within the corridor and for transportation capital improvements that are consistent with the goals of the urban partnership agreement and that are located within the corridor and (ii) 75 percent to the Metropolitan Council for improvement of bus transit services within the corridor including transit capital expenses.

Subd. 3. **Rules exemption.** With respect to this section, the commissioner is exempt from statutory rulemaking requirements, including section 14.386, and from sections 160.84 to 160.92 and 161.162 to 161.167.

168.327 DRIVER AND VEHICLE RECORD FEES.

Subd. 5. **Bulk vehicle records requests.** (a) "Bulk vehicle records" in this section is a total of 1,000 or more vehicle title records and vehicle registration records.

(b) The commissioner shall charge a fee of \$0.02 per record for a request of bulk vehicle records.

(c) Of the fees collected, 20 percent must be credited to the vehicle services operating account under section 299A.705 and is appropriated to the commissioner for the purposes in this subdivision; 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle services technology account under section 299A.705.

169.09 COLLISIONS.

Subd. 7. **Accident report to commissioner.** (a) The driver of a vehicle involved in an accident resulting in bodily injury to or death of any individual or total property damage to an apparent extent of \$1,000 or more, shall forward a written report of the accident to the commissioner of public safety within ten days of the accident. On the required report, the driver shall provide the commissioner with the name and policy number of the insurer providing vehicle liability insurance coverage at the time of the accident.

(b) On determining that the original report of any driver of a vehicle involved in an accident of which report must be made as provided in this section is insufficient, the commissioner of public safety may require the driver to file supplementary information.

473.13 BUDGET, FINANCIAL AID.

Subd. 1b. **Light rail transit operating costs.** If the council submits to the legislature or governor a budget that includes proposed operating assistance for one or more light rail transit lines operated by the council, the budget must show the proposed operating assistance for each light rail transit line separately from all other transit operating assistance in that budget.

473.4051 LIGHT RAIL TRANSIT CONSTRUCTION AND OPERATION.

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

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

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

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Laws 2000, chapter 479, article 2, section 1, as amended by Laws 2000, chapter 499, section 41; as amended by Laws 2001, First Special Session chapter 5, article 20, section 20

Sec. 41. [CORRECTION 27A.] Laws 2000, chapter 479, article 2, section 1, is amended to read:

Section 1. **PROHIBITION AGAINST APPROPRIATIONS FROM TRUNK HIGHWAY FUND.**

To ensure compliance with the Minnesota Constitution, article XIV, sections 2, 5, and 6, the commissioner of finance, agency directors, and legislative commission personnel may not include in the biennial budget for fiscal years 2002 and 2003, or in any budget thereafter, expenditures from the trunk highway fund for a nonhighway purpose as jointly determined by the commissioner of finance and the attorney general. For purposes of this section, an expenditure for a nonhighway purpose is any expenditure not for construction, improvement, or maintenance of highways. At the time of submission of the biennial budget proposal to the legislature, the commissioner of finance and the attorney general shall report to the senate and house of representatives transportation committees concerning any expenditure that is proposed to be appropriated from the trunk highway fund, if that expenditure is similar to those reduced or eliminated in sections 5 to 20. The report must explain the highway purpose of, and recommend a fund to be charged for, the proposed expenditure.

7410.2610 INSULIN-TREATED DIABETES MELLITUS.

Subpart 1. **Scope.** This part applies to drivers and applicants for drivers' licenses who have diabetes and are treated with insulin.

Subp. 2. **Definitions.** The terms in this part have the meanings given them in this subpart.

A. "Applying" means the completion of a department initial application, renewal, or duplicate driver's license form.

B. "Commissioner" means the commissioner of the Department of Public Safety, acting directly or through authorized officers and agents.

C. "Department" means the Department of Public Safety.

D. "Driving-related episode" means an episode that occurs while a person is driving, operating, or in physical control of a motor vehicle.

E. "Episode" means loss of consciousness or voluntary control due to hypoglycemia or hyperglycemia.

F. "Loss of consciousness or voluntary control" means the inability to assume and retain an upright posture without support or the inability to overcome diabetic symptoms without the assistance of another.

Subp. 3. **Reporting diagnosis of insulin-treated diabetes or episode.** A person shall report a diagnosis of insulin-treated diabetes or an episode, in writing, to the department as follows:

A. after a diagnosis of insulin-treated diabetes:

- (1) at the time of applying for a driver's license; and
- (2) within 30 days after the diagnosis;

B. for a driving-related episode:

- (1) within 30 days after the episode; and
- (2) on a regularly scheduled physician's statement as required in subpart 3a;

and

C. for a non-driving-related episode, on a regularly scheduled physician's statement as required in subpart 3a.

If a person has reason to know the requirements of items A and B, and willfully fails to report or willfully makes a material misrepresentation to the department concerning the person's diabetic condition, the commissioner shall suspend the person's driver's license for six months. The six-month suspension period will begin within 30 days from the date the department discovers the failure to report or misrepresentation.

Subp. 3a. **Physician's statement required.** A physician's statement, on a form prescribed by the commissioner, is required:

A. after the person:

- (1) is diagnosed as having insulin-treated diabetes; or
- (2) has a driving-related episode under subpart 3; and

B. every six months until the person has been episode free for a year; and then

C. annually until the person has been episode free for four years; and then

D. every four years; and additionally

E. as recommended by the physician or by the department.

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The six-month, one-year, or four-year period will begin from the date the most recent physician's statement has been received and approved by the department. During a period of cancellation or suspension under this part, the department shall not require a physician's statement until the end of the cancellation or suspension period.

If a person fails to return a physician's statement to the department within 30 days from the date of mailing, the commissioner shall cancel the person's driver's license until the physician's statement is submitted to the department and accepted.

The physician's statement must indicate, at least, the date of each of the person's episodes since the previous physician's statement, whether the person is cooperating in the treatment of the condition, the person's prognosis for control of the person's diabetic condition, and whether the person is medically qualified to exercise reasonable and ordinary control over a motor vehicle on the public roads.

Subp. 5a. **Cancellation or denial.** After a review of a person's physician's statement, the commissioner shall cancel or deny a person's driver's license under the conditions and for the periods stated as follows:

A. If the commissioner receives a physician's statement that indicates that the person is not medically qualified to exercise reasonable and ordinary control over a motor vehicle, the period of cancellation or denial will be based on the recommendation of the physician and the department unless the cancellation period in item B or C applies. If the department and the treating physician do not agree on the cancellation period, the physician's statement and the person's medical history will be submitted to the Medical Review Board for its recommendation upon the request of the individual, the physician, or the department.

B. If a person has a driving-related episode, the person's driver's license will be canceled for a period of six months from the date of the episode.

C. If a person has a driving-related episode that resulted from the use of alcohol or a controlled substance, the person's driver's license will be canceled for a period of one year from the date of the episode.

Subp. 5b. **Notice.** The commissioner shall notify a person whose driver's license has been or is subject to cancellation, suspension, or denial. The notification must be in writing and be personally served or sent by first-class mail to the person's last known address shown on department records. The notice must contain:

- A. the reason for the cancellation, suspension, or denial;
- B. the length of withdrawal;
- C. a statement that a person has a right to an administrative review; and
- D. the requirements for reinstatement of the person's driver's license.

The notice is deemed received three days after mailing by the department to the last known address of the person shown on department records.

Subp. 6. **Reinstatement or issuance.** The commissioner shall reinstate or issue the driver's license of a person whose license has been suspended, canceled, or denied when:

- A. the period of suspension, if any, has expired;
- B. the person has paid the suspension reinstatement fee as required by statute;
- C. no withdrawal of the person's driver's license is outstanding;
- D. the requirements that resulted in suspension, cancellation, or denial have been completed; and
- E. the person submits a physician's statement, on a form prescribed by the commissioner, indicating:

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(1) the date of each of the person's episodes since the previous physician's statement;

(2) the person is cooperating in the treatment of the condition;

(3) a favorable prognosis for the control of the person's diabetic condition;
and

(4) the person is medically qualified to exercise reasonable and ordinary control over a motor vehicle on the public roads.

7411.0535 ONLINE CLASSROOM INSTRUCTION; ADULT ONLY.

Classroom instruction via the Internet may be provided by a program to any student who is at least 18 years old.

A. The course of study must provide a means for the student to measure performance outcomes.

B. There must be a pool of rotating quiz questions.

C. The course must have accountability features to ensure the age and identity of the student taking the course.

D. Technical designs must have features that measure the amount of time a student spends on each section of the course.

E. Customer support access must be made available through a toll-free telephone number.

F. The course must have a secure server and be backed up by a second unit.

G. The program must have preventives in place to protect against the access of private information.

H. The course must have the ability to update course content uniformly throughout the state.

I. The course must have a location in Minnesota where program and student records are accessible.

7414.1490 GRANTING WAIVER FOR DIABETES MELLITUS.

A waiver that is granted to the applicant who fails to meet the physical requirement in Code of Federal Regulations, title 49, section 391.41, paragraph (b)(3), relating to diabetes mellitus currently requiring insulin for control, must require the applicant to:

A. carry, use, and record in a log the readings from a portable, self-monitoring blood glucose device equipped with a computerized memory or, if the device is capable of printing paper tape reports, the paper tape reports may be used instead of a log;

B. monitor blood glucose one hour before going on duty and approximately every four hours while on duty;

C. make log records or tapes available to any authorized enforcement official on request;

D. carry and use when on duty a source of rapidly absorbable glucose;

E. carry insulin and the equipment of materials necessary to administer this medication;

F. report in writing within 15 calendar days to the Minnesota Department of Public Safety, Driver and Vehicle Services Division:

(1) any citation for a moving traffic violation involving the operation of a school bus along with a photocopy of the citation;

(2) the judicial or administrative disposition of a citation for a moving violation involving a school bus along with a photocopy of the notice of disposition; and

(3) the involvement in any accident whatever while operating a school bus and include any state, insurance company, or motor carrier accident reports and any attending physician's and laboratory reports of treatment arising from the accident;

G. submit a signed statement from an ophthalmologist no later than 15 days before the renewal date of the waiver and endorsement that indicates the applicant:

(1) was examined within the six-week period immediately preceding the renewal date of the waiver;

(2) was found not to have unstable proliferative diabetic retinopathy; and

(3) has a stable visual acuity of at least 20/40 Snellen in each eye, corrected or uncorrected; and

H. comply with the provisions of part 7410.2610 for reporting a diabetes-related episode involving the loss of consciousness or voluntary control due to hypoglycemia or hyperglycemia.

7470.0300 ISSUANCE OF CERTIFICATE.

The certificate shall be issued for an individual bus on an annual basis when the state patrol has inspected the vehicle and the inspection indicates that the school bus adequately complies with laws and rules relating to construction, design, equipment, and color of school bus.

7470.0400 DISPLAY OF CERTIFICATE.

Subpart 1. **Certificate to be affixed.** The certificate issued for each individual school bus shall be immediately affixed to the school bus by the inspecting state patrol trooper or LCR II.

Subp. 2. **Certificate must be current.** Only the certificate that is valid for the current time period may be displayed.

Subp. 3. **Where displayed.** The certificate shall be affixed in the lower left corner of the main windshield of the school bus.

Subp. 4. **Rejection sticker; display; removal.** A rejection sticker shall be affixed to the lower left corner of the windshield of a school bus that fails a school bus inspection. The sticker shall be removed only upon authorization from an LCR II or trooper who has determined that the defects that caused the rejection have been corrected.

7470.0500 TIMES OF INSPECTION.

Subpart 1. **Scheduled inspection.** All school buses shall be inspected for compliance with applicable laws and with rules of the Department of Public Safety.

Subp. 2. **Other inspections.** In addition to scheduled annual inspections and reinspections scheduled for the purpose of verifying that deficiencies have been corrected, a trooper or LCR II may conduct an unannounced inspection of any school bus at the location where the bus is kept when not in operation. This subpart shall not be construed to limit the right or duty of any law enforcement officer to inspect any vehicle upon reasonable cause.

7470.0600 SCORING FOR INSPECTIONS.

Subpart 1. **Point system.** The point system contained in part 7470.0700 shall be used to assess the safety operation of all types of school buses. Each bus will start with 100 points and each defect shall be cause for points to be deducted in accordance with point values established in part 7470.0700.

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Subp. 2. **Score of 96 to 100.** Any school bus with an inspection score of 96 to 100 shall be identified by affixing a distinctive school bus inspection certificate to the windshield. Where an inspection score of 96 is achieved, no inspection certificate shall be affixed to the bus at the next annual inspection unless the inadequacies from the previous inspection have been corrected.

Subp. 3. **Score of 80 to 95.** Any school bus with an inspection score of 80 to 95 points shall pass the inspection and receive a temporary bus inspection certificate of contrasting color or design or both. This temporary certificate will be valid for 14 days following inspection and all defects must be corrected. Pending reinspection and certification of the bus by a trooper or LCR II, a bus bearing a temporary certificate may be used to transport pupils beyond the 14-day period if the inspection sheet is signed by the owner or a designee certifying that all of the defects are corrected. The signed inspection sheet shall be carried in the first aid kit in the bus.

Subp. 4. **Score below 80.** Any school bus with less than 80 points shall be deemed unsafe for the transportation of school children. Any school bus which fails the inspection shall not be used to transport school children until the defects are corrected and an inspection certificate is issued and affixed to the bus. Pending reinspection and certification of the bus by a trooper or LCR II, a bus bearing a rejection sticker may be used to transport pupils if the inspection sheet is signed by the owner or a designee certifying that all of the defects are corrected. The signed inspection sheet shall be carried in the first aid kit in the bus.

7470.0700 TABLE OF POINTS TO BE DEDUCTED.

In accordance with part 7470.0600, subparts 1 to 3, defects in the equipment of a school bus listed in the left column will cause the number of points specified in the right column to be deducted from the starting score of 100.

Equipment Defect	Points
Tires, front	each 25
Tires, rear	each 25
Exhaust	
Inadequate pipe	25
Leak in system	5
Muffler defective (treat like leak in system)	5
School bus color (multifunctional school activity buses are exempt)	
Not basic yellow	25
Improper trim color	2
Required lettering	
No school bus sign (type A, B, C, or D)	25
Other lettering - nicknames	2
Stop arm (octagonal)	25
Reflective material cracked, scratched, or separated	5
Optional lamps on stop arm	2
Crossover mirror	
Missing or inoperable	25

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If only line of vision is distorted, flaking or cracked	5
Headlamps out of adjustment (allow mechanic time to adjust)	5
Headlamp out	5
Both low beams out	25
One low beam out or either or both high beams out	each 5
Dimmer switch inoperable	5
Turn signals inoperable	25
Eight lamp warning lamp system	
Lamp system not working	25
Eight lamp indicator malfunctioning	10
Indicator lamps	
High beam	2
Turn signals	5
Clearance lamps or optional white strobe lamp	each 1
Rear lamps	
One out	5
Both out	25
Stop lamps (minimum of 2 required)	
Not working	each 15
Auxiliary stop lamp not working	each 2
Backup lamps	5
Brakes - service (foot)	
Not working	25
Hose blistered but no fluid leakage	each hose 5
Brakes - emergency (auxiliary)	25
Defective or no warning horn	25
Rear view mirror	
Interior	15
Exterior	25
Slight crack, discolored or flaking	5
Windshield wipers (not working at all)	25
Wiper blade only	5
One speed not working on left side or the right side not working	10
Windshield glass	10
Steering	25
One kingpin bad (more than 1/2 inch)	15

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Two kingpins bad (more than 1/2 inch)	25
Driver seat belt, missing or not usable	25
Entrance door, out of adjustment	5
Interior lamps	
Step-well	2
Other interior lamps (mention only)	0
First aid kit	
Missing	25
Short supply - per unit missing	1
Fire extinguisher, missing or in inoperable range	15
Flags and flares (electric or reflector) (for up to three missing)	5
Side glass and rear glass - each defect	5
Loose objects interior	each 2
Seats loose (floor mount)	each 5
Seat condition	each 2
Bus interior (cleanliness)	2
Carbon monoxide	25
Emergency exit, inoperable	25
Emergency lettering missing	2
Bad door gasket	5
Speedometer	10
Suspension, main leaf	25
Other than main leaf, 25 percent or more of the remaining leaves broken	25
Other than main leaf, less than 25 percent broken	10
Loose or leaking shocks	10
Wheels	25
One stud nut missing if less than 20 percent of stud nuts on wheel	10
20 percent or more of stud nuts are missing on wheel	25
Body condition	2
Hazardous protuberance or sharp edge	25
Two cross members bad, must be replaced	2
Cross members rusted, to be written up	0
Drive shaft guard	25
Frame	25
Defroster fan or heaters in excess of one in multiple heater buses	each 5
Battery	10

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Body mounting	10
Fuel system	10