

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

S.F. No. 2082

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DATE
03/03/2025

D-PG

Introduction and first reading
Referred to Transportation

OFFICIAL STATUS

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 Department of Public Safety, and Metropolitan Council activities; amending

1.5 Minnesota Statutes 2024, sections 168.27, subdivisions 8, 11, 16; 168.33,

1.6 subdivision 7; 168A.10, by adding a subdivision; 169.14, subdivision 1a; 169.686,

1.7 subdivision 1; 171.05, subdivision 1; 171.06, by adding a subdivision; 171.061,

1.8 subdivision 4; 171.306, subdivision 8; 174.02, by adding a subdivision; 174.38,

1.9 subdivision 4; 299A.01, by adding a subdivision; 360.511, by adding a subdivision;

1.10 360.531, subdivision 2; 360.55, subdivisions 4, 4a, 9, by adding subdivisions;

1.11 360.653; 473.408, by adding a subdivision; 473.4465, by adding a subdivision;

1.12 Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as

1.13 amended; Laws 2021, First Special Session chapter 14, article 11, section 45; Laws

1.14 2023, chapter 60, article 10, section 9; Laws 2023, chapter 68, article 1, section

1.15 2, subdivisions 2, 3; Laws 2024, chapter 127, article 1, section 2, subdivision 3.

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

1.17 **ARTICLE 1**

1.18 **APPROPRIATIONS**

1.19 Section 1. **TRANSPORTATION APPROPRIATIONS.**

1.20 The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.21 and for the purposes specified in this article. The appropriations are from the trunk highway

1.22 fund, or another named fund, and are available for the fiscal years indicated for each purpose.

1.23 Amounts for "Total Appropriation" and sums shown in the corresponding columns marked

1.24 "Appropriations by Fund" are summary only and do not have legal effect. Unless specified

1.25 otherwise, the amounts in fiscal year 2027 under "Appropriations by Fund" show the base

1.26 within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The

1.27 figures "2026" and "2027" used in this article mean that the appropriations listed under them

1.28 are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "Each

2.1 year" is each of fiscal years 2026 and 2027. "The biennium" is fiscal years 2026 and 2027.
 2.2 "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street
 2.3 fund. "H.U.T.D." is the highway user tax distribution fund. "Staff" means those employees
 2.4 who are identified in any of the following roles for the legislative committees: committee
 2.5 administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or
 2.6 nonpartisan research.

APPROPRIATIONS
Available for the Year
Ending June 30
2026 **2027**

2.11 **Sec. 2. DEPARTMENT OF**
 2.12 **TRANSPORTATION**

2.13 **Subdivision 1. Total Appropriation** \$ **4,879,471,000** \$ **3,958,200,000**

2.14	<u>Appropriations by Fund</u>		
2.15		<u>2026</u>	<u>2027</u>
2.16	<u>General</u>	<u>39,068,000</u>	<u>39,218,000</u>
2.17	<u>Airports</u>	<u>28,018,000</u>	<u>28,018,000</u>
2.18	<u>C.S.A.H.</u>	<u>1,099,805,000</u>	<u>1,123,821,000</u>
2.19	<u>M.S.A.S.</u>	<u>278,780,000</u>	<u>283,002,000</u>
2.20	<u>Trunk Highway</u>	<u>3,433,800,000</u>	<u>2,484,141,000</u>

2.21 The appropriations in this section are to the
 2.22 commissioner of transportation.

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

2.26 **Subd. 2. Multimodal Systems**

2.27 **(a) Aeronautics**

2.28 **(1) Airport Development and Assistance** **19,623,000** **19,623,000**

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

2.33 Notwithstanding Minnesota Statutes, section
 2.34 16A.28, subdivision 6, this appropriation is
 2.35 available for five years after the year of the

3.1 appropriation. If the appropriation for either
 3.2 year is insufficient, the appropriation for the
 3.3 other year is available for it.

3.4 If the commissioner of transportation
 3.5 determines that a balance remains in the state
 3.6 airports fund following the appropriations
 3.7 made in this article and that the appropriations
 3.8 made are insufficient for advancing airport
 3.9 development and assistance projects, an
 3.10 amount necessary to advance the projects, not
 3.11 to exceed the balance in the state airports fund,
 3.12 is appropriated in each year to the
 3.13 commissioner and must be spent according to
 3.14 Minnesota Statutes, section 360.305,
 3.15 subdivision 4. Within two weeks of a
 3.16 determination under this contingent
 3.17 appropriation, the commissioner of
 3.18 transportation must notify the commissioner
 3.19 of management and budget and the chairs,
 3.20 ranking minority members, and staff of the
 3.21 legislative committees with jurisdiction over
 3.22 transportation finance concerning the funds
 3.23 appropriated. Funds appropriated under this
 3.24 contingent appropriation do not adjust the base
 3.25 for fiscal years 2028 and 2029.

3.26 **(2) Aviation Support Services** 10,033,000 10,183,000

	<u>Appropriations by Fund</u>			
3.28	<u>General</u>	<u>1,843,000</u>	<u>1,993,000</u>	
3.29	<u>Airports</u>	<u>8,190,000</u>	<u>8,190,000</u>	

3.30 **(3) Civil Air Patrol** 205,000 205,000

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

3.33 **(b) Transit and Active Transportation** 18,376,000 18,376,000

3.34 This appropriation is from the general fund.

4.1	<u>(c) Safe Routes to School</u>	<u>1,500,000</u>	<u>1,500,000</u>
4.2	<u>This appropriation is from the general fund</u>		
4.3	<u>for the safe routes to school program under</u>		
4.4	<u>Minnesota Statutes, section 174.40.</u>		
4.5	<u>If the appropriation for either year is</u>		
4.6	<u>insufficient, the appropriation for the other</u>		
4.7	<u>year is available for it.</u>		
4.8	<u>(d) Passenger Rail</u>	<u>5,743,000</u>	<u>5,743,000</u>
4.9	<u>This appropriation is from the general fund</u>		
4.10	<u>for passenger rail activities under Minnesota</u>		
4.11	<u>Statutes, sections 174.632 to 174.636.</u>		
4.12	<u>(e) Freight</u>	<u>9,215,000</u>	<u>9,284,000</u>
4.13	<u>Appropriations by Fund</u>		
4.14	<u>General</u>	<u>2,403,000</u>	<u>2,403,000</u>
4.15	<u>Trunk Highway</u>	<u>6,812,000</u>	<u>6,881,000</u>
4.16	<u>Subd. 3. State Roads</u>		
4.17	<u>(a) Operations and Maintenance</u>	<u>436,805,000</u>	<u>440,274,000</u>
4.18	<u>(b) Program Planning and Delivery</u>		
4.19	<u>(1) Planning and Research</u>	<u>37,006,000</u>	<u>37,244,000</u>
4.20	<u>The commissioner may use any balance</u>		
4.21	<u>remaining in this appropriation for program</u>		
4.22	<u>delivery under clause (2).</u>		
4.23	<u>\$134,000 in fiscal year 2026 and \$135,000 in</u>		
4.24	<u>fiscal year 2027 are available for</u>		
4.25	<u>administrative costs of the targeted group</u>		
4.26	<u>business program.</u>		
4.27	<u>\$300,000 in each year is available for grants</u>		
4.28	<u>to metropolitan planning organizations outside</u>		
4.29	<u>the seven-county metropolitan area.</u>		
4.30	<u>\$900,000 in each year is available for grants</u>		
4.31	<u>for transportation studies outside the</u>		
4.32	<u>metropolitan area to identify critical concerns,</u>		

5.1 problems, and issues. These grants are
 5.2 available: (i) to regional development
 5.3 commissions; (ii) in regions where no regional
 5.4 development commission is functioning, to
 5.5 joint powers boards established under
 5.6 agreement of two or more political
 5.7 subdivisions in the region to exercise the
 5.8 planning functions of a regional development
 5.9 commission; and (iii) in regions where no
 5.10 regional development commission or joint
 5.11 powers board is functioning, to the Department
 5.12 of Transportation district office for that region.

5.13 **(2) Program Delivery** 280,588,000 283,701,000

5.14	<u>Appropriations by Fund</u>		
5.15	<u>General</u>	<u>2,000,000</u>	<u>2,000,000</u>
5.16	<u>Trunk Highway</u>	<u>278,588,000</u>	<u>281,701,000</u>

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

5.20 \$1,003,000 in fiscal year 2026 and \$1,005,000
 5.21 in fiscal year 2027 are available from the trunk
 5.22 highway fund for management of
 5.23 contaminated and regulated material on
 5.24 property owned by the Department of
 5.25 Transportation, including mitigation of
 5.26 property conveyances, facility acquisition or
 5.27 expansion, chemical release at maintenance
 5.28 facilities, and spills on the trunk highway
 5.29 system where there is no known responsible
 5.30 party. If the appropriation for either year is
 5.31 insufficient, the appropriation for the other
 5.32 year is available for it.

5.33 **(c) State Road Construction** 2,214,557,000 1,231,157,000

6.1 This appropriation is for the actual
6.2 construction, reconstruction, and improvement
6.3 of trunk highways, including design-build
6.4 contracts, internal department costs associated
6.5 with delivering the construction program,
6.6 consultant usage to support these activities,
6.7 and the cost of actual payments to landowners
6.8 for lands acquired for highway rights-of-way,
6.9 payment to lessees, interest subsidies, and
6.10 relocation expenses.

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

6.18 \$650,000,000 in fiscal year 2026 is for the
6.19 John A. Blatnik Bridge between Duluth,
6.20 Minnesota, and Superior, Wisconsin. The
6.21 commissioner may use up to 17 percent of the
6.22 amount for program delivery. This is a
6.23 onetime appropriation and is available until
6.24 June 30, 2033.

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

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

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

7.5 The base is \$1,276,546,000 in fiscal year 2028
 7.6 and each year thereafter.

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

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

7.13 **(e) Highway Debt Service** 296,575,000 319,675,000

7.14 \$293,575,000 in fiscal year 2026 and
 7.15 \$316,675,000 in fiscal year 2027 are for
 7.16 transfer to the state bond fund. If this
 7.17 appropriation is insufficient to make all
 7.18 transfers required in the year for which it is
 7.19 made, the commissioner of management and
 7.20 budget must transfer the deficiency amount
 7.21 as provided under Minnesota Statutes, section
 7.22 16A.641, and notify the chairs, ranking
 7.23 minority members, and staff of the legislative
 7.24 committees with jurisdiction over
 7.25 transportation finance and the chairs of the
 7.26 senate Finance Committee and the house of
 7.27 representatives Ways and Means Committee
 7.28 of the amount of the deficiency. Any excess
 7.29 appropriation cancels to the trunk highway
 7.30 fund.

7.31 **(f) Statewide Radio Communications** 7,052,000 7,121,000

7.32	<u>Appropriations by Fund</u>		
7.33	<u>General</u>	<u>3,000</u>	<u>3,000</u>
7.34	<u>Trunk Highway</u>	<u>7,049,000</u>	<u>7,118,000</u>

8.1 \$3,000 in each year is from the general fund
 8.2 to equip and operate the Roosevelt signal
 8.3 tower for Lake of the Woods weather
 8.4 broadcasting.

8.5 **Subd. 4. Local Roads**

8.6 **(a) County State-Aid Highways** 1,099,805,000 1,123,821,000

8.7 This appropriation is from the county state-aid
 8.8 highway fund under Minnesota Statutes,
 8.9 sections 161.081, 174.49, and 297A.815,
 8.10 subdivision 3, and chapter 162, and is
 8.11 available until June 30, 2035.

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

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

8.34 **(b) Municipal State-Aid Streets** 278,780,000 283,002,000

9.1 This appropriation is from the municipal
 9.2 state-aid street fund under Minnesota Statutes,
 9.3 chapter 162, and is available until June 30,
 9.4 2035.

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

9.28 **(c) Other Local Roads**

9.29 <u>Local Transportation Disaster Support</u>	<u>1,000,000</u>	<u>1,000,000</u>
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9.30 This appropriation is from the general fund to
 9.31 provide a cost-share for federal assistance
 9.32 from the Federal Highway Administration for
 9.33 the emergency relief program under United
 9.34 States Code, title 23, section 125. If the
 9.35 appropriation for either year is insufficient,

10.1 the appropriation for the other year is available
10.2 for it.

10.3 **Subd. 5. Agency Management**

10.4 **(a) Agency Services** 92,298,000 95,889,000

10.5 Appropriations by Fund

10.6 General 6,200,000 6,200,000

10.7 Trunk Highway 86,098,000 89,689,000

10.8 **(b) Buildings** 44,710,000 44,802,000

10.9 Any money appropriated to the commissioner
10.10 of transportation for building construction for
10.11 any fiscal year before fiscal year 2026 is
10.12 available to the commissioner during the
10.13 biennium to the extent that the commissioner
10.14 spends the money on the building construction
10.15 projects for which the money was originally
10.16 encumbered during the fiscal year for which
10.17 it was appropriated. If the appropriation for
10.18 either year is insufficient, the appropriation
10.19 for the other year is available for it.

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

10.21 If the appropriation for either year is
10.22 insufficient, the appropriation for the other
10.23 year is available for it.

10.24 **Subd. 6. Transfers; General Authority**

10.25 (a) With the approval of the commissioner of
10.26 management and budget, the commissioner
10.27 of transportation may transfer unencumbered
10.28 balances among the appropriations from the
10.29 trunk highway fund and the state airports fund
10.30 made in this section. Transfers under this
10.31 paragraph must not be made: (1) between
10.32 funds; (2) from the appropriations for state
10.33 road construction or debt service; or (3) from

11.1 the appropriations for operations and
11.2 maintenance or program delivery, except for
11.3 a transfer to state road construction or debt
11.4 service.

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

11.15 **Subd. 7. Transfers; Flexible Highway Account**

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

11.19 (1) \$21,800,000 in fiscal year 2026 to the
11.20 trunk highway fund;

11.21 (2) \$22,230,000 in fiscal year 2026 to the
11.22 municipal turnback account in the municipal
11.23 state-aid street fund; and

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

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

11.31 **Subd. 8. Contingent Appropriations**

11.32 The commissioner of transportation, with the
11.33 approval of the governor and the written

12.1 approval of at least five members of a group
 12.2 consisting of the members of the Legislative
 12.3 Advisory Commission under Minnesota
 12.4 Statutes, section 3.30, and the ranking minority
 12.5 members of the legislative committees with
 12.6 jurisdiction over transportation finance, may
 12.7 transfer all or part of the unappropriated
 12.8 balance in the trunk highway fund to an
 12.9 appropriation: (1) for trunk highway design,
 12.10 construction, or inspection in order to take
 12.11 advantage of an unanticipated receipt of
 12.12 income to the trunk highway fund or to take
 12.13 advantage of federal advanced construction
 12.14 funding; (2) for trunk highway maintenance
 12.15 in order to meet an emergency; or (3) to pay
 12.16 tort or environmental claims. Nothing in this
 12.17 subdivision authorizes the commissioner to
 12.18 increase the use of federal advanced
 12.19 construction funding beyond amounts
 12.20 specifically authorized. Any transfer as a result
 12.21 of the use of federal advanced construction
 12.22 funding must include an analysis of the effects
 12.23 on the long-term trunk highway fund balance.
 12.24 The amount transferred is appropriated for the
 12.25 purpose of the account to which it is
 12.26 transferred.

12.27 **Sec. 3. METROPOLITAN COUNCIL**

12.28 **Subdivision 1. Total Appropriation** **\$** **115,127,000** **\$** **120,190,000**

12.29 The appropriation in this section is from the
 12.30 general fund to the Metropolitan Council.

12.31 **Subd. 2. Special Transportation Service** **115,127,000** **120,190,000**

12.32 This appropriation is for special transportation
 12.33 service under Minnesota Statutes, section
 12.34 473.386, including Metro Mobility and Metro
 12.35 Move.

13.1 **Sec. 4. DEPARTMENT OF PUBLIC SAFETY**13.2 **Subdivision 1. Total Appropriation** \$ **301,789,000** \$ **303,511,000**13.3 **Appropriations by Fund**

	<u>2026</u>	<u>2027</u>
13.4		
13.5	<u>41,589,000</u>	<u>41,623,000</u>
13.6	<u>1,382,000</u>	<u>1,395,000</u>
13.7	<u>80,898,000</u>	<u>80,576,000</u>
13.8	<u>177,920,000</u>	<u>179,917,000</u>

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

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

13.16 **Subd. 2. Administration and Related Services**13.17 **(a) Office of Communications** 1,198,000 1,232,00013.18 This appropriation is from the general fund.13.19 **(b) Public Safety Support** 11,989,000 12,033,00013.20 **Appropriations by Fund**

13.21	<u>6,561,000</u>	<u>6,561,000</u>
13.22	<u>5,428,000</u>	<u>5,472,000</u>

13.23 **(c) Public Safety Officer Survivor Benefits** 1,640,000 1,640,000

13.24 This appropriation is from the general fund
 13.25 for payment of public safety officer survivor
 13.26 benefits under Minnesota Statutes, section
 13.27 299A.44. If the appropriation for either year
 13.28 is insufficient, the appropriation for the other
 13.29 year is available for it.

13.30 **(d) Public Safety Officer Reimbursements** 1,367,000 1,367,000

13.31 This appropriation is from the general fund
 13.32 for transfer to the public safety officer's benefit

14.1 account. This appropriation is available for
 14.2 reimbursements under Minnesota Statutes,
 14.3 section 299A.465.

14.4 **(e) Soft Body Armor Reimbursements** 745,000 745,000

14.5 This appropriation is from the general fund
 14.6 for soft body armor reimbursements under
 14.7 Minnesota Statutes, section 299A.38.

14.8 **(f) Technology and Support Services** 7,130,000 7,130,000

14.9 Appropriations by Fund

14.10 General 1,743,000 1,743,000

14.11 Trunk Highway 5,387,000 5,387,000

14.12 **Subd. 3. State Patrol**

14.13 **(a) Patrolling Highways** 147,013,000 148,960,000

14.14 Appropriations by Fund

14.15 General 37,000 37,000

14.16 H.U.T.D. 92,000 92,000

14.17 Trunk Highway 146,884,000 148,831,000

14.18 \$1,045,000 in each year is from the trunk
 14.19 highway fund for recruitment and hiring
 14.20 initiatives. The base for this purpose is
 14.21 \$10,365,000 in fiscal year 2028 and later,
 14.22 which includes funding to conduct an
 14.23 additional annual trooper academy.

14.24 The base from the trunk highway fund is
 14.25 \$158,151,000 in fiscal year 2028 and each
 14.26 year thereafter.

14.27 **(b) Commercial Vehicle Enforcement** 18,861,000 18,861,000

14.28 **(c) Capitol Security** 19,243,000 19,243,000

14.29 This appropriation is from the general fund.

14.30 The commissioner must not:

14.31 (1) spend any money from the trunk highway
 14.32 fund for capitol security; or

15.1 (2) permanently transfer any state trooper from
 15.2 the patrolling highways activity to capitol
 15.3 security.

15.4 The commissioner must not transfer any
 15.5 money appropriated to the commissioner under
 15.6 this section:

15.7 (1) to capitol security; or

15.8 (2) from capitol security.

15.9 **(d) Vehicle Crimes Unit**

1,290,000

1,303,000

15.10 This appropriation is from the highway user
 15.11 tax distribution fund to investigate:

15.12 (1) registration tax and motor vehicle sales tax
 15.13 liabilities from individuals and businesses that
 15.14 currently do not pay all taxes owed; and

15.15 (2) illegal or improper activity related to the
 15.16 sale, transfer, titling, and registration of motor
 15.17 vehicles.

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

15.19 **(a) Driver Services**

47,587,000

47,265,000

15.20 This appropriation is from the driver and
 15.21 vehicle services operating account under
 15.22 Minnesota Statutes, section 299A.705.

15.23 \$457,000 in fiscal year 2026 and \$133,000 in
 15.24 fiscal year 2027 are for rulemaking and
 15.25 implementation costs for the ignition interlock
 15.26 device program under Minnesota Statutes,
 15.27 section 171.306.

15.28 **(b) Vehicle Services**

31,868,000

31,868,000

15.29 This appropriation is from the driver and
 15.30 vehicle services operating account under
 15.31 Minnesota Statutes, section 299A.705.

16.1 \$2,189,000 in each year is for payments to
 16.2 deputy registrars under Minnesota Statutes,
 16.3 section 168.33, subdivision 7, and to driver's
 16.4 license agents under Minnesota Statutes,
 16.5 section 171.061, subdivision 4.

16.6 **Subd. 5. Traffic Safety** 9,855,000 9,861,000

16.7 Appropriations by Fund

16.8 General 8,495,000 8,495,000

16.9 Trunk Highway 1,360,000 1,366,000

16.10 \$2,000,000 in each year is from the general
 16.11 fund for operations and traffic safety projects
 16.12 and activities of the Advisory Council on
 16.13 Traffic Safety under Minnesota Statutes,
 16.14 section 4.076.

16.15 The following amounts are for the staff and
 16.16 operating costs related to a Traffic Safety Data
 16.17 Analytics Center: (1) \$813,000 in each year
 16.18 is from the general fund; and (2) \$187,000 in
 16.19 each year is from the trunk highway fund.

16.20 \$5,001,000 in each year is for the drug
 16.21 evaluation and classification program for drug
 16.22 recognition evaluator training; phlebotomists;
 16.23 drug recognition training for peace officers,
 16.24 as defined in Minnesota Statutes, section
 16.25 626.84, subdivision 1, paragraph (c); required
 16.26 continuing education training for drug
 16.27 recognition experts; program administration;
 16.28 grants to local law enforcement divisions; and
 16.29 grants to eligible employers for drug
 16.30 evaluation and classification training costs of
 16.31 their staff. The commissioner must make
 16.32 reasonable efforts to reflect the geographic
 16.33 diversity of the state in making expenditures.
 16.34 Any balance in the first year does not cancel
 16.35 but is available in the second year.

17.1	<u>Subd. 6. Pipeline Safety</u>	<u>2,003,000</u>	<u>2,003,000</u>
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17.2	<u>Appropriations by Fund</u>		
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17.3	<u>General</u>	<u>560,000</u>	<u>560,000</u>
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17.4	<u>Special Revenue</u>	<u>1,443,000</u>	<u>1,443,000</u>
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17.5 The appropriation from the special revenue
 17.6 fund is from the pipeline safety account under
 17.7 Minnesota Statutes, section 299J.18.

17.8 **Sec. 5. APPROPRIATION; DEPARTMENT OF ADMINISTRATION.**

17.9 \$48,513,000 in each year is appropriated from the trunk highway fund to the
 17.10 commissioner of administration to design, construct, remodel, equip, and furnish a central
 17.11 headquarters building and support facilities for the State Patrol. This appropriation may
 17.12 also be used to predesign, design, remodel, equip, and furnish existing State Patrol facilities.
 17.13 This is a onetime appropriation and is available until June 30, 2030.

17.14 **Sec. 6. TRANSFER**

17.15 (a) \$8,155,000 in fiscal year 2026 is transferred from the general fund to the active
 17.16 transportation account under Minnesota Statutes, section 174.38.

17.17 (b) \$8,284,000 in fiscal year 2027 and each year thereafter is transferred from the general
 17.18 fund to the active transportation account under Minnesota Statutes, section 174.38.

17.19 **Sec. 7. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as**
 17.20 **amended by Laws 2024, chapter 127, article 1, section 10, is amended to read:**

17.21 **Subd. 2. Multimodal Systems**

17.22 **(a) Aeronautics**

17.23	(1) Airport Development and Assistance	24,198,000	18,598,000
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17.24	<u>Appropriations by Fund</u>		
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17.25		2022	2023
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17.26	<u>General</u>	<u>5,600,000</u>	<u>-0-</u>
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17.27	<u>Airports</u>	<u>18,598,000</u>	<u>18,598,000</u>
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17.28 This appropriation is from the state airports
 17.29 fund and must be spent according to
 17.30 Minnesota Statutes, section 360.305,
 17.31 subdivision 4.

18.1 \$5,600,000 in fiscal year 2022 is from the
 18.2 general fund for a grant to the city of Karlstad
 18.3 for the acquisition of land, predesign, design,
 18.4 engineering, and construction of a primary
 18.5 airport runway. This appropriation is for Phase
 18.6 1 of the project.

18.7 Notwithstanding Minnesota Statutes, section
 18.8 16A.28, subdivision 6, this appropriation is
 18.9 available for five years after the year of the
 18.10 appropriation. If the appropriation for either
 18.11 year is insufficient, the appropriation for the
 18.12 other year is available for it.

18.13 If the commissioner of transportation
 18.14 determines that a balance remains in the state
 18.15 airports fund following the appropriations
 18.16 made in this article and that the appropriations
 18.17 made are insufficient for advancing airport
 18.18 development and assistance projects, an
 18.19 amount necessary to advance the projects, not
 18.20 to exceed the balance in the state airports fund,
 18.21 is appropriated in each year to the
 18.22 commissioner and must be spent according to
 18.23 Minnesota Statutes, section 360.305,
 18.24 subdivision 4. Within two weeks of a
 18.25 determination under this contingent
 18.26 appropriation, the commissioner of
 18.27 transportation must notify the commissioner
 18.28 of management and budget and the chairs,
 18.29 ranking minority members, and staff of the
 18.30 legislative committees with jurisdiction over
 18.31 transportation finance concerning the funds
 18.32 appropriated. Funds appropriated under this
 18.33 contingent appropriation do not adjust the base
 18.34 for fiscal years 2024 and 2025.

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

19.1	Appropriations by Fund		
19.2		2022	2023
19.3	General	1,650,000	1,650,000
19.4	Airports	6,682,000	6,690,000
19.5	\$28,000 in fiscal year 2022 and \$36,000 in		
19.6	fiscal year 2023 are from the state airports		
19.7	fund for costs related to regulating unmanned		
19.8	aircraft systems.		
19.9	(3) Civil Air Patrol	80,000	80,000
19.10	This appropriation is from the state airports		
19.11	fund for the Civil Air Patrol.		
19.12	(b) Transit and Active Transportation	23,501,000	18,201,000
19.13	This appropriation is from the general fund.		
19.14	\$5,000,000 in fiscal year 2022 is for the active		
19.15	transportation program under Minnesota		
19.16	Statutes, section 174.38. This is a onetime		
19.17	appropriation and is available until June 30,		
19.18	2025.		
19.19	\$300,000 in fiscal year 2022 is for a grant to		
19.20	the 494 Corridor Commission. The		
19.21	commissioner must not retain any portion of		
19.22	the funds appropriated under this section. The		
19.23	commissioner must make grant payments in		
19.24	full by December 31, 2021. Funds under this		
19.25	grant are for programming and service		
19.26	expansion to assist companies and commuters		
19.27	in telecommuting efforts and promotion of		
19.28	best practices. A grant recipient must provide		
19.29	telework resources, assistance, information,		
19.30	and related activities on a statewide basis. This		
19.31	is a onetime appropriation.		
19.32	(c) Safe Routes to School	5,500,000	500,000

20.1 This appropriation is from the general fund
 20.2 for the safe routes to school program under
 20.3 Minnesota Statutes, section 174.40.

20.4 If the appropriation for either year is
 20.5 insufficient, the appropriation for the other
 20.6 year is available for it.

20.7 **(d) Passenger Rail** 10,500,000 500,000

20.8 This appropriation is from the general fund
 20.9 for passenger rail activities under Minnesota
 20.10 Statutes, sections 174.632 to 174.636.

20.11 \$10,000,000 in fiscal year 2022 is for final
 20.12 design and construction to provide for a
 20.13 second daily Amtrak train service between
 20.14 Minneapolis and St. Paul and Chicago. The
 20.15 commissioner may expend funds for program
 20.16 delivery and administration from this amount.

20.17 This is a onetime appropriation and is
 20.18 available until June 30, ~~2025~~ 2028.

20.19 **(e) Freight** 8,342,000 7,323,000

20.20	Appropriations by Fund		
20.21		2022	2023
20.22	General	2,464,000	1,445,000
20.23	Trunk Highway	5,878,000	5,878,000

20.24 \$1,000,000 in fiscal year 2022 is from the
 20.25 general fund for procurement costs of a
 20.26 statewide freight network optimization tool.

20.27 This is a onetime appropriation and is
 20.28 available until June 30, 2023.

20.29 \$350,000 in fiscal year 2022 and \$287,000 in
 20.30 fiscal year 2023 are from the general fund for
 20.31 two additional rail safety inspectors in the state
 20.32 rail safety inspection program under
 20.33 Minnesota Statutes, section 219.015. In each
 20.34 year, the commissioner must not increase the

21.1 total assessment amount under Minnesota
 21.2 Statutes, section 219.015, subdivision 2, from
 21.3 the most recent assessment amount.

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

21.5 Sec. 8. Laws 2021, First Special Session chapter 14, article 11, section 45, is amended to
 21.6 read:

21.7 **Sec. 45. APPROPRIATION; DEPARTMENT OF TRANSPORTATION.**

21.8 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
 21.9 of transportation for project development of a land bridge freeway lid over marked Interstate
 21.10 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.
 21.11 This amount is available to match federal funds and for project planning and development,
 21.12 including area planning, community and land use planning, economic development planning,
 21.13 design, and project management and analysis. From this amount, the commissioner may
 21.14 make grants to Reconnect Rondo to perform any eligible project development activities.
 21.15 This is a onetime appropriation and is available until June 30, ~~2025~~ 2026.

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

21.17 Sec. 9. Laws 2023, chapter 60, article 10, section 9, is amended to read:

21.18	Sec. 9. DEPARTMENT OF			
21.19	TRANSPORTATION	\$	310,000	\$
				-0-

21.20 ~~\$310,000 the first year is for awarding grants~~
 21.21 to assist manufacturers to obtain
 21.22 environmental product declarations for certain
 21.23 construction materials used to build roads and
 21.24 other transportation infrastructure under
 21.25 Minnesota Statutes, section 16B.312. Of this
 21.26 amount, up to \$10,000 is for the reasonable
 21.27 costs of the department to administer that
 21.28 section. This appropriation is available until
 21.29 June 30, 2027.

22.1 Sec. 10. Laws 2023, chapter 68, article 1, section 2, subdivision 2, is amended to read:

22.2 Subd. 2. **Multimodal Systems**

22.3 **(a) Aeronautics**

22.4	(1) Airport Development and Assistance	69,598,000	18,598,000
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22.5 Appropriations by Fund

22.6		2024	2025
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22.7	General	36,000,000	-0-
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22.8	Airports	33,598,000	18,598,000
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22.9 The appropriation from the state airports fund
22.10 must be spent according to Minnesota Statutes,
22.11 section 360.305, subdivision 4.

22.12 \$36,000,000 in fiscal year 2024 is from the
22.13 general fund for matches to federal aid and
22.14 state investments related to airport
22.15 infrastructure projects. This is a onetime
22.16 appropriation and is available until June 30,
22.17 2027.

22.18 \$15,000,000 in fiscal year 2024 is from the
22.19 state airports fund for system maintenance of
22.20 critical airport safety systems, equipment, and
22.21 essential airfield technology.

22.22 Notwithstanding Minnesota Statutes, section
22.23 16A.28, subdivision 6, the appropriation from
22.24 the state airports fund is available for five
22.25 years after the year of the appropriation. If the
22.26 appropriation for either year is insufficient,
22.27 the appropriation for the other year is available
22.28 for it.

22.29 If the commissioner of transportation
22.30 determines that a balance remains in the state
22.31 airports fund following the appropriations
22.32 made in this article and that the appropriations
22.33 made are insufficient for advancing airport

23.1 development and assistance projects, an
 23.2 amount necessary to advance the projects, not
 23.3 to exceed the balance in the state airports fund,
 23.4 is appropriated in each year to the
 23.5 commissioner and must be spent according to
 23.6 Minnesota Statutes, section 360.305,
 23.7 subdivision 4. Within two weeks of a
 23.8 determination under this contingent
 23.9 appropriation, the commissioner of
 23.10 transportation must notify the commissioner
 23.11 of management and budget and the chairs,
 23.12 ranking minority members, and staff of the
 23.13 legislative committees with jurisdiction over
 23.14 transportation finance concerning the funds
 23.15 appropriated. Funds appropriated under this
 23.16 contingent appropriation do not adjust the base
 23.17 for fiscal years 2026 and 2027.

23.18	(2) Aviation Support Services	15,397,000	8,431,000
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23.19	Appropriations by Fund
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23.20		2024	2025
23.21	General	8,707,000	1,741,000
23.22	Airports	6,690,000	6,690,000

23.23 \$7,000,000 in fiscal year 2024 is from the
 23.24 general fund to purchase two utility aircraft
 23.25 for the Department of Transportation.

23.26	(3) Civil Air Patrol	80,000	80,000
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23.27 This appropriation is from the state airports
 23.28 fund for the Civil Air Patrol.

23.29	(b) Transit and Active Transportation	58,478,000	18,374,000
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23.30 This appropriation is from the general fund.
 23.31 \$200,000 in fiscal year 2024 and \$50,000 in
 23.32 fiscal year 2025 are for a grant to the city of
 23.33 Rochester to implement demand response
 23.34 transit service using electric transit vehicles.

24.1 The money is available for mobile software
 24.2 application development; vehicles and
 24.3 equipment, including accessible vehicles;
 24.4 associated charging infrastructure; and capital
 24.5 and operating costs.

24.6 \$40,000,000 in fiscal year 2024 is for matches
 24.7 to federal aid and state investments related to
 24.8 transit and active transportation projects. This
 24.9 is a onetime appropriation and is available
 24.10 until June 30, 2027.

24.11 **(c) Safe Routes to School** 15,297,000 10,500,000

24.12 This appropriation is from the general fund
 24.13 for the safe routes to school program under
 24.14 Minnesota Statutes, section 174.40.

24.15 If the appropriation for either year is
 24.16 insufficient, the appropriation for the other
 24.17 year is available for it. The appropriations in
 24.18 each year are available until June 30, 2027.

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

24.21 **(d) Passenger Rail** 197,521,000 4,226,000

24.22 This appropriation is from the general fund
 24.23 for passenger rail activities under Minnesota
 24.24 Statutes, sections 174.632 to 174.636.

24.25 \$194,700,000 in fiscal year 2024 is for capital
 24.26 improvements and betterments for the
 24.27 Minneapolis-Duluth Northern Lights Express
 24.28 intercity passenger rail project, including
 24.29 preliminary engineering, design, engineering,
 24.30 environmental analysis and mitigation,
 24.31 acquisition of land and right-of-way,
 24.32 equipment and rolling stock, and construction.
 24.33 From this appropriation, the amount necessary

25.1 is for: (1) Coon Rapids station improvements
 25.2 to establish a joint station that provides for
 25.3 Amtrak train service on the Empire Builder
 25.4 line between Chicago and Seattle; and (2)
 25.5 acquisition of equipment and rolling stock for
 25.6 purposes of participation in the Midwest fleet
 25.7 pool to provide for service on Northern Lights
 25.8 Express and expanded Amtrak train service
 25.9 between Minneapolis and St. Paul and
 25.10 Chicago. The commissioner of transportation
 25.11 must not approve additional stops or stations
 25.12 beyond those included in the Federal Railroad
 25.13 Administration's January 2018 Finding of No
 25.14 Significant Impact and Section 4(f)
 25.15 Determination if the commissioner determines
 25.16 that the resulting speed reduction would
 25.17 negatively impact total ridership. This
 25.18 appropriation is onetime and is available until
 25.19 June 30, 2028.

25.20 \$1,833,000 in fiscal year 2024 and \$3,238,000
 25.21 in fiscal year 2025 are for a match to federal
 25.22 aid for capital and operating costs for
 25.23 expanded Amtrak train service between
 25.24 Minneapolis and St. Paul and Chicago. These
 25.25 amounts are available until June 30, 2028.

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

25.28 **(e) Freight** 14,650,000 9,066,000

25.29	Appropriations by Fund		
25.30		2024	2025
25.31	General	8,283,000	2,400,000
25.32	Trunk Highway	6,367,000	6,666,000

25.33 \$5,000,000 in fiscal year 2024 is from the
 25.34 general fund for matching federal aid grants
 25.35 for improvements, engineering, and

26.1 administrative costs for the Stone Arch Bridge
 26.2 in Minneapolis. This is a onetime
 26.3 appropriation and is available until June 30,
 26.4 2027.

26.5 \$1,000,000 in each year is from the general
 26.6 fund for staff, operating costs, and
 26.7 maintenance related to weight and safety
 26.8 enforcement systems.

26.9 \$974,000 in fiscal year 2024 is from the
 26.10 general fund for procurement costs of a
 26.11 statewide freight network optimization tool
 26.12 under Laws 2021, First Special Session
 26.13 chapter 5, article 4, section 133. This is a
 26.14 onetime appropriation and is available until
 26.15 June 30, 2025.

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

26.17 Sec. 11. Laws 2023, chapter 68, article 1, section 2, subdivision 3, is amended to read:

26.18 **Subd. 3. State Roads**

26.19 **(a) Operations and Maintenance** 414,220,000 425,341,000

26.20	Appropriations by Fund		
26.21		2024	2025
26.22	General	2,000,000	-0-
26.23	Trunk Highway	412,220,000	425,341,000

26.24 \$1,000,000 in fiscal year 2024 is from the
 26.25 general fund for the highways for habitat
 26.26 program under Minnesota Statutes, section
 26.27 160.2325. This amount is available until June
 26.28 30, 2027.

26.29 \$248,000 in each year is from the trunk
 26.30 highway fund for living snow fence
 26.31 implementation and maintenance activities.

26.32 \$1,000,000 in fiscal year 2024 is from the
 26.33 general fund for safe road zones under

27.1 Minnesota Statutes, section 169.065, including
 27.2 development and delivery of public awareness
 27.3 and education campaigns about safe road
 27.4 zones.

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

27.6 **(1) Planning and Research** 32,679,000 33,465,000

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

27.10 \$130,000 in each year is available for
 27.11 administrative costs of the targeted group
 27.12 business program.

27.13 \$266,000 in each year is available for grants
 27.14 to metropolitan planning organizations outside
 27.15 the seven-county metropolitan area.

27.16 \$900,000 in each year is available for grants
 27.17 for transportation studies outside the
 27.18 metropolitan area to identify critical concerns,
 27.19 problems, and issues. These grants are
 27.20 available: (i) to regional development
 27.21 commissions; (ii) in regions where no regional
 27.22 development commission is functioning, to
 27.23 joint powers boards established under
 27.24 agreement of two or more political
 27.25 subdivisions in the region to exercise the
 27.26 planning functions of a regional development
 27.27 commission; and (iii) in regions where no
 27.28 regional development commission or joint
 27.29 powers board is functioning, to the Department
 27.30 of Transportation district office for that region.

27.31 **(2) Program Delivery** 274,451,000 273,985,000

27.32 **Appropriations by Fund**
 27.33 2024 2025

28.1 General 2,250,000 2,000,000

28.2 Trunk Highway 272,201,000 271,985,000

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

28.6 \$10,000,000 in fiscal year 2024 is from the
28.7 trunk highway fund for roadway design and
28.8 related improvements that reduce speeds and
28.9 eliminate intersection interactions on rural
28.10 high-risk roadways. The commissioner must
28.11 identify roadways based on crash information
28.12 and in consultation with the Advisory Council
28.13 on Traffic Safety under Minnesota Statutes,
28.14 section 4.076, and local traffic safety partners.

28.15 This is a onetime appropriation and is
28.16 available until June 30, 2026.

28.17 \$2,000,000 in each year is from the general
28.18 fund for implementation of climate-related
28.19 programs as provided under the federal
28.20 Infrastructure Investment and Jobs Act, Public
28.21 Law 117-58.

28.22 \$1,193,000 in fiscal year 2024 is from the
28.23 trunk highway fund for costs related to the
28.24 property conveyance to the Upper Sioux
28.25 Community of state-owned land within the
28.26 boundaries of Upper Sioux Agency State Park,
28.27 including fee purchase, property purchase,
28.28 appraisals, and road and bridge demolition
28.29 and related engineering. This amount is
28.30 available until June 30, 2027.

28.31 \$250,000 in fiscal year 2024 is from the
28.32 general fund for costs related to the Clean
28.33 Transportation Fuel Standard Working Group
28.34 established under article 4, section 124.

29.1 \$1,000,000 in each year is available from the
 29.2 trunk highway fund for management of
 29.3 contaminated and regulated material on
 29.4 property owned by the Department of
 29.5 Transportation, including mitigation of
 29.6 property conveyances, facility acquisition or
 29.7 expansion, chemical release at maintenance
 29.8 facilities, and spills on the trunk highway
 29.9 system where there is no known responsible
 29.10 party. If the appropriation for either year is
 29.11 insufficient, the appropriation for the other
 29.12 year is available for it.

29.13 **(c) State Road Construction** 1,207,013,000 1,174,045,000

29.14	Appropriations by Fund		
29.15		2024	2025
29.16	General	1,800,000	-0-
29.17	Trunk Highway	1,205,213,000	1,174,045,000

29.18 This appropriation is for the actual
 29.19 construction, reconstruction, and improvement
 29.20 of trunk highways, including design-build
 29.21 contracts, internal department costs associated
 29.22 with delivering the construction program,
 29.23 consultant usage to support these activities,
 29.24 and the cost of actual payments to landowners
 29.25 for lands acquired for highway rights-of-way,
 29.26 payment to lessees, interest subsidies, and
 29.27 relocation expenses.

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

30.1 \$1,500,000 in fiscal year 2024 is from the
 30.2 general fund for living snow fence
 30.3 implementation, including: acquiring and
 30.4 planting trees, shrubs, native grasses, and
 30.5 wildflowers that are climate adaptive to
 30.6 Minnesota; improvements; contracts;
 30.7 easements; rental agreements; and program
 30.8 delivery.

30.9 \$300,000 in fiscal year 2024 is from the
 30.10 general fund for additions and modifications
 30.11 to work zone design or layout to reduce
 30.12 vehicle speeds in a work zone. This
 30.13 appropriation is available following a
 30.14 determination by the commissioner that the
 30.15 initial work zone design or layout
 30.16 insufficiently provides for reduced vehicle
 30.17 speeds.

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

30.24 The commissioner may transfer up to
 30.25 \$15,000,000 in each year to the transportation
 30.26 revolving loan fund.

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

30.31 The base from the trunk highway fund is
 30.32 \$1,161,813,000 in each of fiscal years 2026
 30.33 and 2027.

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

31.1 This appropriation is for the corridors of
 31.2 commerce program under Minnesota Statutes,
 31.3 section 161.088. The commissioner may use
 31.4 up to 17 percent of the amount in each year
 31.5 for program delivery.

31.6 **(e) Highway Debt Service** 268,336,000 291,394,000

31.7 \$265,336,000 in fiscal year 2024 and
 31.8 \$288,394,000 in fiscal year 2025 are for
 31.9 transfer to the state bond fund. If this
 31.10 appropriation is insufficient to make all
 31.11 transfers required in the year for which it is
 31.12 made, the commissioner of management and
 31.13 budget must transfer the deficiency amount
 31.14 as provided under Minnesota Statutes, section
 31.15 16A.641, and notify the chairs, ranking
 31.16 minority members, and staff of the legislative
 31.17 committees with jurisdiction over
 31.18 transportation finance and the chairs of the
 31.19 senate Finance Committee and the house of
 31.20 representatives Ways and Means Committee
 31.21 of the amount of the deficiency. Any excess
 31.22 appropriation cancels to the trunk highway
 31.23 fund.

31.24 **(f) Statewide Radio Communications** 8,653,000 6,907,000

31.25	Appropriations by Fund		
31.26		2024	2025
31.27	General	2,003,000	3,000
31.28	Trunk Highway	6,650,000	6,904,000

31.29 \$3,000 in each year is from the general fund
 31.30 to equip and operate the Roosevelt signal
 31.31 tower for Lake of the Woods weather
 31.32 broadcasting.

31.33 \$2,000,000 in fiscal year 2024 is from the
 31.34 general fund for Allied Radio Matrix for

32.1 Emergency Response (ARMER) tower
 32.2 building improvements and replacement.

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

32.4 Sec. 12. Laws 2024, chapter 127, article 1, section 2, subdivision 3, is amended to read:

32.5 **Subd. 3. State Roads**

32.6 **(a) Operations and Maintenance** -0- 2,405,000

32.7 \$300,000 in fiscal year 2025 is for rumble
 32.8 strips under Minnesota Statutes, section
 32.9 161.1258.

32.10 \$1,000,000 in fiscal year 2025 is for
 32.11 landscaping improvements located within
 32.12 trunk highway rights-of-way ~~under the~~
 32.13 ~~Department of Transportation's community~~
 32.14 ~~roadside landscape partnership program~~, with
 32.15 prioritization of tree planting as feasible.

32.16 \$1,000,000 is from the general fund for the
 32.17 traffic safety camera pilot program under
 32.18 Minnesota Statutes, section 169.147, and the
 32.19 evaluation and legislative report under article
 32.20 3, sections 116 and 117. With the approval of
 32.21 the commissioner of transportation, any
 32.22 portion of this appropriation is available to the
 32.23 commissioner of public safety. This is a
 32.24 onetime appropriation and is available until
 32.25 June 30, 2029.

32.26 \$105,000 in fiscal year 2025 is for the cost of
 32.27 staff time to coordinate with the Public
 32.28 Utilities Commission relating to placement of
 32.29 high voltage transmission lines along trunk
 32.30 highways.

32.31 **(b) Program Planning and Delivery** -0- 5,800,000

33.1 \$3,000,000 in fiscal year 2025 is for
 33.2 implementation and development of statewide
 33.3 and regional travel demand modeling related
 33.4 to the requirements under Minnesota Statutes,
 33.5 section 161.178. This is a onetime
 33.6 appropriation and is available until June 30,
 33.7 2026.

33.8 \$800,000 in fiscal year 2025 is for one or more
 33.9 grants to metropolitan planning organizations
 33.10 outside the metropolitan area, as defined in
 33.11 Minnesota Statutes, section 473.121,
 33.12 subdivision 2, for modeling activities related
 33.13 to the requirements under Minnesota Statutes,
 33.14 section 161.178. Notwithstanding Minnesota
 33.15 Statutes, section 16B.98, subdivision 14, the
 33.16 commissioner must not use any amount of this
 33.17 appropriation for administrative costs. This is
 33.18 a onetime appropriation and is available until
 33.19 June 30, 2026.

33.20 \$2,000,000 in fiscal year 2025 is to complete
 33.21 environmental documentation and for
 33.22 preliminary engineering and design for the
 33.23 reconstruction of marked Trunk Highway 55
 33.24 from Hennepin County State-Aid Highway
 33.25 19, north of the city of Loretto to Hennepin
 33.26 County Road 118 near the city of Medina.
 33.27 This is a onetime appropriation and is
 33.28 available until June 30, 2027.

33.29 **(c) State Road Construction** -0- 10,900,000

33.30 \$8,900,000 in fiscal year 2025 is for the
 33.31 acquisition, environmental analysis, predesign,
 33.32 design, engineering, construction,
 33.33 reconstruction, and improvement of trunk
 33.34 highway bridges, including design-build
 33.35 contracts, program delivery, consultant usage

34.1 to support these activities, and the cost of
 34.2 payments to landowners for lands acquired
 34.3 for highway rights-of-way. Projects under this
 34.4 appropriation must follow eligible investment
 34.5 priorities identified in the Minnesota state
 34.6 highway investment plan under Minnesota
 34.7 Statutes, section 174.03, subdivision 1c. The
 34.8 commissioner may use up to 17 percent of this
 34.9 appropriation for program delivery. This is a
 34.10 onetime appropriation and is available until
 34.11 June 30, 2028.

34.12 \$1,000,000 in fiscal year 2025 is for predesign
 34.13 and design of intersection safety improvements
 34.14 along marked Trunk Highway 65 from the
 34.15 interchange with marked U.S. Highway 10 to
 34.16 99th Avenue Northeast in the city of Blaine.
 34.17 This is a onetime appropriation.

34.18 \$1,000,000 in fiscal year 2025 is to design and
 34.19 construct trunk highway improvements
 34.20 associated with an interchange at U.S.
 34.21 Highway 169, marked Trunk Highway 282,
 34.22 and Scott County State-Aid Highway 9 in the
 34.23 city of Jordan, including accommodations for
 34.24 bicycles and pedestrians and for bridge and
 34.25 road construction. This is a onetime
 34.26 appropriation and is available until June 30,
 34.27 2027.

34.28 **(d) Highway Debt Service** -0- 468,000

34.29 This appropriation is for transfer to the state
 34.30 bond fund. If this appropriation is insufficient
 34.31 to make all transfers required in the year for
 34.32 which it is made, the commissioner of
 34.33 management and budget must transfer the
 34.34 deficiency amount as provided under
 34.35 Minnesota Statutes, section 16A.641, and

35.1 notify the chairs and ranking minority
 35.2 members of the legislative committees with
 35.3 jurisdiction over transportation finance and
 35.4 the chairs of the senate Finance Committee
 35.5 and the house of representatives Ways and
 35.6 Means Committee of the amount of the
 35.7 deficiency. Any excess appropriation cancels
 35.8 to the trunk highway fund.

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

35.10 **ARTICLE 2**
 35.11 **TRANSPORTATION FINANCE AND POLICY**

35.12 Section 1. Minnesota Statutes 2024, section 168.27, subdivision 8, is amended to read:

35.13 Subd. 8. **Exemptions.** (a) Salespeople and other employees of licensed dealers under
 35.14 this section are not required to obtain individual licenses. For purposes of this subdivision,
 35.15 independent contractors are not employees.

35.16 (b) Isolated or occasional sales or leases of new or used motor vehicles are exempt from
 35.17 this section. A person who makes only isolated or occasional sales or leases is not required
 35.18 to be licensed under this section, is not considered to be in the business of selling or leasing
 35.19 motor vehicles, and does not qualify to receive dealer plates under subdivision 16. "Isolated
 35.20 or occasional sales or leases" means: (1) the sale or lease of a motor vehicle with an actual
 35.21 cash value of \$1,000 or less made by a charitable organization; (2) the sale, purchase, or
 35.22 lease of not more than five motor vehicles in a 12-month period, other than pioneer or classic
 35.23 motor vehicles as defined in section 168.10, subdivisions 1a and 1b₂; or (3) sales by a
 35.24 licensed auctioneer selling motor vehicles at an auction if, in the ordinary course of the
 35.25 auctioneer's business, the sale of motor vehicles is incidental to the sale of other real or
 35.26 personal property. For purposes of this subdivision, charitable organization means a nonprofit
 35.27 charitable organization that qualifies for tax exemption under section 501(c)(3) of the Internal
 35.28 Revenue Code.

35.29 (c) A person whose sales of new and used motor vehicles consist solely of sales to
 35.30 political subdivisions and their agencies of vehicles used solely as firefighting equipment
 35.31 is not required to obtain a license under this section. The person may apply for and receive
 35.32 in-transit plates under subdivision 17 in the same manner as licensed motor vehicle dealers
 35.33 for the purpose of allowing firefighting equipment to be transported from the dealer's source

36.1 of supply or other place of storage to the dealer's place of business, to another place of
 36.2 storage, or directly to the purchaser.

36.3 **EFFECTIVE DATE.** This section is effective January 1, 2026.

36.4 Sec. 2. Minnesota Statutes 2024, section 168.27, subdivision 11, is amended to read:

36.5 Subd. 11. **Dealers' licenses; location change notice; fee.** (a) Application for a dealer's
 36.6 license or notification of a change of location of the place of business on a dealer's license
 36.7 must include a street address, not a post office box, and is subject to the commissioner's
 36.8 approval.

36.9 (b) Upon the filing of an application for a dealer's license and the proper fee, unless the
 36.10 application on its face appears to be invalid, the commissioner ~~shall~~ must grant a 90-day
 36.11 temporary license. During the 90-day period following issuance of the temporary license,
 36.12 the commissioner ~~shall~~ must inspect the place of business site and insure compliance with
 36.13 this section and rules adopted under this section.

36.14 (c) The commissioner may extend the temporary license 30 days to allow the temporarily
 36.15 licensed dealer to come into full compliance with this section and rules adopted under this
 36.16 section.

36.17 (d) In no more than 180 days following issuance of the temporary license, the dealer
 36.18 license must either be granted or denied.

36.19 (e) A license must be denied under the following conditions:

36.20 (1) if ~~within the previous ten years~~ the applicant was enjoined due to a violation of
 36.21 section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69,
 36.22 or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of
 36.23 violating United States Code, title 49, sections 32701 to 32711 or pleaded guilty, entered a
 36.24 plea of nolo contendere or no contest, or has been found guilty in a court of competent
 36.25 jurisdiction of any charge of failure to pay state or federal income or sales taxes or felony
 36.26 charge of forgery, embezzlement, obtaining money under false pretenses, theft by swindle,
 36.27 extortion, conspiracy to defraud, ~~or~~ bribery, or similar offenses committed in another state;
 36.28 or

36.29 (2) if the applicant has had a dealer license revoked within the previous ten years.

36.30 (f) A license may be denied if a dealer is not in compliance with location requirements
 36.31 under subdivision 10 or has intentionally misrepresented any information on the dealer

37.1 license application that would be grounds for suspension or revocation under subdivision
37.2 12.

37.3 (g) If the application is approved, the commissioner ~~shall~~ must license the applicant as
37.4 a dealer for one year from the date the temporary license is granted and issue a certificate
37.5 of license that must include a distinguishing number of identification of the dealer. The
37.6 license must be displayed in a prominent place in the dealer's licensed place of business.

37.7 (h) Each initial application for a license must be accompanied by a fee of \$100 in addition
37.8 to the annual fee. The annual fee is \$150. The initial fees and annual fees must be paid into
37.9 the state treasury and credited to the general fund except that \$50 of each initial and annual
37.10 fee must be paid into the driver and vehicle services operating account under section
37.11 299A.705.

37.12 (i) An applicant for a dealer's license under this section must submit to a criminal history
37.13 records check of state data completed by the Bureau of Criminal Apprehension and a national
37.14 criminal history records check, including a search of the records of the Federal Bureau of
37.15 Investigation. The results of the background check must be returned to the commissioner.

37.16 (j) An applicant for a dealer's license must consent to a fingerprint-based criminal history
37.17 background check as required under paragraph (i), pay all required fees, and cooperate with
37.18 all requests for information. An applicant must complete a new criminal history background
37.19 check if more than one year has elapsed since the applicant last applied for a license.

37.20 **EFFECTIVE DATE.** This section is effective January 1, 2026.

37.21 Sec. 3. Minnesota Statutes 2024, section 168.27, subdivision 16, is amended to read:

37.22 Subd. 16. **Dealer plates: distinguishing number, fee, tax, use.** (a) The registrar ~~shall~~
37.23 must issue to every motor vehicle dealer, upon a request from the motor vehicle dealer
37.24 licensed as provided in subdivision 2 or 3 and subject to the limits provided in paragraph
37.25 (d), one or more plates displaying a general distinguishing number. This subdivision does
37.26 not apply to a scrap metal processor, a used vehicle parts dealer, or a vehicle salvage pool.
37.27 The fee for each of the first four plates is \$75 per registration year, of which \$60 must be
37.28 paid to the registrar and the remaining \$15 is payable as sales tax on motor vehicles under
37.29 section 297B.035. For each additional plate, the dealer ~~shall~~ must pay the registrar a fee of
37.30 \$25 and a sales tax on motor vehicles of \$15 per registration year. The registrar ~~shall~~ must
37.31 deposit the tax in the state treasury to be credited as provided in section 297B.09.

37.32 Replacement plates are subject to the fees in section 168.12. New or used motor vehicles;
37.33 ~~new or used~~, owned by the motor vehicle dealership and bearing the number plate, except

38.1 vehicles leased to ~~the~~ a user who is not an employee of the dealer during the term of the
 38.2 lease, held for hire, or used by the dealer as a tow truck, service truck, maintenance vehicle,
 38.3 or parts vehicle, may be driven upon ~~the~~ Minnesota streets and highways ~~of this state:~~

38.4 (1) by the motor vehicle dealer or dealer's spouse, or any full-time employee of the motor
 38.5 vehicle dealer for either private or business purposes;

38.6 (2) by a part-time employee when the use is directly related to a particular business
 38.7 transaction of the dealer; or

38.8 (3) for demonstration purposes by any prospective buyer for a period of no more than
 38.9 48 hours or in the case of a truck, truck-tractor, or semitrailer, for a period of no more than
 38.10 seven days; ~~or.~~

38.11 ~~(4) in a promotional event that lasts no longer than four days in which at least three~~
 38.12 ~~motor vehicles are involved.~~

38.13 (b) Prior to the demonstration period under paragraph (a), clause (3), a dealer must
 38.14 confirm the prospective buyer's driver's license is valid by accessing the driver and vehicle
 38.15 services information system. Dealers must maintain records of each vehicle demonstration.
 38.16 Demonstration records must include the vehicle identification number, license plate number,
 38.17 driver or drivers, start date and time, end date and time, and location of the vehicle
 38.18 demonstration. Demonstration records must be made available to the commissioner for
 38.19 inspection.

38.20 ~~(b)~~ (c) A new or used motor vehicle sold by the motor vehicle dealer and bearing the
 38.21 motor vehicle dealer's number plate may be driven upon the public streets and highways
 38.22 for a period of 72 hours by the buyer for either of the following purposes: ~~(1) removing the~~
 38.23 ~~vehicle from this state for registration in another state, or (2) permitting the buyer to use~~
 38.24 ~~the motor vehicle~~ before the buyer receives number plates pursuant to registration. Use of
 38.25 a motor vehicle by the buyer ~~under clause (2)~~ before the buyer receives number plates
 38.26 pursuant to registration constitutes a use of the public streets or highways for the purpose
 38.27 of the time requirements for registration of motor vehicles.

38.28 (d) The registrar may issue two plates displaying a general distinguishing number to a
 38.29 motor vehicle dealer. The registrar may issue additional plates to the motor vehicle dealer
 38.30 based on the motor vehicle dealer's inventory as follows:

38.31 (1) one plate for each of the five vehicles carried in highest inventory up to and including
 38.32 400 vehicles; and

39.1 (2) one plate for each of the seven vehicles in excess of 400 vehicles up to a maximum
39.2 of 100 plates.

39.3 (e) A motor vehicle dealer must maintain insurance sufficient to cover the number of
39.4 dealer plates issued to the motor vehicle dealer and provide an annual attestation to the
39.5 registrar confirming insurance coverage.

39.6 (f) A motor vehicle dealer must destroy any dealer plate in its possession in excess of
39.7 the number the registrar may issue to the dealer under paragraph (d). A motor vehicle dealer
39.8 must destroy any dealer plate for which the annual registration fee has not been paid. A
39.9 motor vehicle dealer must provide an annual attestation to the registrar confirming the
39.10 destruction of excess plates and plates whose registration fee has not been paid.

39.11 **EFFECTIVE DATE.** This section is effective January 1, 2026.

39.12 Sec. 4. Minnesota Statutes 2024, section 168.33, subdivision 7, is amended to read:

39.13 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes:

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

39.16 (2) a \$12 filing fee is imposed on every other type of vehicle transaction, including motor
39.17 carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

39.18 (b) Notwithstanding paragraph (a):

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

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

39.23 (c) The filing fee must be shown as a separate item on all registration renewal notices
39.24 sent out by the commissioner.

39.25 (d) The statutory fees and taxes, the filing fees imposed under paragraph (a), and the
39.26 surcharge imposed under paragraph (f) may be paid by credit card or debit card. The deputy
39.27 registrar may collect a surcharge on the payment made under this paragraph not greater than
39.28 the cost of processing a credit card or debit card transaction, in accordance with emergency
39.29 rules established by the commissioner of public safety. The surcharge authorized by this
39.30 paragraph must be used to pay the cost of processing credit and debit card transactions.

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

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

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

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

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

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

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

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

40.12 (f) In addition to all other statutory fees and taxes, a deputy registrar must assess a \$1
40.13 surcharge on every transaction for which filing fees are collected under this subdivision.

40.14 The surcharge authorized by this paragraph must be (1) deposited in the treasury of the
40.15 place for which the deputy registrar is appointed, or (2) if the deputy registrar is not a public
40.16 official, retained by the deputy registrar. For purposes of this paragraph, a deputy registrar
40.17 does not include the commissioner.

40.18 (g) The commissioner must issue payment to a deputy registrar as follows:

40.19 (1) \$2 for paying an account balance;

40.20 (2) \$4 for the following transactions:

40.21 (i) updating a vehicle's address or the county in which the vehicle is kept;

40.22 (ii) changing or verifying an address related to the International Registration Plan or the
40.23 International Fuel Tax Agreement;

40.24 (iii) updating contact information for the International Registration Plan or the
40.25 International Fuel Tax Agreement;

40.26 (iv) processing a vehicle that has been sold, donated, or removed from the state; and

40.27 (v) marking a vehicle as junked;

40.28 (3) \$8 for the following transactions:

40.29 (i) changing a customer's personal identification number;

40.30 (ii) adding or removing liens for veterans with a total service-connected disability;

- 41.1 (iii) providing a duplicate title;
- 41.2 (iv) issuing International Fuel Tax Agreement decals;
- 41.3 (v) managing an International Fuel Tax Agreement license; and
- 41.4 (vi) administrative review requests; and
- 41.5 (4) the amount of the fee established under section 168.33, subdivision 7, paragraph (a),
- 41.6 clause (2), for the following transactions:
- 41.7 (i) vehicle renewal for veterans with a total service-connected disability;
- 41.8 (ii) plate change for veterans with a total service-connected disability;
- 41.9 (iii) correcting or changing title and vehicle details;
- 41.10 (iv) issuing a new disability parking certificate;
- 41.11 (v) new title and registration for veterans with a total service-connected disability;
- 41.12 (vi) transferring title and registration for veterans with a total service-connected disability;
- 41.13 and
- 41.14 (vii) replacing plates, stickers, or registration cards.
- 41.15 (h) The following transactions for which no filing fee is collected are not eligible for
- 41.16 payment of any kind:
- 41.17 (1) collection of another fee type, including but not limited to a record request fee or a
- 41.18 fast track fee;
- 41.19 (2) voluntary waiver of a fee by the deputy registrar; and
- 41.20 (3) ancillary to a transaction for which a filing fee may be imposed.
- 41.21 (i) If the amount appropriated for payments under paragraph (g) is insufficient, the
- 41.22 commissioner must prorate the payments.
- 41.23 **EFFECTIVE DATE.** This section is effective August 1, 2025.
- 41.24 Sec. 5. Minnesota Statutes 2024, section 168A.10, is amended by adding a subdivision to
- 41.25 read:
- 41.26 **Subd. 7. Removal of license plates.** If an owner transfers interest in a vehicle other than
- 41.27 by the creation of a security interest or as defined in section 297B.01, subdivision 16,
- 41.28 paragraph (c), clauses (1) to (5), the owner must remove the existing license plates from

42.1 the vehicle, and the purchaser must, at the time of transfer, obtain new plates for the vehicle
42.2 and pay the fees specified in section 168.12, subdivision 5, paragraph (b).

42.3 **EFFECTIVE DATE.** This section is effective January 1, 2026.

42.4 Sec. 6. Minnesota Statutes 2024, section 169.14, subdivision 1a, is amended to read:

42.5 Subd. 1a. **License revocation for extreme speed.** The driver's license of a person who
42.6 violates any speed limit established in this section, by driving in excess of 100 miles per
42.7 hour or 35 miles per hour or more over the posted speed limit, is revoked for six months
42.8 under section 171.17, or for a longer minimum period of time applicable under section
42.9 169A.53, 169A.54, or 171.174.

42.10 Sec. 7. Minnesota Statutes 2024, section 169.686, subdivision 1, is amended to read:

42.11 Subdivision 1. **Seat belt requirement.** (a) Except as provided in section 169.685, a
42.12 properly adjusted and fastened seat belt, including both the shoulder and lap belt when the
42.13 vehicle is so equipped, ~~shall~~ must be worn by the driver and passengers of a passenger
42.14 vehicle, commercial motor vehicle, type III vehicle, and type III Head Start vehicle.
42.15 Notwithstanding the equipment exemption in section 169.685, subdivision 1, this paragraph
42.16 applies to the driver and passengers of an autocycle equipped with seat belts. This paragraph
42.17 applies to the operator and passengers of a class 2 all-terrain vehicle when operated on or
42.18 within the right-of-way of a public road when the all-terrain vehicle is factory-equipped
42.19 with seat belts.

42.20 (b) A person who is 15 years of age or older and who violates paragraph (a) is subject
42.21 to a fine of \$25. The driver of the vehicle in which a violation occurs is subject to a \$25
42.22 fine for each violation of paragraph (a) by the driver or by a passenger under the age of 15,
42.23 but the court may not impose more than one surcharge under section 357.021, subdivision
42.24 6, on the driver. The Department of Public Safety ~~shall~~ must not record a violation of this
42.25 subdivision on a person's driving record.

42.26 (c) The driver of a bus is not subject to the fine under paragraph (b) for a violation of
42.27 paragraph (a) by a passenger under the age of 15. This paragraph does not apply to: (1) a
42.28 school bus, including a type III vehicle; and (2) a Head Start bus, including a type III Head
42.29 Start vehicle.

42.30 Sec. 8. Minnesota Statutes 2024, section 171.05, subdivision 1, is amended to read:

42.31 Subdivision 1. **Person 18 or more years of age.** (a) Any person who is 18 or more years
42.32 of age and who, except for a lack of instruction in operating a motor vehicle, would otherwise

43.1 be qualified to obtain a class D driver's license under this chapter; may apply for an
 43.2 instruction permit, and the department ~~shall~~ must issue the permit. The instruction permit
 43.3 entitles the applicant to drive a motor vehicle for which a class D license is valid upon the
 43.4 highways for a period of two years if the permit holder:

43.5 (1) has the permit in immediate possession; and

43.6 (2) is driving the vehicle while accompanied by an adult licensed driver who is actually
 43.7 occupying a seat beside the driver.

43.8 (b) Any license of a lower class may be used as an instruction permit to operate a vehicle
 43.9 requiring a higher class license for a period of ~~six months~~ one year after passage of the
 43.10 written test or tests required for the higher class and when the licensee is accompanied by
 43.11 and receiving instruction from a holder of the appropriate higher class license. A copy of
 43.12 the record of examination taken for the higher class license must be carried by the driver
 43.13 while using the lower class license as an instruction permit.

43.14 Sec. 9. Minnesota Statutes 2024, section 171.06, is amended by adding a subdivision to
 43.15 read:

43.16 Subd. 7a. **Online renewal.** (a) For purposes of this subdivision, "applicant" means a
 43.17 person who renews a REAL ID-compliant or noncompliant driver's license or identification
 43.18 card or applies for a duplicate card through the department's online renewal system
 43.19 established in this subdivision.

43.20 (b) The commissioner must establish a process for an applicant to renew or request a
 43.21 duplicate of a REAL ID-compliant or noncompliant driver's license or identification card,
 43.22 whether by website or some other means, as provided in this subdivision. Notwithstanding
 43.23 subdivision 3, an applicant for a renewal or duplicate driver's license or identification card
 43.24 submitted through the department's online renewal system may not designate a temporary
 43.25 mailing address for the delivery of the driver's license or identification card.

43.26 (c) The commissioner may renew or request a duplicate of a REAL ID-compliant or
 43.27 noncompliant driver's license or identification card for an individual who does not renew
 43.28 in person if:

43.29 (1) there is no change in identity, including any change to the applicant's name, address,
 43.30 signature, and driver's license or identification card number;

43.31 (2) the renewal application is not for a different type or class of driver's license or
 43.32 identification card;

44.1 (3) the renewal or duplicate application is not for an enhanced driver's license or
 44.2 identification card;

44.3 (4) the commissioner has a previous photograph of the applicant on file that was taken
 44.4 within the last five years or in conjunction with the most recent issuance of the applicant's
 44.5 current credential;

44.6 (5) the applicant is at least 18 years of age at the time of the application;

44.7 (6) the applicant's license or identification card is valid or has been expired for less than
 44.8 one year;

44.9 (7) the applicant has not obtained a driving credential or identification card from another
 44.10 state or jurisdiction since the most recent issuance of the applicant's Minnesota credential;

44.11 (8) no knowledge or road tests are required to maintain the credential;

44.12 (9) the applicant submits a vision examination certificate as described in subdivision 7;
 44.13 and

44.14 (10) the application is in a form prescribed by the commissioner.

44.15 (d) The commissioner must use the photograph on file as specified in paragraph (c),
 44.16 clause (4), for the applicant's REAL ID-compliant or noncompliant driver's license or
 44.17 identification card.

44.18 **EFFECTIVE DATE.** This section is effective July 1, 2026.

44.19 Sec. 10. Minnesota Statutes 2024, section 171.061, subdivision 4, is amended to read:

44.20 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee for each
 44.21 application as follows:

44.22 (1) New application for a noncompliant, REAL ID-compliant, or \$ 16.00
 44.23 enhanced driver's license or identification card

44.24 (2) Renewal application for a noncompliant, REAL ID-compliant, or \$ 11.00
 44.25 enhanced driver's license or identification card

44.26 Except as provided in paragraph (c), the fee must cover all expenses involved in receiving,
 44.27 accepting, or forwarding to the department the applications and fees required under sections
 44.28 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

44.29 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
 44.30 credit card or debit card. The driver's license agent may collect a convenience fee on the
 44.31 statutory fees and filing fees not greater than the cost of processing a credit card or debit
 44.32 card transaction. The convenience fee must be used to pay the cost of processing credit card

45.1 and debit card transactions. The commissioner must adopt rules to administer this paragraph
45.2 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
45.3 does not apply.

45.4 (c) The department must maintain the photo identification and vision examination
45.5 equipment for all agents. All photo identification and vision examination equipment must
45.6 be compatible with standards established by the department.

45.7 (d) A filing fee retained by the agent employed by a county board must be paid into the
45.8 county treasury and credited to the general revenue fund of the county. An agent who is not
45.9 an employee of the county must retain the filing fee in lieu of county employment or salary
45.10 and is considered an independent contractor for pension purposes, coverage under the
45.11 Minnesota State Retirement System, or membership in the Public Employees Retirement
45.12 Association.

45.13 (e) Before the end of the first working day following the final day of the reporting period
45.14 established by the department, the agent must forward to the department all applications
45.15 and fees collected during the reporting period except as provided in paragraph (d).

45.16 (f) The commissioner must issue payment to a driver's license agent as follows:

45.17 (1) \$2 for paying an account balance;

45.18 (2) \$4 for the following transactions:

45.19 (i) correcting credentials for veterans with a total service-connected disability, homeless
45.20 fee, and those with reduced-fee credentials; and

45.21 (ii) payment of reinstatement fees for veterans with a total service-connected disability
45.22 and homeless youth;

45.23 (3) \$8 for the following transactions:

45.24 (i) changing a customer's personal identification number; and

45.25 (ii) mail-in application photograph renewal; and

45.26 (4) the amount of the fee established under section 168.33, subdivision 7, paragraph (a),
45.27 clause (2), for the following transactions:

45.28 (i) addition of court order review;

45.29 (ii) paper temporary receipt of application permit for veterans with a total
45.30 service-connected disability; and

46.1 (iii) issuing a credential for veterans with a total service-connected disability, homeless
 46.2 youth, and those with reduced-fee credentials.

46.3 (g) The following transactions for which no filing fee is collected are not eligible for
 46.4 payment of any kind:

46.5 (1) collection of another fee type, including but not limited to a record request fee or a
 46.6 fast track fee;

46.7 (2) voluntary waiver of a fee by the driver's license agent; and

46.8 (3) ancillary to a transaction for which a filing fee may be imposed.

46.9 (h) If the amount appropriated for payments under paragraph (f) is insufficient, the
 46.10 commissioner must prorate the payments.

46.11 **EFFECTIVE DATE.** This section is effective August 1, 2025.

46.12 Sec. 11. Minnesota Statutes 2024, section 171.306, subdivision 8, is amended to read:

46.13 Subd. 8. **Rulemaking.** ~~In establishing~~ The commissioner must adopt the performance
 46.14 standards and certification process of subdivision 2; and the program guidelines of
 46.15 subdivision 3; as rules and any other rules necessary to implement this section, the
 46.16 ~~commissioner~~ is subject to chapter 14.

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

46.18 Sec. 12. Minnesota Statutes 2024, section 174.02, is amended by adding a subdivision to
 46.19 read:

46.20 Subd. 12. **Emissions reduction goals; financial assistance.** The commissioner may
 46.21 provide grants or other financial assistance at the commissioner's discretion pursuant to
 46.22 grant requirements under state law to meet the state's goals under subdivision 1a, clause
 46.23 (3), or section 216H.02.

46.24 Sec. 13. Minnesota Statutes 2024, section 174.38, subdivision 4, is amended to read:

46.25 Subd. 4. **Program administration.** (a) The commissioner must establish active
 46.26 transportation program requirements, including:

46.27 (1) assistance eligibility, subject to the requirements under subdivision 5;

46.28 (2) a solicitation and application process that minimizes the burden on applicants; and

46.29 (3) procedures to award and pay financial assistance.

47.1 (b) The commissioner must ~~annually~~ ~~conduct a solicitation~~ solicitations for active
47.2 transportation projects under the program.

47.3 (c) The commissioner must make reasonable efforts to publicize each application
47.4 solicitation among all eligible recipients. The commissioner must assist applicants to create
47.5 and submit applications, with an emphasis on providing assistance in communities that are
47.6 historically and currently underrepresented in local or regional planning, including
47.7 communities of color, low-income households, people with disabilities, and people with
47.8 limited English proficiency.

47.9 (d) The commissioner may provide grants or other financial assistance for a project.

47.10 (e) The commissioner is prohibited from expending more than one percent of available
47.11 funds in a fiscal year under this section on program administration.

47.12 Sec. 14. Minnesota Statutes 2024, section 299A.01, is amended by adding a subdivision
47.13 to read:

47.14 Subd. 9. **Grant contracts and programs; administrative costs.** (a) Notwithstanding
47.15 any other law to the contrary, unless money is otherwise appropriated for administrative
47.16 costs, the department may retain the following percentages of a grant appropriation for staff
47.17 and related operating costs for grant administration:

47.18 (1) five percent for grants enacted by the legislature, single or sole source grants, and
47.19 formula grants; and

47.20 (2) ten percent for competitively awarded grants.

47.21 (b) This subdivision applies to all new and existing grant programs administered by the
47.22 department.

47.23 (c) This subdivision does not apply to grants funded with an appropriation of proceeds
47.24 from the sale of state general obligation bonds.

47.25 Sec. 15. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision
47.26 to read:

47.27 Subd. 22a. **Coordinated unmanned aerial system fleet event for entertainment**
47.28 purposes. "Coordinated unmanned aerial system fleet event for entertainment purposes"
47.29 means a one-day event involving a group of unmanned aerial systems flying together as a
47.30 unified and coordinated entity to accomplish a shared entertainment objective, including

48.1 but not limited to choreographed flight patterns, synchronized lighting, and music for visual
 48.2 displays.

48.3 Sec. 16. Minnesota Statutes 2024, section 360.531, subdivision 2, is amended to read:

48.4 Subd. 2. **Rate.** The tax shall be as follows:

48.5	Base Price	Tax
48.6	Not over \$500,000	\$100 <u>\$115</u>
48.7	over \$500,000 but not over \$1,000,000	\$200 <u>\$230</u>
48.8	over \$1,000,000 but not over \$2,500,000	\$2,000 <u>\$2,300</u>
48.9	over \$2,500,000 but not over \$5,000,000	\$4,000 <u>\$4,600</u>
48.10	over \$5,000,000 but not over \$7,500,000	\$7,500 <u>\$8,625</u>
48.11	over \$7,500,000 but not over \$10,000,000	\$10,000 <u>\$11,500</u>
48.12	over \$10,000,000 but not over	
48.13	\$12,500,000	\$12,500 <u>\$14,375</u>
48.14	over \$12,500,000 but not over	
48.15	\$15,000,000	\$15,000 <u>\$17,250</u>
48.16	over \$15,000,000 but not over	
48.17	\$17,500,000	\$17,500 <u>\$20,125</u>
48.18	over \$17,500,000 but not over	
48.19	\$20,000,000	\$20,000 <u>\$23,000</u>
48.20	over \$20,000,000 but not over	
48.21	\$22,500,000	\$22,500 <u>\$25,875</u>
48.22	over \$22,500,000 but not over	
48.23	\$25,000,000	\$25,000 <u>\$28,750</u>
48.24	over \$25,000,000 but not over	
48.25	\$27,500,000	\$27,500 <u>\$31,625</u>
48.26	over \$27,500,000 but not over	
48.27	\$30,000,000	\$30,000 <u>\$34,500</u>
48.28	over \$30,000,000 but not over	
48.29	\$40,000,000	\$50,000 <u>\$57,500</u>
48.30	over \$40,000,000	\$75,000 <u>\$86,250</u>

48.31 Sec. 17. Minnesota Statutes 2024, section 360.55, subdivision 4, is amended to read:

48.32 Subd. 4. **Collector's aircraft.** (a) For purposes of this subdivision:

48.33 (1) "antique aircraft" means an aircraft constructed by the original manufacturer, or its
 48.34 licensee, on or before December 31, 1945, with the exception of certain pre-World War II
 48.35 aircraft models that had only a small postwar production, such as Beechcraft Staggerwing,
 48.36 Fairchild 24, and Monocoupe; and

49.1 (2) "classic aircraft" means an aircraft constructed by the original manufacturer, or its
 49.2 licensee, on or after January 1, 1946, and has a first year of life that precedes the date of
 49.3 registration by at least 50 years.

49.4 (b) If an antique or classic aircraft is owned and operated solely as a collector's item, its
 49.5 owner may list it for taxation and registration ~~as follows:~~ under this paragraph. A sworn
 49.6 affidavit must be executed stating:

49.7 (1) the name and address of the owner;₂

49.8 (2) the name and address of the ~~person from whom purchased,~~ seller;

49.9 (3) the aircraft's make, year, model number, federal aircraft registration number, and
 49.10 manufacturer's identification number;₂ and

49.11 (4) that the aircraft is owned and operated solely as a collector's item and not for general
 49.12 transportation or commercial operations purposes.

49.13 The affidavit must be filed with the commissioner along with ~~a~~ an annual fee of \$25.

49.14 (c) Upon satisfaction that the affidavit is true and correct, the commissioner ~~shall~~ must
 49.15 issue to the applicant a registration certificate. The registration certificate is valid ~~without~~
 49.16 ~~renewal as long as~~ for one year from the date of issue, provided the owner operates continues
 49.17 to operate the aircraft solely as a collector's item.

49.18 (d) ~~Should~~ If an antique or classic aircraft ~~be~~ is operated other than as a collector's item,
 49.19 the registration certificate ~~becomes~~ is void, and the owner ~~shall~~ must list the aircraft for
 49.20 taxation and registration in accordance with the other provisions of sections 360.511 to
 49.21 360.67.

49.22 ~~(e) Upon the sale of an antique or classic aircraft, the new owner must list the aircraft~~
 49.23 ~~for taxation and registration in accordance with this subdivision, including the payment of~~
 49.24 ~~a \$5 fee to transfer the registration to the new owner, or the other provisions of sections~~
 49.25 ~~360.511 to 360.67, whichever is applicable.~~

49.26 Sec. 18. Minnesota Statutes 2024, section 360.55, subdivision 4a, is amended to read:

49.27 Subd. 4a. **Recreational aircraft; classic license.** (a) An aircraft that has a base price
 49.28 for tax purposes under section 360.531 of \$10,000 or less; and ~~that~~ is owned and operated
 49.29 solely for recreational purposes, ~~may~~ must be listed for taxation and registration by executing
 49.30 ~~a~~ an annual sworn affidavit stating:

49.31 (1) the name and address of the owner;₂

50.1 (2) the name and address of the ~~person from whom purchased,~~ seller;

50.2 (3) the aircraft's make, year, model number, federal aircraft registration number, and
50.3 manufacturer's identification number;² and

50.4 (4) that the aircraft is owned and operated solely as a recreational aircraft and not for
50.5 commercial operational purposes.

50.6 The affidavit must be filed with the commissioner along with ~~an annual~~ a registration fee
50.7 of \$25 fee.

50.8 (b) An annual fee of \$25 is required for registration renewal.

50.9 ~~(b)~~ (c) On being satisfied that the affidavit is true and correct, the commissioner ~~shall~~
50.10 must issue to the applicant a registration certificate.

50.11 ~~(e) Should~~ (d) If the aircraft ~~be~~ is operated other than as a recreational aircraft, the owner
50.12 ~~shall~~ must list the aircraft for taxation and registration and pay the appropriate registration
50.13 fee under sections 360.511 to 360.67.

50.14 ~~(d)~~ (e) If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation and
50.15 registration under this subdivision, including the payment of the annual \$25 fee, or under
50.16 sections 360.511 to 360.67, whichever is applicable.

50.17 Sec. 19. Minnesota Statutes 2024, section 360.55, subdivision 9, is amended to read:

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

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

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

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

50.26 Sec. 20. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
50.27 read:

50.28 Subd. 10. **Coordinated unmanned aerial system fleets.** (a) An operator planning to
50.29 conduct a coordinated unmanned aerial system fleet event for entertainment purposes, as

51.1 defined in section 360.511, subdivision 22a, must register the fleet at least 15 days before
 51.2 the event.

51.3 (b) The registration under this subdivision must include:

51.4 (1) the name and contact information of the event organizer;

51.5 (2) the date, time, and location of the event;

51.6 (3) the number of unmanned aerial systems to be used;

51.7 (4) proof of liability insurance for the unmanned aerial systems;

51.8 (5) a copy of the operator's unmanned aerial systems pilot's license; and

51.9 (6) a copy of the commercial operator's license.

51.10 (c) A daily registration fee of \$2 per unmanned aerial system used in the fleet applies
 51.11 to fleets registered under this subdivision. This fee is in lieu of the registration fee in
 51.12 subdivision 9. Fleets registered under this subdivision are exempt from the aircraft registration
 51.13 tax under sections 360.511 to 360.67.

51.14 Sec. 21. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
 51.15 read:

51.16 Subd. 11. **Aircraft used for air ambulance service.** Aircraft licensed under section
 51.17 144E.12 and used exclusively to provide air ambulance service are subject to the tax provided
 51.18 by sections 360.511 to 360.67, except that any registration or tax imposed by sections
 51.19 360.511 to 360.67 must not exceed \$1,000 annually.

51.20 Sec. 22. Minnesota Statutes 2024, section 360.653, is amended to read:

51.21 **360.653 AIRCRAFT REGISTRATION AND TAX EXEMPTIONS.**

51.22 The following aircraft, under the conditions specified, ~~shall be~~ are exempt from the
 51.23 registration and the tax provided by sections 360.511 to 360.67-:

51.24 (1) any aircraft held by a dealer listed and used as provided in section 360.63, except
 51.25 that aircraft held by dealers on October 1, of each year, ~~shall~~ must be registered and the
 51.26 entire tax provided by sections 360.511 to 360.67 ~~shall~~ must be paid for the portion of the
 51.27 fiscal year, prorated on a monthly basis remaining after the aircraft came into the possession
 51.28 of the dealer. ~~It is further provided that~~ A dealer who has previously had aircraft on
 51.29 withholding may register ~~such~~ the aircraft in September of each fiscal year by payment of
 51.30 an amount equal to one-third of the annual tax, which ~~tax shall be~~ is applicable for the

52.1 months of September through December, and in January, the dealer may again list these
52.2 aircraft on the dealer's withholding form;

52.3 (2) aircraft remaining in the possession of aircraft manufacturers ten months after
52.4 completion ~~shall become~~ are subject to the tax provided by sections 360.511 to 360.67. The
52.5 tax ~~shall be~~ is computed from the expiration of the ten months period and ~~shall be~~ is prorated
52.6 on a monthly basis; and

52.7 (3) aircraft while in the hands of aircraft refitters for the purpose of being refitted or
52.8 modified or both, and while being refitted or modified or both.

52.9 ~~(4) Aircraft licensed under section 144E.12 and used exclusively to provide air ambulance~~
52.10 ~~service.~~

52.11 Sec. 23. Minnesota Statutes 2024, section 473.408, is amended by adding a subdivision
52.12 to read:

52.13 Subd. 11. Transit service for certified disabled riders. The council must provide
52.14 regular route transit, as defined in section 473.385, subdivision 1, free of charge to an
52.15 individual who is:

52.16 (1) certified as disabled under the Americans with Disabilities Act requirements of the
52.17 Federal Transit Administration; or

52.18 (2) certified by the council under section 473.386, subdivision 2a.

52.19 (b) The requirements under this subdivision apply to operators of regular route transit
52.20 receiving financial assistance under section 473.388 or operating under section 473.405,
52.21 subdivision 12.

52.22 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2025, and
52.23 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

52.24 Sec. 24. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision
52.25 to read:

52.26 Subd. 2a. Use of funds; Metropolitan Council; loan authorized. From the amounts
52.27 in subdivision 2, paragraph (a), clause (2), the council is authorized to loan to the Department
52.28 of Transportation up to \$250,000,000 to advance and coordinate highway construction with
52.29 one major transitway project in the metropolitan area. Funds may be used for any costs
52.30 related to the selected project, including but not limited to construction, engineering, and

- 53.1 administration. The loan agreement, including repayment terms, must be mutually agreed
- 53.2 to by the council and the Department of Transportation.

APPENDIX
Article locations for 25-01563

ARTICLE 1 APPROPRIATIONS..... Page.Ln 1.17
ARTICLE 2 TRANSPORTATION FINANCE AND POLICY..... Page.Ln 35.10