

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

S.F. No. 3944

(SENATE AUTHORS: DIBBLE and Morrison)

DATE	D-PG	OFFICIAL STATUS
02/19/2024	11651	Introduction and first reading Referred to Transportation
02/29/2024	11862	Author added Morrison
04/02/2024	13216a	Comm report: To pass as amended
	13329	Second reading
04/09/2024	13570a	Referred to for comparison with HF3436 Rule 45-amend, subst. General Orders HF3436, SF indefinitely postponed

1.1 A bill for an act

1.2 relating to transportation; amending various provisions relating to the Department

1.3 of Transportation, Department of Public Safety, and the Division of Driver and

1.4 Vehicle Services; modifying various policies including but not limited to legislative

1.5 routes, the Advisory Council on Traffic Safety, driving rules, small business

1.6 contract preferences, nondivisible loads, motorcycle ground lighting, sewage septic

1.7 tank pumping trucks, the promotion of passenger rail services by the commissioner

1.8 of transportation, highway designations, clearance exemptions for certain carriers

1.9 operating near rail yards and terminals, hours of service exemptions for transporting

1.10 heating fuel in a nationally declared emergency, accident prevention courses for

1.11 persons over the age of 55, the transport of certain propane products by persons

1.12 between the ages of 18 and 21, veterans' designations on drivers' licenses and

1.13 identification cards, limited drivers' licenses, noncompliant drivers' licenses and

1.14 identification cards, recreational vehicles, driver education programs, implements

1.15 of husbandry operation rules, commercial motor vehicle postsecondary instruction,

1.16 child passenger restraint requirements, supplemental school bus warning systems,

1.17 and towing authority; making technical corrections; amending Minnesota Statutes

1.18 2022, sections 65B.28, subdivision 2; 161.115, subdivisions 116, 117, by adding

1.19 a subdivision; 161.14, by adding subdivisions; 161.321, subdivisions 2, 2b; 168.002,

1.20 subdivisions 26, 27; 168.013, subdivision 1d; 168.0135, by adding a subdivision;

1.21 168.33, subdivision 8a; 168A.085, by adding a subdivision; 168B.035, subdivision

1.22 3; 169.09, subdivisions 5, 14a, 19; 169.19, subdivision 2; 169.224, subdivision 3;

1.23 169.34, subdivision 1; 169.444, subdivision 4; 169.4503, subdivision 31; 169.56,

1.24 by adding a subdivision; 169.685, subdivisions 4, 5, by adding subdivisions; 169.80,

1.25 by adding a subdivision; 169.801, subdivision 7; 169.829, by adding a subdivision;

1.26 169.87, subdivision 6; 169.974, subdivision 2; 169A.52, subdivision 7; 171.01,

1.27 subdivisions 41a, 47, by adding a subdivision; 171.06, subdivision 2a; 171.0605,

1.28 subdivisions 2, 6; 171.072; 171.13, subdivision 6; 171.30, subdivisions 2a, 5;

1.29 174.03, subdivision 12; 174.22, subdivisions 2b, 7, 12, 14, by adding subdivisions;

1.30 174.23, subdivision 2; 174.24, subdivisions 1a, 3b, 3c; 174.247; 174.632,

1.31 subdivision 2; 174.636, subdivision 1; 219.46, subdivision 1; 221.033, subdivision

1.32 1, by adding a subdivision; 473.121, subdivision 19; Minnesota Statutes 2023

1.33 Supplement, sections 4.076, subdivision 3; 115E.042, subdivision 4; 168.1235,

1.34 subdivision 1; 169.09, subdivision 8; 171.06, subdivision 3; 171.0605, subdivision

1.35 5; 171.07, subdivision 15; 171.12, subdivision 11; 171.13, subdivision 1a; 171.395,

1.36 subdivision 1; 171.396; 174.40, subdivision 4a; 221.0269, subdivision 4;

1.37 256B.0625, subdivision 17; 609.855, subdivision 7; proposing coding for new law

1.38 in Minnesota Statutes, chapters 171; 219; repealing Minnesota Statutes 2022,

2.1 sections 169.011, subdivision 70; 169.25; 171.0605, subdivision 4; 174.22,
 2.2 subdivisions 5, 15; 174.23, subdivision 7; 221.033, subdivision 2c; Minnesota
 2.3 Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, 11; Minnesota Rules,
 2.4 parts 7410.6180; 7411.7600, subpart 3; 8835.0110, subparts 1, 1a, 6, 7, 10, 11a,
 2.5 12a, 12b, 13a, 14a, 15, 15a, 16, 17, 18, 19; 8835.0210; 8835.0220; 8835.0230;
 2.6 8835.0240; 8835.0250; 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280;
 2.7 8835.0290; 8835.0310; 8835.0320; 8835.0330, subparts 1, 3, 4; 8835.0350, subparts
 2.8 1, 3, 4, 5.

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

2.10 **ARTICLE 1**

2.11 **DEPARTMENT OF TRANSPORTATION**

2.12 Section 1. Minnesota Statutes 2022, section 161.115, subdivision 116, is amended to read:

2.13 Subd. 116. **Route No. 185.** Beginning at a point on Route No. 1 ~~at Sandstone~~ and Route
 2.14 No. 390, thence extending in a northeasterly direction to a point on Route No. 103 as herein
 2.15 established in Duluth.

2.16 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
 2.17 transportation receives a copy of the agreement between the commissioner and the governing
 2.18 body of Pine County to transfer jurisdiction of a portion of Legislative Route No. 185 and
 2.19 notifies the revisor of statutes electronically or in writing that the conditions required to
 2.20 transfer the route have been satisfied.

2.21 Sec. 2. Minnesota Statutes 2022, section 161.115, subdivision 117, is amended to read:

2.22 Subd. 117. **Route No. 186.** Beginning at a point on Route No. 110 as herein established,
 2.23 thence extending in an easterly direction to a point on Route No. ~~185 as herein established~~
 2.24 ~~at or near Askov~~ 1 and Route No. 390; affording Isle, and Finlayson, and Askov, a reasonable
 2.25 means of communication each with the other and other places within the state.

2.26 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
 2.27 transportation notifies the revisor of statutes electronically or in writing of the effective
 2.28 date.

2.29 Sec. 3. Minnesota Statutes 2022, section 161.115, is amended by adding a subdivision to
 2.30 read:

2.31 Subd. 272. **Route No. 341.** Beginning at a point on Route No. 1 at Sandstone, thence
 2.32 extending in a generally easterly direction to a point at or near the east bank of the Kettle
 2.33 River.

3.1 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
3.2 transportation notifies the revisor of statutes electronically or in writing of the effective
3.3 date.

3.4 Sec. 4. Minnesota Statutes 2022, section 161.14, is amended by adding a subdivision to
3.5 read:

3.6 Subd. 104. **Senator David J. Tomassoni Memorial Cross Range Expressway.** That
3.7 segment of marked U.S. Highway 169 from Itasca County State-Aid Highway 69 in the
3.8 city of Marble to Saint Louis County State-Aid Highway 7 in the city of Mountain Iron is
3.9 designated as "Senator David J. Tomassoni Memorial Cross Range Expressway." Subject
3.10 to section 161.139, the commissioner must adopt a suitable design to mark this highway
3.11 and erect appropriate signs.

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

3.13 Sec. 5. Minnesota Statutes 2022, section 161.14, is amended by adding a subdivision to
3.14 read:

3.15 Subd. 105. **Mayor Dave Smiglewski Memorial Bridge.** The bridge on marked U.S.
3.16 Highway 212 over the Minnesota River in the city of Granite Falls is designated as "Mayor
3.17 Dave Smiglewski Memorial Bridge." Subject to section 161.139, the commissioner must
3.18 adopt a suitable design to mark the bridge and erect appropriate signs.

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

3.20 Sec. 6. Minnesota Statutes 2022, section 161.321, subdivision 2, is amended to read:

3.21 Subd. 2. **Small targeted group business, small business; contract preferences.** (a)
3.22 The commissioner may award up to a ~~six~~ 12 percent preference in the amount bid for
3.23 specified construction work to small targeted group businesses.

3.24 (b) The commissioner may designate a contract for construction work for award only
3.25 to small targeted group businesses if the commissioner determines that at least three small
3.26 targeted group businesses are likely to bid.

3.27 (c) The commissioner may award up to a four percent preference in the amount bid for
3.28 specified construction work to small businesses located in an economically disadvantaged
3.29 area as defined in section 16C.16, subdivision 7.

4.1 Sec. 7. Minnesota Statutes 2022, section 161.321, subdivision 2b, is amended to read:

4.2 Subd. 2b. **Veteran-owned small business; contract preferences.** (a) The commissioner
 4.3 may award up to a ~~six~~ 12 percent preference in the amount bid for specified construction
 4.4 work to veteran-owned small businesses, except when prohibited by the federal government
 4.5 as a condition of receiving federal funds. When a bid preference is provided under this
 4.6 section, the percentage of preference in bid amount under this subdivision may not be less
 4.7 than the percentage of bid preference provided to any small targeted group business under
 4.8 subdivision 2.

4.9 (b) When a bid preference is provided under this subdivision, the commissioner must
 4.10 be as inclusive as possible in specifying contracts for construction work, as well as for
 4.11 construction-related professional and technical services, available under this bid preference
 4.12 program for veteran-owned small businesses. The term "construction" must be given broad
 4.13 meaning for purposes of specifying and letting contracts for veteran-owned small businesses
 4.14 and must include, but is not limited to, preplanning, planning, and all other
 4.15 construction-related professional and technical services.

4.16 (c) When a bid preference is provided under this subdivision, the commissioner must
 4.17 strive to ensure that contracts will be awarded on a proportional basis with contracts awarded
 4.18 under subdivision 2.

4.19 (d) The commissioner may designate a contract for construction work for award only
 4.20 to veteran-owned small businesses, if the commissioner determines that at least three
 4.21 veteran-owned small businesses are likely to bid.

4.22 Sec. 8. Minnesota Statutes 2022, section 169.19, subdivision 2, is amended to read:

4.23 Subd. 2. **U-turn.** ~~No vehicle shall be turned~~ The operator of a vehicle must not turn to
 4.24 proceed in the opposite direction upon any curve, or upon the approach to or near the crest
 4.25 of a grade, where the vehicle cannot be seen by the driver operator of any other vehicle
 4.26 approaching from either direction within 1,000 feet, nor shall the driver. The operator of a
 4.27 vehicle must not turn the vehicle to proceed in the opposite direction unless the movement
 4.28 can be made safely and without interfering with other traffic. ~~When necessary to~~
 4.29 ~~accommodate vehicle configuration on~~ The operator of a vehicle is permitted to make a
 4.30 right-hand turn into the farthest lane of a roadway with two or more lanes in the same
 4.31 direction, ~~a driver may turn the vehicle into the farthest lane and temporarily use the shoulder~~
 4.32 ~~to make a U-turn~~ in order to make a U-turn at a reduced-conflict intersection if it is safe to
 4.33 do so.

5.1 Sec. 9. Minnesota Statutes 2022, section 169.34, subdivision 1, is amended to read:

5.2 Subdivision 1. **Prohibitions.** (a) ~~No person shall~~ A person must not stop, stand, or park
5.3 a vehicle, except when necessary to avoid conflict with other traffic or in compliance with
5.4 the directions of a police officer or traffic-control device, in any of the following places:

5.5 (1) on a sidewalk;

5.6 (2) in front of a public or private driveway;

5.7 (3) within an intersection;

5.8 (4) within ten feet of a fire hydrant;

5.9 (5) on a crosswalk;

5.10 (6) within 20 feet of a crosswalk at an intersection;

5.11 (7) within 30 feet upon the approach to any flashing beacon, stop sign, or traffic-control
5.12 signal located at the side of a roadway;

5.13 ~~(8) between a safety zone and the adjacent curb or within 30 feet of points on the curb~~
5.14 ~~immediately opposite the ends of a safety zone, unless a different length is indicated by~~
5.15 ~~signs or markings;~~

5.16 ~~(9)~~ (8) within 50 feet of the nearest rail of a railroad crossing;

5.17 ~~(10)~~ (9) within 20 feet of the driveway entrance to any fire station and on the side of a
5.18 street opposite the entrance to any fire station within 75 feet of said entrance when properly
5.19 signposted;

5.20 ~~(11)~~ (10) alongside or opposite any street excavation or obstruction when such stopping,
5.21 standing, or parking would obstruct traffic;

5.22 ~~(12)~~ (11) on the roadway side of any vehicle stopped or parked at the edge or curb of a
5.23 street;

5.24 ~~(13)~~ (12) upon any bridge or other elevated structure upon a highway or within a highway
5.25 tunnel, except as otherwise provided by ordinance;

5.26 ~~(14)~~ (13) within a bicycle lane, except when posted signs permit parking; or

5.27 ~~(15)~~ (14) at any place where official signs prohibit stopping.

5.28 (b) ~~No person shall~~ A person must not move a vehicle not owned by ~~such~~ the person
5.29 into any prohibited area or away from a curb such distance as is unlawful.

6.1 (c) ~~No person shall~~ A person must not, for camping purposes, leave or park a travel
 6.2 trailer on or within the limits of any highway or on any highway right-of-way, except where
 6.3 signs are erected designating the place as a campsite.

6.4 (d) ~~No person shall~~ A person must not stop or park a vehicle on a street or highway when
 6.5 directed or ordered to proceed by any peace officer invested by law with authority to direct,
 6.6 control, or regulate traffic.

6.7 Sec. 10. Minnesota Statutes 2022, section 169.444, subdivision 4, is amended to read:

6.8 Subd. 4. **Exception for separated roadway.** (a) A person driving a vehicle on a street
 6.9 or highway with separated roadways is not required to stop the vehicle when approaching
 6.10 or meeting a school bus that is on a different roadway.

6.11 (b) "Separated roadway" means a road that is separated from a parallel road by a barrier,
 6.12 safety isle, or ~~safety zone~~ median.

6.13 Sec. 11. Minnesota Statutes 2022, section 169.56, is amended by adding a subdivision to
 6.14 read:

6.15 Subd. 6. **Motorcycle ground light.** Notwithstanding section 169.64, subdivision 4a, a
 6.16 motorcycle may be equipped with white ground lights mounted under the motorcycle if:

6.17 (1) the bulbs or strips are not visible to operators of other vehicles; and

6.18 (2) the lights are aimed as to project a steady, nonflashing beam not more than six feet
 6.19 in radius directly onto the roadway and illuminate an area around the motorcycle.

6.20 Sec. 12. Minnesota Statutes 2022, section 169.80, is amended by adding a subdivision to
 6.21 read:

6.22 Subd. 4. **Nondivisible load or vehicle.** (a) "Nondivisible load" or "nondivisible vehicle"
 6.23 means any load or vehicle exceeding the applicable length, width, height, or weight limits
 6.24 set forth in this chapter, which, if separated into smaller loads or vehicles would:

6.25 (1) compromise the intended use of the load or vehicle;

6.26 (2) destroy the value of the load or vehicle; or

6.27 (3) require more than eight work hours to dismantle using appropriate equipment. The
 6.28 applicant for a nondivisible load permit has the burden of proof as to the number of work
 6.29 hours required to dismantle the load.

7.1 (b) A vehicle transporting a divisible load may simultaneously transport multiple items
7.2 unless doing so would require an additional permit because the vehicle, when loaded with
7.3 multiple items, would exceed the limits set forth in this chapter.

7.4 Sec. 13. Minnesota Statutes 2022, section 169.829, is amended by adding a subdivision
7.5 to read:

7.6 Subd. 5. Sewage septic tank trucks. (a) For the purposes of this subdivision, "emergency
7.7 pumping services" means a sewage septic tank truck's response to:

7.8 (1) uncontrolled and unintended seepage of the contents of a septic system into the
7.9 ground, around a structure, or into a body of surface water;

7.10 (2) damage or malfunction to a septic system that requires removal of the contents of
7.11 the septic system for repair or maintenance; or

7.12 (3) a condition that creates an immediate hazard to the health, welfare, or safety of a
7.13 person.

7.14 (b) When a sewage septic tank truck used exclusively to transport sewage from septic
7.15 or holding tanks is performing emergency pumping services, sections 169.823 and 169.826
7.16 to 169.828 do not apply, and the weight limitations under section 169.824 are increased by
7.17 ten percent when transporting sewage from a single point of service to the point of unloading.

7.18 (c) Notwithstanding section 169.824, subdivision 1, paragraph (d); 169.826, subdivision
7.19 3; or any other law to the contrary, a permit is not required to operate a vehicle under this
7.20 subdivision.

7.21 (d) The seasonal weight increases under section 169.826, subdivision 1, do not apply to
7.22 a vehicle operated under this subdivision.

7.23 (e) A vehicle operated under this subdivision is subject to bridge load limits posted under
7.24 section 169.84.

7.25 (f) A vehicle operated under this subdivision must not be operated with a load that
7.26 exceeds the tire manufacturer's recommended load, the manufacturer's gross vehicle weight
7.27 rating as affixed to the vehicle, or other certification of gross vehicle weight rating under
7.28 Code of Federal Regulations, title 49, sections 567.4 to 567.7.

7.29 (g) The exceptions under this subdivision do not apply to a sewage septic tank truck's
7.30 operation on an interstate highway.

7.31 **EFFECTIVE DATE.** This section is effective June 1, 2024.

8.1 Sec. 14. Minnesota Statutes 2022, section 169.87, subdivision 6, is amended to read:

8.2 Subd. 6. **Recycling and, garbage, and waste collection vehicles.** (a) ~~Except as provided~~
 8.3 ~~in paragraph (b)~~ While a vehicle is engaged in the type of collection the vehicle was designed
 8.4 to perform, weight restrictions imposed under subdivisions 1 and 2 do not apply to:

8.5 (1) a vehicle that does not exceed 20,000 pounds per single axle and is designed and
 8.6 used exclusively for recycling, while engaged in recycling operating in a political subdivision
 8.7 that mandates curbside recycling pickup;

8.8 ~~(b) Weight restrictions imposed under subdivisions 1 and 2 do not apply to: (1) (2) a~~
 8.9 ~~vehicle that does not exceed 14,000 pounds per single axle and is used exclusively for~~
 8.10 ~~recycling as described in paragraph (a);~~

8.11 ~~(2) (3) a vehicle that does not exceed 14,000 pounds per single axle and is designed and~~
 8.12 ~~used exclusively for collecting mixed municipal solid waste, as defined in section 115A.03,~~
 8.13 ~~subdivision 21, while engaged in such collection; or~~

8.14 ~~(3) (4) a portable toilet service vehicle that does not exceed 14,000 pounds per single~~
 8.15 ~~axle or 26,000 pounds gross vehicle weight, and is designed and used exclusively for~~
 8.16 ~~collecting liquid waste from portable toilets, while engaged in such collection; or~~

8.17 (5) a sewage septic tank truck while performing emergency pumping services as defined
 8.18 in section 169.829, subdivision 5, that does not exceed 20,000 pounds per single axle and
 8.19 is designed and used exclusively to haul sewage from septic or holding tanks.

8.20 ~~(e) (b) Notwithstanding section 169.80, subdivision 1, a violation of the owner or operator~~
 8.21 ~~of a vehicle that violates the weight restrictions imposed under subdivisions 1 and 2 by a~~
 8.22 ~~vehicle designed and used exclusively for recycling while engaged in recycling in a political~~
 8.23 ~~subdivision that mandates curbside recycling pickup while engaged in such collection, by~~
 8.24 ~~a vehicle that is designed and used exclusively for collecting mixed municipal solid waste~~
 8.25 ~~as defined in section 115A.03, subdivision 21, while engaged in such collection, or by a~~
 8.26 ~~portable toilet service vehicle that is designed and used exclusively for collecting liquid~~
 8.27 ~~waste from portable toilets, while engaged in such collection, is not subject to criminal~~
 8.28 ~~penalties but is subject to a civil penalty for excess weight under section 169.871 if the~~
 8.29 ~~vehicle meets the requirements under paragraph (a) and is engaged in the type of collection~~
 8.30 ~~the vehicle was designed to perform.~~

8.31 **EFFECTIVE DATE.** This section is effective June 1, 2024.

9.1 Sec. 15. Minnesota Statutes 2022, section 174.03, subdivision 12, is amended to read:

9.2 Subd. 12. **Trunk highway performance, resiliency, and sustainability.** (a) The
 9.3 commissioner must implement performance measures and ~~annual~~ targets for the trunk
 9.4 highway system in order to construct resilient infrastructure, enhance the project selection
 9.5 for all transportation modes, improve economic security, and achieve the state transportation
 9.6 goals established in section 174.01.

9.7 (b) At a minimum, the transportation planning process must include:

9.8 (1) an inventory of transportation assets, including but not limited to bridge, pavement,
 9.9 geotechnical, pedestrian, bicycle, and transit asset categories;

9.10 (2) ~~lag (resulting), and where practicable lead (predictive),~~ establishment of statewide
 9.11 performance measures and annual targets, reporting of performance measure results, and
 9.12 where possible, performance forecasts that are:

9.13 (i) statewide and, where data allow, district-specific;

9.14 (ii) for assets in each asset category specified in clause (1) ~~for a period of up to 60 years;~~
 9.15 and

9.16 (iii) identified in collaboration with the public;

9.17 (3) gap identification and an explanation of the difference between performance targets
 9.18 and current status; and

9.19 (4) life cycle assessment and corridor risk assessment as part of asset management
 9.20 programs in each district of the department.

9.21 (c) At a minimum, the ten-year capital highway investment plan in each district of the
 9.22 department must:

9.23 (1) be based on expected funding during the plan period and, to the extent feasible,
 9.24 maximize long-term benefits;

9.25 (2) estimate the funding necessary to make optimal life cycle investments;

9.26 ~~(2)~~ (3) identify investments within each of the asset categories specified in paragraph
 9.27 (b), clause (1), that are funded through the trunk highway capital program;

9.28 ~~(3)~~ (4) ~~recommend~~ identify specific trunk highway segments programmed to be removed
 9.29 from the trunk highway system; and

9.30 ~~(4)~~ (5) deliver annual progress toward achieving the state transportation goals established
 9.31 in section 174.01.

10.1 (d) Annually by December 15, the commissioner must report trunk highway performance
 10.2 measures and ~~annual~~ targets and identify gaps, including information detailing the
 10.3 department's progress on achieving the state transportation goals, to the chairs and ranking
 10.4 minority members of the legislative committees having jurisdiction over transportation
 10.5 policy and finance. The report must be signed by the ~~department's chief engineer~~
 10.6 commissioner.

10.7 Sec. 16. Minnesota Statutes 2023 Supplement, section 174.40, subdivision 4a, is amended
 10.8 to read:

10.9 Subd. 4a. **Eligibility.** A statutory or home rule charter city, county, town, or federally
 10.10 recognized Indian Tribe is eligible to receive funding under this section. A statutory or home
 10.11 rule charter city, county, or town is eligible to receive funding for infrastructure projects
 10.12 under this section only if it has adopted subdivision regulations that require safe routes to
 10.13 school infrastructure in developments authorized on or after June 1, 2016.

10.14 Sec. 17. Minnesota Statutes 2022, section 174.632, subdivision 2, is amended to read:

10.15 Subd. 2. **Responsibilities.** (a) The planning, design, development, construction, operation,
 10.16 and maintenance of passenger rail track, facilities, and services are governmental functions,
 10.17 serve a public purpose, and are a matter of public necessity.

10.18 (b) The commissioner is responsible for all aspects of planning, designing, developing,
 10.19 constructing, equipping, operating, promoting, and maintaining passenger rail, including
 10.20 system planning, alternatives analysis, environmental studies, preliminary engineering, final
 10.21 design, construction, negotiating with railroads, and developing financial and operating
 10.22 plans.

10.23 (c) The commissioner may enter into a memorandum of understanding or agreement
 10.24 with a public or private entity, including Amtrak, a regional railroad authority, a joint powers
 10.25 board, and a railroad, to carry out these activities.

10.26 Sec. 18. Minnesota Statutes 2022, section 174.636, subdivision 1, is amended to read:

10.27 Subdivision 1. **Powers.** The commissioner has all powers necessary to carry out the
 10.28 duties specified in section 174.632. In the exercise of those powers, the commissioner may:

10.29 (1) acquire by purchase, gift, or by eminent domain proceedings as provided by law, all
 10.30 land and property necessary to preserve future passenger rail corridors or to construct,
 10.31 maintain, and improve passenger rail corridors;

11.1 (2) conduct and engage in promotional and marketing research, campaigns, outreach,
 11.2 and other activities to increase awareness, education, and ridership of passenger rail in
 11.3 Minnesota;

11.4 ~~(2)~~ (3) let all necessary contracts as provided by law; and

11.5 ~~(3)~~ (4) make agreements with and cooperate with any public or private entity, including
 11.6 Amtrak, to carry out statutory duties related to passenger rail.

11.7 Sec. 19. **[219.455] DEFINITIONS.**

11.8 (a) For purposes of sections 219.45 to 219.53, the following terms have the meanings
 11.9 given.

11.10 (b) "Depot company" means a company formed to construct and operate a passenger
 11.11 station on behalf of a railroad or rail carrier.

11.12 (c) "Passenger service" means both intercity rail passenger service and commuter rail
 11.13 passenger service.

11.14 (d) "Railway company" means a company incorporated or licensed to operate a railroad
 11.15 track or train, and includes a company that loads, unloads, or transloads products.

11.16 (e) "Terminal" means a facility or station where:

11.17 (1) trains stop to load, unload, or transfer passengers, freight, or both;

11.18 (2) formation, dispatch, reception and temporary stabling, and marshalling of rolling
 11.19 stock occurs; or

11.20 (3) trains are serviced, maintained, or repaired.

11.21 (f) "Yard" means a system of tracks within defined limits provided for making up trains,
 11.22 storing cars, and other purposes.

11.23 (g) "Yard track" means a system of tracks within defined limits used for:

11.24 (1) the making up or breaking up of trains;

11.25 (2) the storing of cars; and

11.26 (3) other related purposes over which movements not authorized by timetable or by train
 11.27 order may be made subject to prescribed signals, rules, or other special instructions.

11.28 Sidings used exclusively as passing track and main line track within yard limits do not
 11.29 constitute yard track.

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

12.1 Sec. 20. Minnesota Statutes 2022, section 219.46, subdivision 1, is amended to read:

12.2 Subdivision 1. **Structure.** (a) On and after April 16, 1913, it is unlawful for a common
12.3 carrier or any other person, on a standard gauge road on its line or a standard gauge sidetrack,
12.4 for use in any traffic mentioned in section 219.45:

12.5 (1) to erect or reconstruct and maintain an adjoining warehouse, coal chute, stock pen,
12.6 pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction
12.7 within eight feet of the centerline of the track or sidetrack;

12.8 (2) in excavating, to allow an adjoining embankment of earth or natural rock to remain
12.9 within eight feet of the centerline of the track or sidetrack; or

12.10 (3) to erect or reconstruct overhead wires, bridges, viaducts or other obstructions passing
12.11 over or above its tracks at a height less than 21 feet, measured from the top of the track rail.

12.12 (b) If after May 1, 1943, overhead structures or platforms or structures designed only
12.13 to be used in the loading or unloading of cars are rebuilt or remodeled, then these overhead
12.14 structures must be built with an overhead clearance of not less than 22 feet from the top of
12.15 the rail. These structures or platforms must be built with a side clearance of not less than
12.16 8-1/2 feet from the centerline of the track unless by order the commissioner may provide
12.17 otherwise.

12.18 (c) Sections 219.45 to 219.53 do not apply to yards and terminals of: (1) depot companies,
12.19 or (2) railway companies used only for passenger service. If personal injury is sustained by
12.20 an employee of a depot company or railway company used only for passenger service, by
12.21 reason of noncompliance with sections 219.45 to 219.53, that employee, or in case of the
12.22 employee's death, the personal representative, has the rights, privileges, and immunities
12.23 enumerated in section 219.53.

12.24 (d) On and after May 1, 1943, it is unlawful for a common carrier or any other person,
12.25 on a standard gauge road on its line or a standard gauge sidetrack or spur, for use in any
12.26 traffic mentioned in section 219.45:

12.27 (1) to erect or construct and maintain an adjoining warehouse, coal chute, stock pen,
12.28 pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction
12.29 within 8-1/2 feet of the centerline of the track;

12.30 (2) in excavating, to allow an adjoining embankment of earth or natural rock to remain
12.31 within 8-1/2 feet of the centerline of the track or sidetrack; or

12.32 (3) to erect or construct overhead wires, bridges, viaducts, or other obstructions passing
12.33 over or above its tracks at a height less than 22 feet, measured from the top of the track rail.

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

13.2 Sec. 21. Minnesota Statutes 2023 Supplement, section 221.0269, subdivision 4, is amended
13.3 to read:

13.4 Subd. 4. **Intrastate transportation; heating fuel products.** (a) If a regional emergency
13.5 has been declared by the President of the United States or by the Federal Motor Carrier
13.6 Safety Administration pursuant to United States Code, title 49, section 390.23(a), ~~and the~~
13.7 ~~declaration includes heating fuel as a covered commodity,~~ the federal regulations incorporated
13.8 into section 221.0314, subdivision 9, for hours of service do not apply to drivers engaged
13.9 in intrastate transportation of heating fuel products when the driver is:

13.10 (1) driving a vehicle designed and exclusively used to transport fuel products; and

13.11 (2) carrying only fuel products as defined in section 296A.01.

13.12 (b) The relief provided by paragraph (a) only applies when the fuel product being
13.13 transported is included in the emergency declaration as a covered commodity.

13.14 (c) Notwithstanding the relief provided in paragraph (a), a driver may not exceed a total
13.15 of 14 hours combined on-duty and driving time after coming on duty following at least ten
13.16 consecutive hours off-duty.

13.17 ~~(e)~~ (d) If a driver is operating under the relief provided by paragraph (a), and the
13.18 declaration is in effect for more than 30 calendar days, the driver must take a 34-hour restart
13.19 before the driver has been on duty for 30 consecutive days.

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

13.21 Sec. 22. Minnesota Statutes 2022, section 221.033, subdivision 1, is amended to read:

13.22 Subdivision 1. **Requirements.** Except as provided in ~~subdivisions 2 to 2d~~ this section,
13.23 no person may transport or offer or accept for transportation within the state of Minnesota
13.24 a hazardous material, hazardous substance, or hazardous waste except in compliance with
13.25 United States Code, title 49, sections 5101 to 5126 and the provisions of Code of Federal
13.26 Regulations, title 49, parts 171 to 199, which are incorporated by reference. Those provisions
13.27 apply to transportation in intrastate commerce to the same extent they apply to transportation
13.28 in interstate commerce.

14.1 Sec. 23. Minnesota Statutes 2022, section 221.033, is amended by adding a subdivision
14.2 to read:

14.3 Subd. 2e. **Transportation of specific petroleum products; driver requirements.** (a)

14.4 This subdivision applies to intrastate commerce.

14.5 (b) A driver who operates a motorized tank truck vehicle with a capacity of less than
14.6 3,500 gallons that is used to transport petroleum products must have a valid commercial
14.7 driver's license with endorsements for hazardous materials and tank vehicles and be at least
14.8 18 years of age.

14.9 (c) A driver who operates a vehicle that is used to transport liquefied petroleum gases
14.10 in nonbulk or bulk packaging as defined in Code of Federal Regulations, title 49, section
14.11 171.8, including the transportation of consumer storage tanks in compliance with Code of
14.12 Federal Regulations, title 49, section 173.315(j), must have a valid commercial driver's
14.13 license with a hazardous materials endorsement and be at least 18 years of age.

14.14 (d) A driver who operates a vehicle under paragraph (c) must also have a tank vehicle
14.15 endorsement if the aggregate capacity of the bulk packaging being transported is 1,000
14.16 gallons or more.

14.17 (e) Nonbulk or bulk packaging transported under paragraph (c) must have an aggregate
14.18 capacity of less than 3,500 gallons.

14.19 Sec. 24. **REPEALER.**

14.20 Minnesota Statutes 2022, sections 169.011, subdivision 70; 169.25; and 221.033,
14.21 subdivision 2c, are repealed.

14.22 **ARTICLE 2**

14.23 **DEPARTMENT OF PUBLIC SAFETY**

14.24 Section 1. Minnesota Statutes 2023 Supplement, section 4.076, subdivision 3, is amended
14.25 to read:

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

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

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

14.30 (ii) the Office of Traffic Engineering in the Department of Transportation; and

- 15.1 (iii) the Injury and Violence Prevention Section in the Department of Health;
- 15.2 (2) two vice chairs, which must be filled by the two designees who are not currently
- 15.3 serving as chair of the advisory council under clause (1);
- 15.4 (3) the statewide Toward Zero Deaths communications coordinator;
- 15.5 (4) the statewide Toward Zero Deaths program and operations coordinator;
- 15.6 ~~(4)~~ (5) a regional coordinator from the Toward Zero Deaths program;
- 15.7 ~~(5)~~ (6) the chief of the State Patrol or a designee;
- 15.8 ~~(6)~~ (7) the state traffic safety engineer in the Department of Transportation or a designee;
- 15.9 ~~(7)~~ (8) a law enforcement liaison from the Department of Public Safety;
- 15.10 ~~(8)~~ (9) a representative from the Department of Human Services;
- 15.11 ~~(9)~~ (10) a representative from the Department of Education;
- 15.12 ~~(10)~~ (11) a representative from the Council on Disability;
- 15.13 ~~(11)~~ (12) a representative for Tribal governments;
- 15.14 ~~(12)~~ (13) a representative from the Center for Transportation Studies at the University
- 15.15 of Minnesota;
- 15.16 ~~(13)~~ (14) a representative from the Minnesota Chiefs of Police Association;
- 15.17 ~~(14)~~ (15) a representative from the Minnesota Sheriffs' Association;
- 15.18 ~~(15)~~ (16) a representative from the Minnesota Safety Council;
- 15.19 ~~(16)~~ (17) a representative from AAA Minnesota;
- 15.20 ~~(17)~~ (18) a representative from the Minnesota Trucking Association;
- 15.21 ~~(18)~~ (19) a representative from the Insurance Federation of Minnesota;
- 15.22 ~~(19)~~ (20) a representative from the Association of Minnesota Counties;
- 15.23 ~~(20)~~ (21) a representative from the League of Minnesota Cities;
- 15.24 ~~(21)~~ (22) the American Bar Association State Judicial Outreach Liaison;
- 15.25 ~~(22)~~ (23) a representative from the City Engineers Association of Minnesota;
- 15.26 ~~(23)~~ (24) a representative from the Minnesota County Engineers Association;
- 15.27 ~~(24)~~ (25) a representative from the Bicycle Alliance of Minnesota;

- 16.1 ~~(25)~~ (26) two individuals representing vulnerable road users, including pedestrians,
 16.2 bicyclists, and other operators of a personal conveyance;
- 16.3 ~~(26)~~ (27) a representative from Minnesota Operation Lifesaver;
- 16.4 ~~(27)~~ (28) a representative from the Minnesota Driver and Traffic Safety Education
 16.5 Association;
- 16.6 ~~(28)~~ (29) a representative from the Minnesota Association for Pupil Transportation;
- 16.7 ~~(29)~~ (30) a representative from the State Trauma Advisory Council;
- 16.8 ~~(30)~~ (31) a person representing metropolitan planning organizations; ~~and~~
- 16.9 ~~(31)~~ (32) a person representing contractors engaged in construction and maintenance of
 16.10 highways and other infrastructure;
- 16.11 (33) the director of the Minnesota Emergency Medical Services Regulatory Board or
 16.12 successor organization; and
- 16.13 (34) a person representing a victims advocacy organization.

- 16.14 (b) The commissioners of public safety and transportation must jointly appoint the
 16.15 advisory council members under paragraph (a), clauses ~~(11)~~ (12), ~~(25)~~ (26), ~~(30)~~ (31), ~~and~~
 16.16 ~~(31)~~ (32), and (34).

16.17 Sec. 2. Minnesota Statutes 2022, section 65B.28, subdivision 2, is amended to read:

- 16.18 Subd. 2. **Accident prevention course; rules.** (a) The commissioner of public safety
 16.19 ~~shall~~ must adopt rules establishing and regulating a motor vehicle accident prevention course
 16.20 for persons 55 years old and older.

16.21 (b) The rules must, at a minimum, include provisions:

- 16.22 (1) establishing curriculum requirements; and
- 16.23 ~~(2) establishing the number of hours required for successful completion of the course;~~
 16.24 ~~and~~
- 16.25 ~~(3)~~ (2) providing for the issuance of a course completion certification and requiring its
 16.26 submission to an insured as evidence of completion of the course.

16.27 (c) The accident prevention course must be a total of four hours.

17.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 115E.042, subdivision 4, is amended
17.2 to read:

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

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

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

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

17.32 (e) Within three hours of confirmation of a discharge, a railroad must provide (1) qualified
17.33 personnel at a discharge site to assess the discharge and to advise the incident commander,

18.1 and (2) resources to assist the incident commander with ongoing public safety and scene
18.2 stabilization.

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

18.7 (1) training and caching equipment with local jurisdictions;

18.8 (2) training and caching equipment with a fire mutual-aid group;

18.9 (3) means of an industry cooperative or mutual-aid group;

18.10 (4) deployment of a contractor;

18.11 (5) deployment of a response organization under state contract; or

18.12 (6) other dependable means acceptable to the Pollution Control Agency.

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

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

18.18 (1) on-site containment and recovery of a volume of oil equal to ten percent of the
18.19 calculated worst case discharge at any location along the route; and

18.20 (2) protection of listed sensitive areas and potable water intakes within one mile of a
18.21 discharge site and within eight hours of water travel time downstream in any river or stream
18.22 that the right-of-way intersects.

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

18.28 Sec. 4. Minnesota Statutes 2022, section 168.002, subdivision 26, is amended to read:

18.29 Subd. 26. **Pickup truck.** "Pickup truck" means any truck with a manufacturer's nominal
18.30 rated carrying capacity of three-fourths ton or less and commonly known as a pickup truck.
18.31 If the manufacturer's nominal rated carrying capacity is not provided or cannot be determined,

19.1 then the value specified by the manufacturer as the gross vehicle weight as indicated on the
19.2 manufacturer's certification label must be ~~less than~~ 10,000 pounds or less.

19.3 Sec. 5. Minnesota Statutes 2022, section 168.002, subdivision 27, is amended to read:

19.4 Subd. 27. **Recreational vehicle.** (a) "Recreational vehicle" means travel trailers including
19.5 those that telescope or fold down, chassis-mounted campers, motor homes, tent trailers,
19.6 teardrop trailers, and converted buses that provide temporary human living quarters.

19.7 (b) "Recreational vehicle" is a vehicle that:

19.8 (1) is not used as the residence of the owner or occupant;

19.9 (2) is used while engaged in recreational or vacation activities; and

19.10 (3) is either self-propelled or towed on the highways incidental to the recreational or
19.11 vacation activities.

19.12 Sec. 6. Minnesota Statutes 2022, section 168.013, subdivision 1d, is amended to read:

19.13 Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than
19.14 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the Minnesota
19.15 base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and
19.16 when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight
19.17 years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule,
19.18 and during the ninth and succeeding years of vehicle life the tax is 75 percent of the
19.19 Minnesota base rate prescribed by subdivision 1e. A trailer registered at a gross vehicle
19.20 weight greater than 3,000 pounds but no greater than 7,200 pounds may be taxed either: (1)
19.21 annually as provided in this paragraph; or (2) once every three years on the basis of total
19.22 gross weight and is 90 percent of the Minnesota base rate prescribed in subdivision 1e,
19.23 provided that the filing fee under section 168.33, subdivision 7, paragraph (a), is multiplied
19.24 by three, with funds collected by the commissioner allocated proportionally in the same
19.25 manner as provided in section 168.33, subdivision 7, paragraph (e).

19.26 (b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in
19.27 section 168.002, subdivision 8, are taxed as farm trucks as prescribed in subdivision 1c.

19.28 (c) Effective on and after July 1, 2001, trailers registered at a gross vehicle weight of
19.29 3,000 pounds or less, excluding recreational vehicles, must display a distinctive plate. The
19.30 registration on the license plate is valid for the life of the trailer only if it remains registered
19.31 at the same gross vehicle weight. The onetime registration tax for trailers registered for the

20.1 first time in Minnesota is \$55. For trailers registered in Minnesota before July 1, 2001, and
 20.2 for which:

20.3 (1) registration is desired for the remaining life of the trailer, the registration tax is \$25;
 20.4 or

20.5 (2) permanent registration is not desired, the biennial registration tax is \$10 for the first
 20.6 renewal if registration is renewed between and including July 1, 2001, and June 30, 2003.
 20.7 These trailers must be issued permanent registration at the first renewal on or after July 1,
 20.8 2003, and the registration tax is \$20.

20.9 For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but
 20.10 not renewed until on or after July 1, 2003, the registration tax is \$20 and permanent
 20.11 registration must be issued.

20.12 Sec. 7. Minnesota Statutes 2022, section 168.0135, is amended by adding a subdivision
 20.13 to read:

20.14 Subd. 2a. **Limitations.** (a) A vendor must not have an ownership interest with a deputy
 20.15 registrar or a driver's license agent.

20.16 (b) A vendor is not eligible to be appointed by the commissioner as a deputy registrar
 20.17 or a driver's license agent.

20.18 (c) An entity that owns, leases, or otherwise provides a location where a self-service
 20.19 kiosk is placed is not eligible to be appointed by the commissioner as a deputy registrar or
 20.20 a driver's license agent. This paragraph does not apply to a deputy registrar or a driver's
 20.21 license agent appointed prior to placement of a self-service kiosk within the office of the
 20.22 deputy registrar or driver's license agent.

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

20.24 Sec. 8. Minnesota Statutes 2023 Supplement, section 168.1235, subdivision 1, is amended
 20.25 to read:

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

20.28 (1) is a member of a congressionally chartered veterans service organization and is a
 20.29 registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational
 20.30 vehicle, or is a congressionally chartered veterans service organization that is the registered
 20.31 owner of a passenger automobile, pickup truck, van, or self-propelled recreational vehicle;

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

21.2 (3) pays a fee in the amount specified for special plates under section 168.12, subdivision
21.3 5, for each set of two plates, and any other fees required by this chapter; and

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

21.6 (b) The additional fee is payable at the time of initial application for the special plate
21.7 emblem and when the plates must be replaced or renewed. ~~An applicant must not be issued
21.8 more than two sets of special plate emblems for motor vehicles listed in paragraph (a) and
21.9 registered to the applicant.~~

21.10 (c) The applicant must present a valid card indicating membership in the American
21.11 Legion, Veterans of Foreign Wars, or Disabled American Veterans.

21.12 Sec. 9. Minnesota Statutes 2022, section 168.33, subdivision 8a, is amended to read:

21.13 Subd. 8a. **Electronic transmission.** (a) If the commissioner accepts electronic
21.14 transmission of a motor vehicle transfer and registration by a new or used motor vehicle
21.15 dealer, a deputy registrar who is equipped with electronic transmission technology and
21.16 trained in its use ~~shall~~ must receive the filing fee provided for in subdivision 7 and review
21.17 the transfer of each new or used motor vehicle to determine its genuineness and regularity
21.18 before issuance of a certificate of title, and ~~shall~~ must receive and retain the filing fee under
21.19 subdivision 7, paragraph (a), clause (2).

21.20 (b) The commissioner must establish reasonable performance, security, technical, and
21.21 financial standards to approve companies that provide computer software and services to
21.22 motor vehicle dealers to electronically transmit vehicle title transfer and registration
21.23 information. An approved company must be offered access to department facilities, staff,
21.24 and technology on a fair and reasonable basis. An approved company must not have an
21.25 ownership interest with a deputy registrar or a driver's license agent. An approved company
21.26 is not eligible to be appointed by the commissioner as a deputy registrar or a driver's license
21.27 agent.

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

21.29 Sec. 10. Minnesota Statutes 2022, section 168A.085, is amended by adding a subdivision
21.30 to read:

21.31 Subd. 4. **Foreign passport.** A valid and unexpired passport issued to the applicant by
21.32 a recognized foreign government is a primary document for purposes of Minnesota Rules,

22.1 part 7410.0400, and successor rules, when the applicant is an individual who is applying
 22.2 as the owner for a vehicle title or registration.

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

22.4 Sec. 11. Minnesota Statutes 2022, section 168B.035, subdivision 3, is amended to read:

22.5 Subd. 3. **Towing prohibited.** (a) A towing authority may not tow a motor vehicle
 22.6 because:

22.7 (1) the vehicle ~~has expired~~ displays registration ~~tags~~ validation stickers that have been
 22.8 expired for less than 90 days; or

22.9 (2) the vehicle is at a parking meter on which the time has expired ~~and the vehicle has~~
 22.10 ~~fewer than five unpaid parking tickets.~~

22.11 (b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:

22.12 (1) the vehicle is parked in violation of snow emergency regulations;

22.13 (2) the vehicle is parked in a rush-hour restricted parking area;

22.14 (3) the vehicle is blocking a driveway, alley, or fire hydrant;

22.15 (4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is
 22.16 prohibited;

22.17 (5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;

22.18 (6) the vehicle is parked in a disability transfer zone or disability parking space without
 22.19 a disability parking certificate or disability license plates;

22.20 (7) the vehicle is parked in an area that has been posted for temporary restricted parking

22.21 (i) at least 12 hours in advance in a home rule charter or statutory city having a population
 22.22 under 50,000, or (ii) at least 24 hours in advance in another political subdivision;

22.23 (8) the vehicle is parked within the right-of-way of a controlled-access highway or within
 22.24 the traveled portion of a public street when travel is allowed there;

22.25 (9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by
 22.26 fire, police, public safety, or emergency vehicles;

22.27 (10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International
 22.28 Airport owned by the Metropolitan Airports Commission;

23.1 (11) a law enforcement official has probable cause to believe that the vehicle is stolen,
 23.2 or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably
 23.3 necessary to obtain or preserve the evidence;

23.4 (12) the driver, operator, or person in physical control of the vehicle is taken into custody
 23.5 and the vehicle is impounded for safekeeping;

23.6 (13) a law enforcement official has probable cause to believe that the owner, operator,
 23.7 or person in physical control of the vehicle has failed to respond to five or more citations
 23.8 for parking or traffic offenses;

23.9 (14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use
 23.10 by taxicabs;

23.11 (15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;

23.12 (16) the vehicle is parked, on a school day during prohibited hours, in a school zone on
 23.13 a public street where official signs prohibit parking; or

23.14 (17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section
 23.15 168B.011, and subject to immediate removal under this chapter.

23.16 Sec. 12. Minnesota Statutes 2022, section 169.09, subdivision 5, is amended to read:

23.17 Subd. 5. **Notify owner of damaged property.** If the driver of any vehicle involved in
 23.18 a collision knows or has reason to know the collision resulted only in damage to fixtures
 23.19 legally upon or adjacent to a street or highway, the driver ~~shall~~ must:

23.20 (1) take reasonable steps to locate and notify the owner or person in charge of the property
 23.21 of ~~that fact~~ the collision, ~~of~~ the driver's name and address, and ~~of the registration~~ license
 23.22 plate number of the vehicle being driven and ~~shall~~ must, upon request and if available,
 23.23 exhibit the driver's license, ~~and make an accident report in every case; and~~

23.24 (2) report the information required in clause (1) to a peace officer.

23.25 Sec. 13. Minnesota Statutes 2023 Supplement, section 169.09, subdivision 8, is amended
 23.26 to read:

23.27 Subd. 8. **Officer to report accident to commissioner.** ~~A peace officer who, in the~~
 23.28 ~~regular course of duty, investigates an accident that must be reported under this section~~
 23.29 ~~shall, within ten days after the date of the accident, forward an electronic or written report~~
 23.30 ~~of the accident as prescribed by the commissioner of public safety. Within two business~~
 23.31 ~~days after identification of a fatality that resulted from an accident, the reporting agency~~

24.1 ~~must notify the commissioner of the basic circumstances of the accident using an electronic~~
 24.2 ~~format as prescribed by the commissioner~~ (a) A peace officer who investigates in the regular
 24.3 course of duty an accident that is required to be reported under this section must submit an
 24.4 electronic or written report of the accident to the commissioner of public safety within ten
 24.5 days after the date of the accident. Within two business days after identification of a fatality
 24.6 that resulted from an accident, the reporting agency must notify the commissioner of the
 24.7 basic circumstances of the accident. A report or notification under this subdivision must be
 24.8 in the format as prescribed in subdivision 9.

24.9 (b) Accidents on streets, highways, roadways, sidewalks, shoulders, shared use paths,
 24.10 or any other portion of a road's public right-of-way must be reported under the requirements
 24.11 of this section if the accident results in:

24.12 (1) a fatality;

24.13 (2) bodily injury to a person who, because of the injury, immediately receives medical
 24.14 treatment away from or at the scene of the accident;

24.15 (3) one or more of the motor vehicles incurring disabling damage that requires a vehicle
 24.16 to be transported away from the scene of the accident by tow truck or other vehicle; or

24.17 (4) damage to fixtures, infrastructure, or any other property alongside or on a public
 24.18 highway.

24.19 (c) An accident involving a school bus, as defined in section 169.011, subdivision 71,
 24.20 must be reported under the requirements of this section and section 169.4511.

24.21 (d) An accident involving a commercial motor vehicle, as defined in section 169.781,
 24.22 subdivision 1, paragraph (a), must be reported under the requirements of this section and
 24.23 section 169.783.

24.24 (e) Accidents occurring on public lands or trail systems that result in the circumstances
 24.25 specified in paragraph (b) must be reported under the requirements of this section.

24.26 Sec. 14. Minnesota Statutes 2022, section 169.09, subdivision 14a, is amended to read:

24.27 Subd. 14a. **Suspension of license for failure to report accident.** The commissioner
 24.28 may suspend the license, or any nonresident's operating privilege, of any ~~person~~ driver who
 24.29 willfully fails, refuses, or neglects to make report of a traffic accident as required ~~by the~~
 24.30 ~~laws of this state~~ under this section. A license suspension under this section is subject to
 24.31 the notice requirements of section 171.18, subdivision 2.

25.1 Sec. 15. Minnesota Statutes 2022, section 169.09, subdivision 19, is amended to read:

25.2 Subd. 19. **Terminology.** (a) The provisions of this section apply equally whether the
25.3 term "accident" or "collision" is used. The term "accident" or "collision" does not include:

25.4 (1) an occurrence involving only boarding and alighting from a stationary motor vehicle;

25.5 (2) an occurrence involving only the loading or unloading of cargo; or

25.6 (3) intentional vehicle-to-vehicle contact when initiated by a peace officer:

25.7 (i) to stop a perpetrator from fleeing in a motor vehicle, as defined in section 609.487,
25.8 subdivision 3; or

25.9 (ii) as an authorized use of force, as defined in section 609.06, subdivision 1; 609.065;
25.10 or 609.066.

25.11 (b) For purposes of this section, "disabling damage" means damage that prevents a motor
25.12 vehicle from departing the scene of the accident in its usual manner in daylight after simple
25.13 repairs. Disabling damage includes damage to a motor vehicle that could be driven from
25.14 the scene of the accident but would be further damaged if so driven. Disabling damage does
25.15 not include:

25.16 (1) damage that can be remedied temporarily at the scene of the accident without special
25.17 tools or parts;

25.18 (2) tire disablement without other damage, even if no spare tire is available;

25.19 (3) headlamp or taillight damage; or

25.20 (4) damage that makes the turn signals, horn, or windshield wipers inoperable.

25.21 (c) For purposes of this section, motor vehicle includes off-highway vehicles, as defined
25.22 in section 84.771, and snowmobiles, as defined in section 84.81.

25.23 Sec. 16. Minnesota Statutes 2022, section 169.224, subdivision 3, is amended to read:

25.24 Subd. 3. **Operation.** (a) A neighborhood electric vehicle or a medium-speed electric
25.25 vehicle may not be operated on a street or highway with a speed limit greater than 35 miles
25.26 per hour, except to make a direct crossing of that street or highway.

25.27 (b) A person may operate a three-wheeled neighborhood electric vehicle without a
25.28 ~~two-wheeled vehicle~~ motorcycle endorsement, provided the person has a valid driver's
25.29 license issued under chapter 171.

26.1 Sec. 17. Minnesota Statutes 2022, section 169.4503, subdivision 31, is amended to read:

26.2 Subd. 31. ~~Supplemental warning system; temporary authority.~~ (a) ~~Prior to August~~
 26.3 ~~1, 2022, the commissioner may approve a Type A, B, C, or D school bus to~~ buses may be
 26.4 equipped with a supplemental warning system. On and after that date, a school bus may
 26.5 continue to be equipped with a previously approved supplemental warning system.

26.6 ~~(b) To determine approval of a supplemental warning system, the commissioner must~~
 26.7 consider A supplemental warning system must:

26.8 (1) use amber and red signal colors, which are limited to one or more of the colors white,
 26.9 amber, and red;

26.10 (2) ~~flashing patterns~~ use supplemental amber warning lights activated only in conjunction
 26.11 with activated overhead amber warning lights and supplemental red warning lights activated
 26.12 only in conjunction with activated overhead red flashing lights;

26.13 ~~(3) vehicle mounting and placement;~~

26.14 ~~(4) supplemental warning system activation~~ (3) be wired so the supplemental warning
 26.15 system is automatically activated in conjunction with activation of prewarning flashing
 26.16 amber signals, stop-signal arm, and flashing red signals;

26.17 ~~(5) light intensity~~ (4) be programmed to flash either:

26.18 (i) using a randomized flash pattern; or

26.19 (ii) alternating with the corresponding overhead light at a rate of 60 to 120 flashes per
 26.20 minute; and

26.21 ~~(6) permissible text, signage, and graphics, if any~~ (5) use lights installed in pairs and
 26.22 mounted on the same level and placed as wide as practicable on the body above the bumper
 26.23 level.

26.24 ~~(e) The commissioner must review relevant research findings and experience in other~~
 26.25 ~~jurisdictions, and must consult with interested stakeholders, including but not limited to~~
 26.26 ~~representatives from school district pupil transportation directors, private school bus~~
 26.27 ~~operators, and pupil transportation and traffic safety associations.~~

26.28 Sec. 18. Minnesota Statutes 2022, section 169.685, is amended by adding a subdivision
 26.29 to read:

26.30 Subd. 3a. **Definitions.** (a) For purposes of this section, the following terms have the
 26.31 meanings given.

27.1 (b) "Booster seat" means a child passenger restraint system that meets applicable federal
 27.2 motor vehicle safety standards and is designed to provide belt-positioning that elevates a
 27.3 child to be properly seated with a safety belt.

27.4 (c) "Child passenger restraint system" means a device that:

27.5 (1) meets applicable federal motor vehicle safety standards of the United States
 27.6 Department of Transportation and complies with any other applicable federal regulations;

27.7 (2) is designed to restrain, seat, or position children; and

27.8 (3) is appropriate to the age of the child being restrained.

27.9 Child passenger restraint system includes a booster seat.

27.10 (d) "Properly restrained" means restrained or secured according to the instructions of
 27.11 both the motor vehicle manufacturer and the child passenger restraint system manufacturer.

27.12 (e) "Secured with a safety belt" means restrained or secured by a seat belt that (1) meets
 27.13 applicable federal motor vehicle safety standards, and (2) is properly adjusted and fastened,
 27.14 including both the shoulder and lap straps when equipped in the vehicle.

27.15 Sec. 19. Minnesota Statutes 2022, section 169.685, subdivision 4, is amended to read:

27.16 Subd. 4. **Admissibility into evidence.** (a) Except as provided in paragraph (b), proof of
 27.17 the use or failure to use seat belts or a child passenger restraint system as described in
 27.18 subdivision ~~5~~ 4a, or proof of the installation or failure of installation of seat belts or a child
 27.19 passenger restraint system as described in subdivision ~~5~~ shall not be 4a is not admissible in
 27.20 evidence in any litigation involving personal injuries or property damage resulting from the
 27.21 use or operation of any motor vehicle.

27.22 (b) Paragraph (a) does not affect the right of a person to bring an action for damages
 27.23 arising out of an incident that involves a defectively designed, manufactured, installed, or
 27.24 operating seat belt or child passenger restraint system. Paragraph (a) does not prohibit the
 27.25 introduction of evidence pertaining to the use of a seat belt or child passenger restraint
 27.26 system in an action described in this paragraph.

27.27 Sec. 20. Minnesota Statutes 2022, section 169.685, is amended by adding a subdivision
 27.28 to read:

27.29 Subd. 4a. **Child passenger restraint systems.** (a) Except as provided in paragraph (c),
 27.30 every driver in this state who transports a child or children under the age of 18 years in a
 27.31 motor vehicle that is in motion or a part of traffic and is required under federal motor vehicle

28.1 safety standards to be equipped with a safety belt or lower anchors and tethers for children
28.2 in a passenger seating position must have the child or children secured as follows:

28.3 (1) a child who is younger than two years of age must be properly restrained in a
28.4 rear-facing child passenger restraint system with an internal harness, until the child reaches
28.5 the weight or height limit of the child passenger restraint system;

28.6 (2) a child who is at least two years of age and exceeds the rear-facing weight or height
28.7 limit of the child passenger restraint system must be properly restrained in a forward-facing
28.8 child passenger restraint system with an internal harness, until the child reaches the weight
28.9 or height limit of the child passenger restraint system;

28.10 (3) a child who is at least four years of age and exceeds the weight or height limit of the
28.11 forward-facing child passenger restraint system must be properly restrained in a booster
28.12 seat and secured with a safety belt;

28.13 (4) a child who is at least nine years of age or exceeds the weight or height limit of the
28.14 child passenger restraint system or the booster seat must be secured with a safety belt adjusted
28.15 and fastened around the child's body to fit correctly. The safety belt fits correctly when the
28.16 child sits all the way back against the vehicle seat, the child's knees bend over the edge of
28.17 the vehicle seat, the lap strap fits snugly across the child's thighs and lower hips and not the
28.18 child's abdomen, and the shoulder strap snugly crosses the center of the child's chest and
28.19 not the child's neck;

28.20 (5) a child who is younger than 13 years of age must be transported in the rear seat of a
28.21 motor vehicle, when available, and must be properly restrained in a child passenger restraint
28.22 system or booster seat or secured with a safety belt; and

28.23 (6) a child who, because of age or weight, can be placed in more than one category under
28.24 this paragraph must be placed in the more protective category, where clause (1) provides
28.25 for the most protective and clause (5) provides for the least protective.

28.26 (b) The driver of a motor vehicle transporting a child who is younger than six years of
28.27 age or weighs less than 60 pounds must transport the child in a rear seat if:

28.28 (1) the vehicle is equipped with a passenger side air bag supplemental restraint system;

28.29 (2) the air bag system is activated; and

28.30 (3) a rear seat is available.

28.31 (c) When the number of children in the motor vehicle under 13 years of age exceeds the
28.32 number of age- or size-appropriate child passenger restraint systems and safety belts available

29.1 in the motor vehicle, the unrestrained children must be seated in a rear seat, if rear seats are
 29.2 available.

29.3 (d) The weight and height limits of a child passenger restraint system under this
 29.4 subdivision are as established by the child passenger restraint system manufacturer.

29.5 Sec. 21. Minnesota Statutes 2022, section 169.685, subdivision 5, is amended to read:

29.6 Subd. 5. **Violation; petty misdemeanor.** ~~(a) Every motor vehicle operator, when~~
 29.7 ~~transporting a child who is both under the age of eight and shorter than four feet nine inches~~
 29.8 ~~on the streets and highways of this state in a motor vehicle equipped with factory-installed~~
 29.9 ~~seat belts, shall equip and install for use in the motor vehicle, according to the manufacturer's~~
 29.10 ~~instructions, a child passenger restraint system meeting federal motor vehicle safety standards.~~

29.11 ~~(b) No motor vehicle operator who is operating a motor vehicle on the streets and~~
 29.12 ~~highways of this state may transport a child who is both under the age of eight and shorter~~
 29.13 ~~than four feet nine inches in a seat of a motor vehicle equipped with a factory-installed seat~~
 29.14 ~~belt, unless the child is properly fastened in the child passenger restraint system. Any motor~~
 29.15 ~~vehicle operator who violates this subdivision 4a is guilty of a petty misdemeanor and may~~
 29.16 ~~be sentenced to pay a fine of not more than \$50. The fine may be waived or the amount~~
 29.17 ~~reduced if the motor vehicle operator produces evidence that within 14 days after the date~~
 29.18 ~~of the violation a child passenger restraint system meeting federal motor vehicle safety~~
 29.19 ~~standards was purchased or obtained for the exclusive use of the operator.~~

29.20 ~~(e)~~ (b) At the time of issuance of a citation under this subdivision, a peace officer may
 29.21 provide to the violator information on obtaining a free or low-cost child passenger restraint
 29.22 system.

29.23 ~~(d)~~ (c) The fines collected for violations of this subdivision must be deposited in the
 29.24 state treasury and credited to a special account to be known as the Minnesota child passenger
 29.25 restraint and education account.

29.26 ~~(e) For the purposes of this section, "child passenger restraint system" means any device~~
 29.27 ~~that meets the standards of the United States Department of Transportation; is designed to~~
 29.28 ~~restrain, seat, or position children; and includes a booster seat.~~

29.29 Sec. 22. Minnesota Statutes 2022, section 169.801, subdivision 7, is amended to read:

29.30 Subd. 7. **Driving rules.** (a) An implement of husbandry may not be operated or towed
 29.31 on an interstate highway.

30.1 (b) An implement of husbandry may be operated or towed to the left of the center of a
30.2 roadway only if:

30.3 (1) it is for the purpose of avoiding an obstacle on the right-hand side of the road and:

30.4 (i) crosses the center line for as brief a period of time as necessary to avoid the obstacle;

30.5 (ii) returns back to the right half of the roadway immediately after passing the obstacle
30.6 and when safe to do so;

30.7 (iii) no other vehicles are approaching from the opposite direction such that the
30.8 approaching vehicle would be within the immediate vicinity of the implement before the
30.9 implement returns to the right-hand side of the road; and

30.10 (iv) the operation does not extend into the left half of the roadway more than necessary;

30.11 or

30.12 (2) it is escorted at the front by a vehicle displaying hazard warning lights visible in
30.13 normal sunlight and the operation does not extend into the left half of the roadway more
30.14 than is necessary.

30.15 (c) An implement of husbandry, when operating in compliance with the requirements
30.16 of this section and under paragraph (b), is not subject to the escort requirements in section
30.17 169.812, subdivision 2.

30.18 Sec. 23. Minnesota Statutes 2022, section 169.974, subdivision 2, is amended to read:

30.19 Subd. 2. **License endorsement and permit requirements.** (a) ~~No person shall~~ A person
30.20 must not operate a motorcycle on any street or highway without having a valid driver's
30.21 license with a ~~two-wheeled vehicle~~ motorcycle endorsement as provided by law. A person
30.22 may operate an autocycle without a ~~two-wheeled vehicle~~ motorcycle endorsement, provided
30.23 the person has a valid driver's license issued under section 171.02.

30.24 (b) The commissioner of public safety ~~shall~~ must issue a ~~two-wheeled vehicle~~ motorcycle
30.25 endorsement only if the applicant (1) has in possession a valid ~~two-wheeled vehicle~~
30.26 motorcycle instruction permit as provided in paragraph (c), (2) has passed a written
30.27 examination and road test administered by the Department of Public Safety for the
30.28 endorsement, and (3) in the case of applicants under 18 years of age, presents a certificate
30.29 or other evidence of having successfully completed an approved ~~two-wheeled vehicle~~
30.30 motorcycle driver's safety course in this or another state, in accordance with rules adopted
30.31 by the commissioner of public safety for courses offered by a public, private, or commercial
30.32 school or institute. The commissioner of public safety may waive the road test for any

31.1 applicant on determining that the applicant possesses a valid license to operate a ~~two-wheeled~~
 31.2 ~~vehicle~~ motorcycle issued by a jurisdiction that requires a comparable road test for license
 31.3 issuance.

31.4 (c) The commissioner of public safety ~~shall~~ must issue a ~~two-wheeled vehicle~~ motorcycle
 31.5 instruction permit to any person over 16 years of age who (1) is in possession of a valid
 31.6 driver's license, (2) is enrolled in an approved ~~two-wheeled vehicle~~ motorcycle driver's
 31.7 safety course, and (3) has passed a written examination for the permit and paid a fee
 31.8 prescribed by the commissioner of public safety. A ~~two-wheeled vehicle~~ motorcycle
 31.9 instruction permit is effective for one year and may be renewed under rules prescribed by
 31.10 the commissioner of public safety.

31.11 (d) ~~No~~ A person who is operating by virtue of a ~~two-wheeled vehicle~~ motorcycle
 31.12 instruction permit ~~shall~~ must not:

31.13 (1) carry any passengers on the streets and highways of this state on the motorcycle
 31.14 while the person is operating the motorcycle;

31.15 (2) drive the motorcycle at night; or

31.16 (3) drive the motorcycle without wearing protective headgear that complies with standards
 31.17 established by the commissioner of public safety.

31.18 (e) Notwithstanding paragraphs (a) to (d), the commissioner of public safety may issue
 31.19 a special motorcycle permit, restricted or qualified as the commissioner of public safety
 31.20 deems proper, to any person demonstrating a need for the permit and unable to qualify for
 31.21 a driver's license.

31.22 Sec. 24. Minnesota Statutes 2022, section 169A.52, subdivision 7, is amended to read:

31.23 Subd. 7. **Test refusal; driving privilege lost.** (a) On behalf of the commissioner, a peace
 31.24 officer requiring a test or directing the administration of a chemical test shall serve immediate
 31.25 notice of intention to revoke and of revocation on a person who refuses to permit a test or
 31.26 on a person who submits to a test the results of which indicate an alcohol concentration of
 31.27 0.08 or more.

31.28 (b) On behalf of the commissioner, a peace officer requiring a test or directing the
 31.29 administration of a chemical test of a person driving, operating, or in physical control of a
 31.30 commercial motor vehicle shall serve immediate notice of intention to disqualify and of
 31.31 disqualification on a person who refuses to permit a test, or on a person who submits to a
 31.32 test the results of which indicate an alcohol concentration of 0.04 or more.

32.1 (c) The officer shall:

32.2 (1) invalidate the person's driver's license or permit card ~~by clipping the upper corner~~
 32.3 ~~of the card in such a way that no identifying information including the photo is destroyed,~~
 32.4 ~~and immediately return the card to the person;~~

32.5 (2) issue the person a temporary license effective for only seven days; and

32.6 (3) send the notification of this action to the commissioner along with the certificate
 32.7 required by subdivision 3 or 4.

32.8 Sec. 25. Minnesota Statutes 2022, section 171.01, subdivision 41a, is amended to read:

32.9 Subd. 41a. **Noncompliant license; noncompliant identification card.** "Noncompliant
 32.10 license," "noncompliant identification card," or "noncompliant license or identification
 32.11 card," means a driver's license or a Minnesota identification card issued under section
 32.12 171.019, subdivision 2, paragraph (b). Unless provided otherwise, noncompliant license
 32.13 includes an appropriate instruction permit, provisional license, and restricted license.

32.14 Sec. 26. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to
 32.15 read:

32.16 Subd. 45c. **REAL ID compliant license; REAL ID compliant identification**
 32.17 **card.** "REAL ID compliant license," "REAL ID compliant identification card," or "REAL
 32.18 ID compliant license or identification card," means a driver's license or a Minnesota
 32.19 identification card issued under section 171.019, subdivision 2, paragraph (a). Unless
 32.20 provided otherwise, REAL ID compliant license includes an appropriate instruction permit,
 32.21 provisional license, and restricted license.

32.22 Sec. 27. Minnesota Statutes 2022, section 171.01, subdivision 47, is amended to read:

32.23 Subd. 47. **State.** "State" means a state of the United States, the District of Columbia,
 32.24 Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject
 32.25 to the jurisdiction of the United States, including a United States military base located on
 32.26 foreign soil.

32.27 Sec. 28. Minnesota Statutes 2022, section 171.06, subdivision 2a, is amended to read:

32.28 Subd. 2a. ~~Two-wheeled vehicle~~ **Motorcycle endorsement fee.** (a) In addition to the
 32.29 appropriate fee under subdivision 2, the fee for a ~~two-wheeled vehicle~~ motorcycle
 32.30 endorsement on a driver's license is:

33.1 (1) \$26.50 for an initial endorsement or a duplicate license obtained for the purpose of
 33.2 adding the endorsement; and

33.3 (2) \$17 for each license renewal with the endorsement.

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

33.5 (1) \$19 of the additional fee under paragraph (a), clause (1), and \$11 of the additional
 33.6 fee under paragraph (a), clause (2), to the motorcycle safety fund, which is hereby created;
 33.7 and

33.8 (2) the remainder to the general fund.

33.9 (c) All application forms prepared by the commissioner for ~~two-wheeled vehicle~~
 33.10 motorcycle endorsements must clearly state the amount of the total fee that is dedicated to
 33.11 the motorcycle safety fund.

33.12 Sec. 29. Minnesota Statutes 2023 Supplement, section 171.06, subdivision 3, is amended
 33.13 to read:

33.14 Subd. 3. **Contents of application; other information.** (a) An application must:

33.15 (1) state the full name, date of birth, sex, and either (i) the residence address of the
 33.16 applicant, or (ii) designated address under section 5B.05;

33.17 (2) ~~as may be required by the commissioner,~~ contain a description of the applicant ~~and~~
 33.18 ~~any other facts pertaining to the applicant,~~ including the applicant's height in feet and inches,
 33.19 weight in pounds, eye color, and sex; the applicant's driving privileges; and the applicant's
 33.20 ability to operate a motor vehicle with safety;

33.21 (3) state:

33.22 (i) the applicant's Social Security number; or

33.23 (ii) if the applicant does not have a Social Security number and is applying for a
 33.24 Minnesota identification card, instruction permit, or class D provisional or driver's license,
 33.25 that the applicant elects not to specify a Social Security number;

33.26 (4) contain a notification to the applicant of the availability of a living will/health care
 33.27 directive designation on the license under section 171.07, subdivision 7;

33.28 (5) include a method for the applicant to:

33.29 (i) request a veteran designation on the license under section 171.07, subdivision 15,
 33.30 and the driving record under section 171.12, subdivision 5a;

34.1 (ii) indicate a desire to make an anatomical gift under subdivision 3b, paragraph (e);

34.2 (iii) as applicable, designate document retention as provided under section 171.12,
34.3 subdivision 3c;

34.4 (iv) indicate emergency contacts as provided under section 171.12, subdivision 5b;

34.5 (v) indicate the applicant's race and ethnicity; and

34.6 (vi) indicate caretaker information as provided under section 171.12, subdivision 5c;

34.7 and

34.8 (6) meet the requirements under section 201.161, subdivision 3.

34.9 (b) Applications must be accompanied by satisfactory evidence demonstrating:

34.10 (1) identity, date of birth, and any legal name change if applicable; and

34.11 (2) for ~~driver's~~ drivers' licenses and Minnesota identification cards that meet all
34.12 requirements of the REAL ID Act:

34.13 (i) principal residence address in Minnesota, including application for a change of address,
34.14 unless the applicant provides a designated address under section 5B.05;

34.15 (ii) Social Security number, or related documentation as applicable; and

34.16 (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

34.17 (c) An application for an enhanced driver's license or enhanced identification card must
34.18 be accompanied by:

34.19 (1) satisfactory evidence demonstrating the applicant's full legal name and United States
34.20 citizenship; and

34.21 (2) a photographic identity document.

34.22 ~~(d) A valid Department of Corrections or Federal Bureau of Prisons identification card~~
34.23 ~~containing the applicant's full name, date of birth, and photograph issued to the applicant~~
34.24 ~~is an acceptable form of proof of identity in an application for an identification card,~~
34.25 ~~instruction permit, or driver's license as a secondary document for purposes of Minnesota~~
34.26 ~~Rules, part 7410.0400, and successor rules.~~

34.27 ~~(e)~~ (d) An application form must not provide for identification of (1) the accompanying
34.28 documents used by an applicant to demonstrate identity, or (2) except as provided in
34.29 paragraphs (b) and (c), the applicant's citizenship, immigration status, or lawful presence
34.30 in the United States. The commissioner and a driver's license agent must not inquire about

35.1 an applicant's citizenship, immigration status, or lawful presence in the United States, except
35.2 as provided in paragraphs (b) and (c).

35.3 (e) A Minnesota driver's license, permit, or identification card must be issued only to
35.4 an individual who has a residence address in the state at the time of the application.
35.5 Applications for an enhanced driver's license or enhanced identification card must include
35.6 proof of residency in accordance with section 171.063, subdivision 6. An individual may
35.7 only have one residence address where the individual is domiciled at any particular time.
35.8 The residence address of the individual is presumed to continue until the contrary is shown.
35.9 The applicant must provide the following information about the residence address: residence
35.10 number, street name, street type, directional, city or town, state, and zip code.

35.11 Sec. 30. Minnesota Statutes 2022, section 171.0605, subdivision 2, is amended to read:

35.12 Subd. 2. **Evidence; identity; date of birth.** (a) Only the following is satisfactory evidence
35.13 of an applicant's identity and date of birth under section 171.06, subdivision 3, paragraph
35.14 (b):

35.15 (1) a driver's license or identification card that:

35.16 (i) complies with all requirements of the REAL ID Act;

35.17 (ii) is not designated as temporary or limited term; and

35.18 (iii) is current or has been expired for five years or less;

35.19 (2) a valid, unexpired United States passport, including a passport booklet or passport
35.20 card, issued by the United States Department of State;

35.21 (3) a certified copy of a birth certificate issued by a government bureau of vital statistics
35.22 or equivalent agency in the applicant's state of birth, which must bear the raised or authorized
35.23 seal of the issuing government entity;

35.24 (4) a consular report of birth abroad, certification of report of birth, or certification of
35.25 birth abroad, issued by the United States Department of State, Form FS-240, Form DS-1350,
35.26 or Form FS-545;

35.27 (5) a valid, unexpired permanent resident card issued by the United States Department
35.28 of Homeland Security or the former Immigration and Naturalization Service of the United
35.29 States Department of Justice, Form I-551. If the Form I-551 validity period has been
35.30 automatically extended by the United States Department of Homeland Security, it is deemed
35.31 unexpired, regardless of the expiration date listed;

36.1 (6) a foreign passport with an unexpired temporary I-551 stamp or a temporary I-551
 36.2 printed notation on a machine-readable immigrant visa with a United States Department of
 36.3 Homeland Security admission stamp within the validity period;

36.4 (7) a United States Department of Homeland Security Form I-94 or Form I-94A with a
 36.5 photograph and an unexpired temporary I-551 stamp;

36.6 (8) a United States Department of State Form DS-232 with a United States Department
 36.7 of Homeland Security admission stamp and validity period;

36.8 ~~(6)~~ (9) a certificate of naturalization issued by the United States Department of Homeland
 36.9 Security, Form N-550 or Form N-570;

36.10 ~~(7)~~ (10) a certificate of citizenship issued by the United States Department of Homeland
 36.11 Security, Form N-560 or Form N-561;

36.12 ~~(8)~~ (11) an unexpired employment authorization document issued by the United States
 36.13 Department of Homeland Security, Form I-766 or Form I-688B. If the Form I-766 validity
 36.14 period has been automatically extended by the United States Department of Homeland
 36.15 Security, it is deemed unexpired, regardless of the expiration date listed;

36.16 ~~(9)~~ (12) a valid, unexpired passport issued by a foreign country and a valid, unexpired
 36.17 United States visa accompanied by documentation of the applicant's most recent lawful
 36.18 admittance into the United States;

36.19 ~~(10)~~ (13) a document as designated by the United States Department of Homeland
 36.20 Security under Code of Federal Regulations, title 6, part 37.11 (c)(1)(x);

36.21 ~~(11)~~ (14) a copy of the applicant's certificate of marriage certified by the issuing
 36.22 government jurisdiction;

36.23 ~~(12)~~ (15) a certified copy of a court order that specifies the applicant's name change; or

36.24 ~~(13)~~ (16) a certified copy of a divorce decree or dissolution of marriage that specifies
 36.25 the applicant's name change, issued by a court.

36.26 (b) A document under paragraph (a) must be legible and unaltered.

36.27 Sec. 31. Minnesota Statutes 2023 Supplement, section 171.0605, subdivision 5, is amended
 36.28 to read:

36.29 **Subd. 5. Evidence; residence in Minnesota.** (a) Submission of two forms of
 36.30 documentation from the following is satisfactory evidence of an applicant's principal
 36.31 residence address in Minnesota under section 171.06, subdivision 3, paragraph (b):

- 37.1 (1) a home utility services bill issued no more than 12 months before the application;
- 37.2 (2) a home utility services hook-up work order issued no more than 12 months before
- 37.3 the application;
- 37.4 (3) United States bank or financial information issued no more than 12 months before
- 37.5 the application, with account numbers redacted, including:
- 37.6 (i) a bank account statement;
- 37.7 (ii) a credit card or debit card statement;
- 37.8 (iii) a brokerage account statement;
- 37.9 (iv) a money market account statement;
- 37.10 (v) a Health Savings Account statement; or
- 37.11 (vi) a retirement account statement;
- 37.12 (4) a certified transcript from a United States high school, if issued no more than 180
- 37.13 days before the application;
- 37.14 (5) a certified transcript from a Minnesota college or university, if issued no more than
- 37.15 180 days before the application;
- 37.16 (6) a student summary report from a United States high school signed by a school
- 37.17 principal or designated authority and issued no more than 180 days before the application;
- 37.18 (7) an employment pay stub issued no more than 12 months before the application that
- 37.19 lists the employer's name and address;
- 37.20 (8) a Minnesota unemployment insurance benefit statement issued no more than 12
- 37.21 months before the application;
- 37.22 (9) a statement from an assisted living facility licensed under chapter 144G, nursing
- 37.23 home licensed under chapter 144A, or a boarding care facility licensed under sections 144.50
- 37.24 to 144.56, that was issued no more than 12 months before the application;
- 37.25 (10) a current policy or card for health, automobile, homeowner's, or renter's insurance;
- 37.26 (11) a federal or state income tax return for the most recent tax filing year;
- 37.27 (12) a Minnesota property tax statement for the current or prior calendar year or a
- 37.28 proposed Minnesota property tax notice for the current year that shows the applicant's
- 37.29 principal residential address both on the mailing portion and the portion stating what property
- 37.30 is being taxed;

- 38.1 (13) a Minnesota vehicle certificate of title;
- 38.2 (14) a filed property deed or title for current residence;
- 38.3 (15) a Supplemental Security Income award statement issued no more than 12 months
38.4 before the application;
- 38.5 (16) mortgage documents for the applicant's principal residence;
- 38.6 (17) a residential lease agreement for the applicant's principal residence issued no more
38.7 than 12 months before the application;
- 38.8 (18) an affidavit of residence for an applicant whose principal residence is a group home,
38.9 communal living arrangement, cooperative, or a religious order issued no more than 90
38.10 days before the application;
- 38.11 (19) an assisted living or nursing home statement issued no more than 90 days before
38.12 the application;
- 38.13 (20) a valid driver's license, including an instruction permit, issued under this chapter;
- 38.14 (21) a valid Minnesota identification card;
- 38.15 (22) an unexpired Minnesota professional license;
- 38.16 (23) an unexpired Selective Service card;
- 38.17 (24) military orders that are still in effect at the time of application;
- 38.18 (25) a cellular phone bill issued no more than 12 months before the application; or
- 38.19 (26) a valid license issued pursuant to the game and fish laws.
- 38.20 (b) In lieu of one of the two documents required by paragraph (a), an applicant under
38.21 the age of 18 may use a parent or guardian's proof of principal residence as provided in this
38.22 paragraph. The parent or guardian of the applicant must provide a document listed under
38.23 paragraph (a) that includes the parent or guardian's name and the same address as the address
38.24 on the document provided by the applicant. The parent or guardian must also certify that
38.25 the applicant is the child of the parent or guardian and lives at that address.
- 38.26 (c) A document under paragraph (a) must include the applicant's name and principal
38.27 residence address in Minnesota.
- 38.28 (d) For purposes of this ~~section~~ subdivision, Internet service and cable service are utilities
38.29 ~~under this section and Minnesota Rules, part 7410.0410, subpart 4a.~~

39.1 Sec. 32. Minnesota Statutes 2022, section 171.0605, subdivision 6, is amended to read:

39.2 Subd. 6. **Exceptions process.** (a) The commissioner may grant a variance from the
39.3 requirements of this section as provided under Minnesota Rules, part 7410.0600, or successor
39.4 rules, for evidence of:

39.5 (1) identity or date of birth under subdivision 2;

39.6 (2) lawful status under subdivision 3, only for demonstration of United States citizenship;
39.7 and

39.8 (3) ~~Social Security number under subdivision 4; and~~

39.9 ~~(4)~~ residence in Minnesota under subdivision 5.

39.10 (b) The commissioner must not grant a variance for an applicant having a lawful
39.11 temporary admission period.

39.12 Sec. 33. **[171.062] EVIDENCE OF IDENTITY; NONCOMPLIANT CREDENTIALS.**

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

39.15 (b) "Court" includes a foreign court of competent jurisdiction.

39.16 (c) "Foreign" means a jurisdiction that is not, and is not within, the United States, the
39.17 Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam,
39.18 the United States Virgin Islands, or a territory of the United States.

39.19 Subd. 2. **Evidence of identity.** For a noncompliant license or identification card, an
39.20 applicant must submit:

39.21 (1) a Minnesota driver's license or identification card that is current or has been expired:

39.22 (i) for five years or less with a color photograph or electronically produced or digitized
39.23 image; or

39.24 (ii) for one year or less without a color photograph or electronically produced or digitized
39.25 image; or

39.26 (2) if the applicant cannot present a credential under clause (1), either:

39.27 (i) one primary document under subdivision 4 and one secondary document under
39.28 subdivision 5; or

39.29 (ii) two primary documents under subdivision 4.

40.1 Subd. 3. **General requirements.** (a) A document submitted under this section must
40.2 include the applicant's name and must be:

40.3 (1) issued to or provided for the applicant;

40.4 (2) legible and unaltered;

40.5 (3) an original or a copy certified by the issuing agency or by a court; and

40.6 (4) accompanied by a certified translation or an affidavit of translation into English, if
40.7 the document is not in English.

40.8 (b) If the applicant's current legal name is different from the name on a document
40.9 submitted under subdivision 4 or 5, the applicant must submit:

40.10 (1) a certified copy of a court order that specifies the applicant's name change;

40.11 (2) a certified copy of the applicant's certificate of marriage;

40.12 (3) a certified copy of a divorce decree or dissolution of marriage that specifies the
40.13 applicant's name change, issued by a court; or

40.14 (4) similar documentation of a lawful change of name, as determined by the
40.15 commissioner.

40.16 (c) A form issued by a federal agency that is specified under this section includes any
40.17 subsequent form or version.

40.18 (d) The commissioner must establish a process to grant a waiver from the requirements
40.19 under this section.

40.20 (e) The same document must not be submitted as both a primary document and a
40.21 secondary document.

40.22 Subd. 4. **Primary documents.** (a) For purposes of a noncompliant driver's license or
40.23 identification card, a primary document includes:

40.24 (1) a copy of the applicant's record of birth, or an original certificate of birth that is in
40.25 the files of the applicable bureau or board under item (iii) and can be readily viewed by the
40.26 official accepting the application, certified by the issuing state that:

40.27 (i) is not issued by a hospital and is not a baptismal certificate;

40.28 (ii) bears the raised or authorized seal of the issuing government jurisdiction or a
40.29 protective equivalent; and

40.30 (iii) is issued by:

- 41.1 (A) a government bureau of vital statistics or community health board;
- 41.2 (B) the United States Department of State as a Record of Birth Abroad, Form FS-545
- 41.3 or Form DS-1350; or
- 41.4 (C) a United States embassy as a Consular Report of Birth Abroad, Form FS-240;
- 41.5 (2) a certified copy of an adoption certificate with the applicant's full name and date of
- 41.6 birth from a United States court of competent jurisdiction that bears the raised court seal or
- 41.7 other court certification;
- 41.8 (3) an unexpired identification card issued to the applicant by the United States
- 41.9 Department of Defense for active duty, reserve, or retired military personnel, Form DD-2
- 41.10 or Common Access Card;
- 41.11 (4) a valid, unexpired passport issued to the applicant by the United States Department
- 41.12 of State;
- 41.13 (5) a Canadian birth certificate or Canadian naturalization certificate;
- 41.14 (6) one of the following documents issued by the United States Department of Justice
- 41.15 or the United States Department of Homeland Security or any subsequent form or version
- 41.16 of the documents:
- 41.17 (i) Certificate of Naturalization, Form N-550, Form N-570, or Form N-578;
- 41.18 (ii) Certificate of Citizenship, Form N-560, Form N-561, or Form N-645;
- 41.19 (iii) United States Citizen Identification card, Form I-179 or Form I-197;
- 41.20 (iv) valid, unexpired Permanent Resident or Resident Alien card, Form I-551 or Form
- 41.21 I-151;
- 41.22 (v) Northern Mariana card, Form I-873, with "Northern Mariana" imprinted instead of
- 41.23 "Resident Alien";
- 41.24 (vi) American Indian card, Form I-872, with "American Indian" imprinted instead of
- 41.25 "Resident Alien";
- 41.26 (vii) unexpired employment authorization document with a photograph, Form I-688,
- 41.27 Form I-688A, Form I-688B, or Form I-766; or
- 41.28 (viii) unexpired Re-entry Permit/Refugee Travel Document, Form I-571;
- 41.29 (7) an unexpired passport or a consular identification document that bears a photograph
- 41.30 of the applicant;

42.1 (8) a certified birth certificate issued by a foreign jurisdiction; and

42.2 (9) a certified adoption certificate issued by a foreign jurisdiction that includes the
42.3 applicant's name and date of birth.

42.4 (b) A document submitted under this subdivision must contain security features that
42.5 make the document as impervious to alteration as is reasonably practicable in its design and
42.6 quality of material and technology.

42.7 (c) Submission of more than one primary document is not required under this subdivision.

42.8 Subd. 5. **Secondary documents.** (a) For purposes of a noncompliant driver's license or
42.9 identification card, a secondary document includes:

42.10 (1) a second primary document listed under subdivision 4, paragraph (a);

42.11 (2) a driver's license, identification card, or permit, with a photograph or digitized image,
42.12 issued by a United States state other than Minnesota or a foreign jurisdiction and that is
42.13 current or has expired no more than five years before the application;

42.14 (3) a certified copy of a court order or judgment from a United States or Canadian court
42.15 of competent jurisdiction containing the applicant's full name and date of birth and bearing
42.16 the raised court seal or other court certification;

42.17 (4) a current United States or Canadian government jurisdiction employee photo
42.18 identification card;

42.19 (5) a certified copy of a record of birth issued by a government jurisdiction other than
42.20 one in the United States, the District of Columbia, Guam, Puerto Rico, or the United States
42.21 Virgin Islands;

42.22 (6) a current identification card or document issued to the applicant by the United States
42.23 Department of Defense, described as:

42.24 (i) DD Form 1173 series, for dependents of active duty personnel; or

42.25 (ii) DD Form 214, Certificate of Release or Discharge from Active Duty;

42.26 (7) a copy of a marriage certificate certified by the issuing government jurisdiction or
42.27 the original certificate only if it is in the files of the issuing jurisdiction and can be readily
42.28 viewed by the official accepting the application;

42.29 (8) an unexpired permit to carry a firearm or concealed weapon bearing a color photo
42.30 of the applicant issued by a chief of police in an organized, full-time United States police
42.31 department or by a United States county sheriff;

- 43.1 (9) a current pilot's license issued by the United States Department of Transportation,
43.2 Federal Aviation Administration;
- 43.3 (10) a copy of a transcript containing the applicant's full legal name and date of birth
43.4 certified by the issuing secondary or postsecondary school;
- 43.5 (11) a United States nonmetal Social Security card or a Canadian social insurance card;
- 43.6 (12) a current secondary school student identification card with the student's name, a
43.7 photograph or electronically produced image of the student, and the student's date of birth
43.8 or unique student identification number;
- 43.9 (13) a notice of action on or proof of submission of a completed Application for Asylum
43.10 and for Withholding of Removal issued by the United States Department of Homeland
43.11 Security, Form I-589;
- 43.12 (14) a Certificate of Eligibility for Nonimmigrant Student Status issued by the United
43.13 States Department of Homeland Security, Form I-20;
- 43.14 (15) a Certificate of Eligibility for Exchange Visitor (J-1) Status issued by the United
43.15 States Department of State, Form DS-2019;
- 43.16 (16) a Deferred Action for Childhood Arrival approval notice issued by the United States
43.17 Department of Homeland Security;
- 43.18 (17) an employment authorization document issued by the United States Department of
43.19 Homeland Security, Form I-688, Form I-688A, Form I-688B, or Form I-766;
- 43.20 (18) a document issued by the Internal Revenue Service with an individual taxpayer
43.21 identification number;
- 43.22 (19) a Social Security card;
- 43.23 (20) a Supplemental Security Income award statement;
- 43.24 (21) a Selective Service card;
- 43.25 (22) military orders that are still in effect at the time of the application with a copy of a
43.26 DD Form 2058 State of Legal Residence Certificate;
- 43.27 (23) a Minnesota unemployment insurance benefit statement;
- 43.28 (24) a valid identification card for health benefits or an assistance or social services
43.29 program;
- 43.30 (25) a Minnesota vehicle certificate of title;

- 44.1 (26) mortgage documents for the applicant's residence;
- 44.2 (27) a filed property deed or title for the applicant's residence;
- 44.3 (28) a Minnesota property tax statement or a proposed Minnesota property tax notice;
- 44.4 (29) a certified copy of a divorce decree or dissolution of marriage issued by a court that
44.5 specifies the applicant's name or name change;
- 44.6 (30) a valid Department of Corrections or Federal Bureau of Prisons identification card
44.7 containing the applicant's full name, date of birth, and photograph; and
- 44.8 (31) any of the following documents issued by a foreign jurisdiction:
- 44.9 (i) a driver's license that is current or has been expired for no more than five years before
44.10 the application;
- 44.11 (ii) a high school, college, or university student identification card with a certified
44.12 transcript from the school;
- 44.13 (iii) an official high school, college, or university transcript that includes the applicant's
44.14 date of birth and a photograph of the applicant at the age the record was issued;
- 44.15 (iv) a federal electoral card that contains the applicant's photograph issued on or after
44.16 January 1, 1991;
- 44.17 (v) a certified copy of the applicant's certificate of marriage; and
- 44.18 (vi) a certified copy of a court order or judgment from a court of competent jurisdiction
44.19 that contains the applicant's name and date of birth.
- 44.20 (b) Submission of more than one secondary document is not required under this
44.21 subdivision.
- 44.22 Subd. 6. **Verification.** The department must be able to verify with the issuing jurisdiction
44.23 the issuance and authenticity of the primary or secondary documents submitted under this
44.24 section. Verification is required if:
- 44.25 (1) the document provided by the applicant is inconsistent with the department record;
- 44.26 (2) the document provided by the applicant appears to be altered or fraudulent; or
- 44.27 (3) there is reason to believe the applicant is not who the applicant claims to be.

45.1 Sec. 34. **[171.063] EVIDENCE OF IDENTITY FOR ENHANCED CREDENTIALS.**

45.2 Subdivision 1. **Date of birth.** As proof satisfactory of date of birth, an applicant for an
45.3 enhanced driver's license or an enhanced identification card must present one of the following
45.4 documents:

45.5 (1) original or certified copy of a United States or United States territory birth certificate
45.6 that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

45.7 (2) United States Department of State Consular Report of Birth Abroad, Form FS-240,
45.8 Form DS-1350, or Form FS-545;

45.9 (3) valid, unexpired United States passport or United States passport card;

45.10 (4) Certificate of Naturalization, Form N-550 or Form N-570;

45.11 (5) Certificate of Citizenship, Form N-560 or Form N-561;

45.12 (6) American Indian card, Form I-872, or Minnesota Tribal identification card that meets
45.13 the requirements of section 171.072; or

45.14 (7) United States military photo identification card issued to active duty, reserve, or
45.15 retired military personnel.

45.16 Subd. 2. **Full legal name.** As proof satisfactory of full legal name, an applicant for an
45.17 enhanced driver's license or enhanced identification card must present one of the following
45.18 documents that was not also presented for proof of photographic identity under subdivision
45.19 4:

45.20 (1) original or certified copy of a United States or United States territory birth certificate
45.21 that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

45.22 (2) United States Department of State Consular Report of Birth Abroad, Form FS-240,
45.23 Form DS-1350, or Form FS-545;

45.24 (3) valid, unexpired United States passport or United States passport card;

45.25 (4) Certificate of Naturalization, Form N-550 or Form N-570;

45.26 (5) Certificate of Citizenship, Form N-560 or Form N-561;

45.27 (6) American Indian card, Form I-872, or Minnesota Tribal identification card that meets
45.28 the requirements of section 171.072;

45.29 (7) United States military photo identification card issued to active duty, reserve, or
45.30 retired military personnel;

- 46.1 (8) federal or Minnesota income tax form W-2;
- 46.2 (9) federal or Minnesota income tax form SSA-1099;
- 46.3 (10) non-SSA federal or Minnesota income tax form 1099;
- 46.4 (11) United States high school identification card with a certified transcript from the
46.5 same school if issued no more than 180 days before the application;
- 46.6 (12) United States college or university identification card with a certified transcript
46.7 from the same college or university if issued no more than 180 days before the application;
- 46.8 (13) Minnesota unemployment insurance benefit statement issued no more than 90 days
46.9 before the application;
- 46.10 (14) life, health, automobile, homeowner's, or renter's insurance policy that is issued no
46.11 more than 90 days before the application. The commissioner must not accept a proof of
46.12 insurance card;
- 46.13 (15) federal or state income tax return or statement for the most recent tax filing year;
- 46.14 (16) Minnesota property tax statement for the current year that reflects the applicant's
46.15 principal residential address both on the mailing portion and the portion stating what property
46.16 is being taxed;
- 46.17 (17) Minnesota vehicle certificate of title if issued no more than 12 months before the
46.18 application;
- 46.19 (18) filed property deed or title for the applicant's current residence if issued no more
46.20 than 12 months before the application;
- 46.21 (19) Supplemental Security Income award statement that is issued no more than 12
46.22 months before the application;
- 46.23 (20) valid Minnesota driver's license, valid Minnesota identification card, or valid permit;
- 46.24 (21) unexpired Minnesota professional license;
- 46.25 (22) unexpired Selective Service card;
- 46.26 (23) military orders that are still in effect at the time of the application;
- 46.27 (24) copy of the applicant's certificate of marriage certified by the issuing government
46.28 jurisdiction;
- 46.29 (25) certified copy of a court order specifying a name change; or

47.1 (26) certified copy of a divorce decree or dissolution of marriage granted to the applicant
 47.2 that specifies a name change requested from a court of competent jurisdiction.

47.3 Subd. 3. **Social Security number.** As proof satisfactory of Social Security number, an
 47.4 applicant for an enhanced driver's license or an enhanced identification card must present
 47.5 the applicant's original Social Security card or one of the following:

47.6 (1) federal or Minnesota income tax form W-2;

47.7 (2) federal or Minnesota income tax form SSA-1099;

47.8 (3) non-SSA federal or Minnesota income tax form 1099; or

47.9 (4) United States employment computer-printed pay stub containing the applicant's
 47.10 name, address, and full Social Security number.

47.11 Subd. 4. **Photographic identity.** As proof satisfactory of photographic identity, an
 47.12 applicant for an enhanced driver's license or an enhanced identification card must present
 47.13 one of the following documents:

47.14 (1) valid Minnesota driver's license, identification card, or permit;

47.15 (2) valid driver's license, identification card, or permit issued by another United States
 47.16 state, including the District of Columbia and any United States territory;

47.17 (3) United States military identification card issued to active duty, reserve, or retired
 47.18 military personnel;

47.19 (4) United States military dependent identification card;

47.20 (5) valid, unexpired United States passport or United States passport card;

47.21 (6) American Indian card, Form I-872, or Minnesota Tribal identification card that meets
 47.22 the requirements under section 171.072;

47.23 (7) valid city, county, state, or federal employee identification card;

47.24 (8) United States high school identification card with a certified transcript from the same
 47.25 school, both issued no more than 180 days before the application;

47.26 (9) United States college or university identification card with a certified transcript from
 47.27 the same college or university, both issued no more than 180 days before the application;

47.28 or

47.29 (10) veterans universal access identification card.

48.1 Subd. 5. **United States citizenship.** As proof satisfactory of United States citizenship,
48.2 an applicant for an enhanced driver's license or enhanced identification card must present
48.3 one of the following documents:

48.4 (1) original or certified copy of a United States or United States territory birth certificate
48.5 that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

48.6 (2) United States Department of State Consular Report of Birth Abroad, Form FS-240,
48.7 Form DS-1350, or Form FS-545;

48.8 (3) valid, unexpired United States passport or United States passport card;

48.9 (4) Certificate of Naturalization, Form N-550 or Form N-570; or

48.10 (5) Certificate of Citizenship, Form N-560 or Form N-561.

48.11 Subd. 6. **Residency.** (a) As proof satisfactory of residency, an applicant for an enhanced
48.12 driver's license or enhanced identification card must present two different forms of the
48.13 following documents that list the applicant's name and address:

48.14 (1) United States home utility services bill that is issued no more than 90 days before
48.15 the application. The commissioner must not accept a United States home utility bill if two
48.16 unrelated people are listed on the bill;

48.17 (2) United States home utility services hook-up work order that is issued no more than
48.18 90 days before the application. The commissioner must not accept a United States home
48.19 utility services hook-up work order if two unrelated people are listed on the work order;

48.20 (3) United States financial information with account numbers redacted that is issued no
48.21 more than 90 days before the application, including a:

48.22 (i) bank account statement;

48.23 (ii) canceled check; or

48.24 (iii) credit card statement;

48.25 (4) United States high school identification card with a certified transcript from the same
48.26 school if issued no more than 180 days before the application;

48.27 (5) United States college or university identification card with a certified transcript from
48.28 the same college or university if issued no more than 180 days before the application;

48.29 (6) United States employment pay stub that lists the employer's name, address, and
48.30 telephone number that is issued no more than 90 days before the application;

49.1 (7) Minnesota unemployment insurance benefit statement issued no more than 90 days
49.2 before the application;

49.3 (8) assisted living or nursing home statement that is issued no more than 90 days before
49.4 the application;

49.5 (9) life, health, automobile, homeowner's, or renter's insurance policy that is issued no
49.6 more than 90 days before the application. The commissioner must not accept a proof of
49.7 insurance card;

49.8 (10) federal or state income tax return or statement for the most recent tax filing year;

49.9 (11) Minnesota property tax statement for the current year that reflects the applicant's
49.10 principal residential address both on the mailing portion and the portion stating what property
49.11 is being taxed;

49.12 (12) Minnesota vehicle certificate of title if issued no more than 12 months before the
49.13 application;

49.14 (13) filed property deed or title for the applicant's current residence if issued no more
49.15 than 12 months before the application;

49.16 (14) Supplemental Security Income award statement that is issued no more than 12
49.17 months before the application;

49.18 (15) mortgage documents for the applicant's principal residence;

49.19 (16) residential lease agreement for the applicant's principal residence that is issued no
49.20 more than 12 months before the application;

49.21 (17) valid Minnesota driver's license, identification card, or permit;

49.22 (18) unexpired Minnesota professional license;

49.23 (19) unexpired Selective Service card; or

49.24 (20) military orders that are still in effect at the time of the application with a copy of a
49.25 DD Form 2058 State of Legal Residence Certificate.

49.26 (b) For purposes of this subdivision, Internet service and cable service are utilities.

49.27 (c) The commissioner must verify with the United States Postal Service the address
49.28 information provided under this subdivision.

49.29 Subd. 7. **Verification.** The department must be able to verify with the issuing jurisdiction
49.30 the issuance and authenticity of the documents submitted under this section. Verification
49.31 is required if:

- 50.1 (1) the document provided by the applicant is inconsistent with the department record;
 50.2 (2) the document provided by the applicant appears to be altered or fraudulent; or
 50.3 (3) there is reason to believe the applicant is not who the applicant claims to be.

50.4 **Sec. 35. [171.069] TRANSLATIONS.**

50.5 For any document submitted to the department under this chapter in a language other
 50.6 than English:

- 50.7 (1) the document must be accompanied by a translation of that document into the English
 50.8 language;
 50.9 (2) the translation must be sworn to by the translator as being a true and accurate
 50.10 translation;
 50.11 (3) the translator must not be related by blood or marriage to the applicant; and
 50.12 (4) the translator must be:
 50.13 (i) accredited by the American Translators Association;
 50.14 (ii) certified by a court of competent jurisdiction;
 50.15 (iii) approved by an embassy or consulate of the United States or diplomatic or consular
 50.16 official of a foreign country assigned or accredited to the United States;
 50.17 (iv) affiliated with or approved by the United States Citizenship and Immigration Services
 50.18 or a government jurisdiction within the United States;
 50.19 (v) an attorney licensed to practice in the United States or affiliated with that attorney;
 50.20 (vi) a vendor listed to provide translation services for the state of Minnesota; or
 50.21 (vii) a qualified individual who certifies the individual is competent to translate the
 50.22 document into English.

50.23 **Sec. 36. Minnesota Statutes 2023 Supplement, section 171.07, subdivision 15, is amended**
 50.24 **to read:**

50.25 **Subd. 15. Veteran designation.** (a) At the request of an eligible applicant and on payment
 50.26 of the required fee, the department ~~shall~~ must issue, renew, or reissue to the applicant a
 50.27 driver's license or Minnesota identification card bearing a graphic or written designation
 50.28 of:

- 50.29 (1) Veteran; or

51.1 (2) Veteran 100% T&P.

51.2 (b) At the time of the initial application for the designation provided under this
51.3 subdivision, the applicant must:

51.4 (1) be one of the following:

51.5 (i) a veteran, as defined in section 197.447; or

51.6 (ii) a retired or honorably discharged member of the National Guard or a reserve
51.7 component of the United States armed forces;

51.8 (2) provide a certified copy of the applicant's discharge papers that confirms an honorable
51.9 or general discharge under honorable conditions status, or a military retiree identification
51.10 card, veteran identification card, or veteran health identification card; and

51.11 (3) if the applicant is seeking the disability designation under paragraph (a), clause (2),
51.12 provide satisfactory evidence of a 100 percent total and permanent service-connected
51.13 disability as determined by the United States Department of Veterans Affairs.

51.14 Sec. 37. Minnesota Statutes 2022, section 171.072, is amended to read:

51.15 **171.072 TRIBAL IDENTIFICATION CARD.**

51.16 (a) If a Minnesota identification card is deemed an acceptable form of identification in
51.17 Minnesota Statutes or Rules, a tribal identification card is also an acceptable form of
51.18 identification. A tribal identification card is a primary document for purposes of ~~Minnesota~~
51.19 ~~Rules, part 7410.0400, and successor rules, section 171.062~~ when an applicant applies for
51.20 a noncompliant license or identification card.

51.21 (b) For purposes of this section, "tribal identification card" means an unexpired
51.22 identification card issued by a ~~Minnesota~~ tribal government of a tribe recognized by the
51.23 Bureau of Indian Affairs, United States Department of the Interior, that contains the legal
51.24 name, date of birth, signature, and picture of the enrolled tribal member.

51.25 (c) The tribal identification card must contain security features that make it as impervious
51.26 to alteration as is reasonably practicable in its design and quality of material and technology.
51.27 The security features must use materials that are not readily available to the general public.
51.28 The tribal identification card must not be susceptible to reproduction by photocopying or
51.29 simulation and must be highly resistant to data or photograph substitution and other
51.30 tampering.

51.31 (d) The requirements of this section do not apply: (1) except as provided in paragraph
51.32 (a), to an application for a driver's license or Minnesota identification card under this chapter;

52.1 or (2) to tribal identification cards used to prove an individual's residence for purposes of
 52.2 section 201.061, subdivision 3.

52.3 Sec. 38. Minnesota Statutes 2023 Supplement, section 171.12, subdivision 11, is amended
 52.4 to read:

52.5 Subd. 11. **Certain data on noncompliant license or identification card; department**
 52.6 **and agents.** (a) For purposes of this section, "immigration status data" means data on
 52.7 individuals who have applied for or been issued a noncompliant driver's license or
 52.8 identification card and that indicate or otherwise have the effect of identifying (1) whether
 52.9 the individual has demonstrated United States citizenship, or (2) whether the individual has
 52.10 demonstrated lawful presence in the United States. Immigration status data include but are
 52.11 not limited to any documents specified under section ~~171.06, subdivision 9, 10, or 11~~
 52.12 171.062; immigration status data contained in those documents; or the applicant's submission
 52.13 of the documents.

52.14 (b) Immigration status data are classified as private data on individuals, as defined in
 52.15 section 13.02, subdivision 12. Notwithstanding any law to the contrary, the commissioner
 52.16 or a driver's license agent must not share or disseminate immigration status data except to
 52.17 or within the division of the department that administers driver licensing and to the secretary
 52.18 of state for purposes of improving the accuracy of voter registration records under subdivision
 52.19 7a.

52.20 (c) As authorized or required by state or federal law, the commissioner or a driver's
 52.21 license agent may share or disseminate data on individuals who have applied for or been
 52.22 issued a noncompliant driver's license or identification card that are not immigration status
 52.23 data to a government entity, as defined in section 13.02, subdivision 7a, or to a federal
 52.24 government entity that does not enforce immigration law, provided that the receiving entity
 52.25 must not use the data for civil immigration enforcement purposes or further disclose the
 52.26 data to a state or federal government entity that primarily enforces immigration law or to
 52.27 any employee or agent of any such government entity.

52.28 (d) Notwithstanding any law to the contrary, the commissioner or a driver's license agent
 52.29 must not share or disseminate any data on individuals who have applied for or been issued
 52.30 a noncompliant driver's license or identification card to any federal government entity that
 52.31 primarily enforces immigration law, except pursuant to a valid search warrant or court order
 52.32 issued by a state or federal judge.

52.33 (e) Violation of this subdivision by the commissioner, a driver's license agent, a
 52.34 government entity, or an employee or agent thereof constitutes a violation of the Minnesota

53.1 Government Data Practices Act and may be subject to penalties and remedies applicable
53.2 under that chapter.

53.3 Sec. 39. Minnesota Statutes 2023 Supplement, section 171.13, subdivision 1a, is amended
53.4 to read:

53.5 Subd. 1a. **Waiver when license issued by another jurisdiction.** (a) If the commissioner
53.6 determines that an applicant for a driver's license is 21 years of age or older and possesses
53.7 a valid driver's license issued by another state or jurisdiction that requires a comparable
53.8 examination to obtain a driver's license, the commissioner must waive the requirements that
53.9 the applicant pass a knowledge examination and demonstrate ability to exercise ordinary
53.10 and reasonable control in the operation of a motor vehicle.

53.11 (b) If the commissioner determines that an applicant for a ~~two-wheeled vehicle~~ motorcycle
53.12 endorsement is 21 years of age or older and possesses a valid driver's license with a
53.13 ~~two-wheeled vehicle~~ motorcycle endorsement issued by another state or jurisdiction that
53.14 requires a comparable examination to obtain an endorsement, the commissioner must waive
53.15 the requirements with respect to the endorsement that the applicant pass a knowledge
53.16 examination and demonstrate the ability to exercise ordinary and reasonable control in the
53.17 operation of a motor vehicle.

53.18 (c) For purposes of this subdivision, "jurisdiction" includes, but is not limited to, both
53.19 the active and reserve components of any branch or unit of the United States armed forces,
53.20 and "valid driver's license" includes any driver's license that is recognized by that branch
53.21 or unit as currently being valid, or as having been valid at the time of the applicant's
53.22 separation or discharge from the military within a period of time deemed reasonable and
53.23 fair by the commissioner, up to and including one year past the date of the applicant's
53.24 separation or discharge.

53.25 Sec. 40. Minnesota Statutes 2022, section 171.13, subdivision 6, is amended to read:

53.26 Subd. 6. ~~Two-wheeled vehicle~~ **Motorcycle endorsement examination fee.** A person
53.27 applying for an initial ~~two-wheeled vehicle~~ motorcycle endorsement on a driver's license
53.28 ~~shall~~ must pay at the place of examination a \$2.50 examination fee, an endorsement fee as
53.29 prescribed in section 171.06, subdivision 2a, and the appropriate driver's license fee as
53.30 prescribed in section 171.06, subdivision 2.

54.1 Sec. 41. Minnesota Statutes 2022, section 171.30, subdivision 2a, is amended to read:

54.2 Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license shall
54.3 must not be issued for a period of:

54.4 (1) 15 days, to a person whose license or privilege has been revoked or suspended for
54.5 a first violation of section 169A.20, sections 169A.50 to 169A.53, section 171.177, or a
54.6 statute or ordinance from another state in conformity with either of those sections; or

54.7 (2) one year, to a person whose license or privilege has been revoked or suspended for:

54.8 (i) committing manslaughter resulting from the operation of a motor vehicle;

54.9 (ii) committing criminal vehicular homicide or injury under ~~section~~ sections:

54.10 (A) 609.2112, subdivision 1, paragraph (a), clause (1); (2), item (ii); (5); (6); (7); or
54.11 (8);

54.12 (B) 609.2113, subdivision 1, clause (1); (2), item (ii); (5); (6); (7); or (8); or

54.13 (C) 609.2114, subdivision 1, paragraph (a), clause (1); (2), item (ii); (5); (6); (7); or (8);

54.14 or subdivision 2, clause (1); (2), item (ii); (5); (6); (7); or (8);

54.15 (iii) committing criminal vehicular homicide under ~~section~~ sections:

54.16 (A) 609.2112, subdivision 1, paragraph (a), clause (2), item (i) or (iii); (3); or (4); or

54.17 (B) 609.2114, subdivision 1, paragraph (a), clause (2), item (i) or (iii); (3); or (4); or

54.18 (iv) violating a statute or ordinance from another state in conformity with either of those
54.19 offenses.

54.20 Sec. 42. Minnesota Statutes 2022, section 171.30, subdivision 5, is amended to read:

54.21 Subd. 5. **Exception; criminal vehicular operation.** Notwithstanding subdivision 1, the
54.22 commissioner may not issue a limited license to a person whose driver's license has been
54.23 suspended or revoked due to a violation of ~~section 609.2112, subdivision 1;~~

54.24 (1) section 609.2113, subdivision 1, clause (2), item (i) or (iii); (3); or (4), resulting in
54.25 bodily harm, substantial bodily harm, or great bodily harm; subdivision 2, clause (2), item
54.26 (i) or (iii); (3); or (4); or subdivision 3, clause (2), item (i) or (iii); (3); or (4);

54.27 (2) section 609.2114, subdivision 2, clause (2), item (i) or (iii); (3); or (4); or

54.28 (3) a statute or ordinance from another state in conformity with the offenses under clauses

54.29 (1) and (2) resulting in injury.

55.1 Sec. 43. Minnesota Statutes 2023 Supplement, section 171.395, subdivision 1, is amended
55.2 to read:

55.3 Subdivision 1. **Authorization.** A licensed or approved driver education program that
55.4 provides both classroom and behind-the-wheel instruction may offer teleconference driver
55.5 education as provided in this section. For purposes of this section, the driver education
55.6 program must offer both classroom and behind-the-wheel instruction. ~~If a program partners
55.7 or contracts with a second program to provide any portion of classroom or behind-the-wheel
55.8 instruction, the first program is not eligible to offer teleconference driver education
55.9 instruction.~~

55.10 Sec. 44. Minnesota Statutes 2023 Supplement, section 171.396, is amended to read:

55.11 **171.396 ONLINE DRIVER EDUCATION PROGRAM.**

55.12 (a) A licensed or approved driver education program may offer online driver education
55.13 as provided in this section. The online driver education program must satisfy the requirements
55.14 for classroom driver education as provided in section 171.0701, subdivision 1, and Minnesota
55.15 Rules, chapter 7411. In addition, an online driver education program must:

55.16 (1) include a means for the student to measure performance outcomes;

55.17 (2) use a pool of rotating quiz questions;

55.18 (3) incorporate accountability features to ensure the identity of the student while engaged
55.19 in the course of online study;

55.20 (4) measure the amount of time that the student spends in the course;

55.21 (5) provide technical support to customers that is available 24 hours per day, seven days
55.22 per week;

55.23 (6) require a licensed Minnesota driver education instructor to monitor each student's
55.24 progress and be available to answer questions in a timely manner, provided that the instructor
55.25 is not required to monitor progress or answer questions in real time;

55.26 (7) store course content and student data on a secure server that is protected against data
55.27 breaches and is regularly backed up;

55.28 (8) incorporate preventive measures in place to protect against the access of private
55.29 information;

55.30 (9) include the ability to update course content uniformly throughout the state; and

56.1 (10) provide online interactive supplemental parental curriculum consistent with section
56.2 171.0701, subdivision 1a.

56.3 (b) Except as required by this section, the commissioner is prohibited from imposing
56.4 requirements on online driver education programs that are not equally applicable to classroom
56.5 driver education programs.

56.6 Sec. 45. **FULL-SERVICE PROVIDER.**

56.7 (a) For purposes of this section, the following terms have the meanings given:

56.8 (1) "commissioner" means the commissioner of public safety; and

56.9 (2) "full-service provider" has the meaning given in Minnesota Statutes, section 168.002,
56.10 subdivision 12a.

56.11 (b) A driver's license agent appointed before January 1, 2024, under Minnesota Statutes,
56.12 section 171.061, and is recognized by the commissioner as a limited licensing agent under
56.13 Minnesota Rules, part 7404.0340, may apply to the commissioner to become a full-service
56.14 provider at the agent's current office location. A driver's license agent must submit an
56.15 application on or before June 1, 2025. By June 30, 2025, an applicant under this section
56.16 must satisfactorily complete any additional staff training required by the commissioner to
56.17 offer expanded services as a full-service provider.

56.18 (c) The commissioner may appoint an applicant who meets the requirements under this
56.19 section as a full-service provider.

56.20 (d) Minnesota Rules, chapter 7404, applies to an appointment under this section, except
56.21 that this section applies notwithstanding Minnesota Rules, parts 7404.0300, subparts 4, 5,
56.22 and 6; 7404.0305, subpart 1, item B; 7404.0345, item D; 7404.0350; 7404.0360, subpart
56.23 2; and 7404.0400, subpart 4, item B.

56.24 Sec. 46. **REPEALER.**

56.25 (a) Minnesota Statutes 2022, section 171.0605, subdivision 4, is repealed.

56.26 (b) Minnesota Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, and 11,
56.27 are repealed.

56.28 (c) Minnesota Rules, parts 7410.6180; and 7411.7600, subpart 3, are repealed.

57.1

ARTICLE 3

57.2

GREATER MINNESOTA TRANSIT

57.3 Section 1. Minnesota Statutes 2022, section 174.22, is amended by adding a subdivision
57.4 to read:

57.5 Subd. 1a. **Complementary paratransit service (ADA).** "Complementary paratransit
57.6 service (ADA)" means public transportation service provided on a regular basis where fixed
57.7 route public transit service exists and is designed exclusively or primarily to serve individuals
57.8 who are elderly or disabled and unable to use regular means of public transportation.

57.9 Sec. 2. Minnesota Statutes 2022, section 174.22, subdivision 2b, is amended to read:

57.10 Subd. 2b. **Elderly and disabled service.** "Elderly and disabled service" means
57.11 transportation service provided on a regular basis in small urbanized or large urbanized
57.12 areas and designed exclusively or primarily to serve individuals who are elderly or disabled
57.13 and unable to use regular means of public transportation.

57.14 Sec. 3. Minnesota Statutes 2022, section 174.22, is amended by adding a subdivision to
57.15 read:

57.16 Subd. 3a. **Large urbanized area service.** "Large urbanized area service" means a public
57.17 transportation service operated in areas located outside the metropolitan area with a
57.18 population greater than 200,000 that is designated by the United States Census Bureau.
57.19 Large urbanized area service does not include complementary paratransit service (ADA),
57.20 as defined in subdivision 1a.

57.21 Sec. 4. Minnesota Statutes 2022, section 174.22, subdivision 7, is amended to read:

57.22 Subd. 7. **Public transit or transit transportation.** ~~"Public transit" or "transit" means~~
57.23 ~~general or specific transportation service provided to the public on a regular and continuing~~
57.24 ~~basis. "Public transit" or "transit" includes paratransit and regular route transit. "Public~~
57.25 ~~transportation" means regular, continuing shared-ride surface transportation services that~~
57.26 ~~are open to the general public or open to a segment of the general public defined by age,~~
57.27 ~~disability, or low income. Public transportation does not include:~~

57.28 (1) intercity passenger rail transportation provided by the entity described in United
57.29 States Code, title 49, section 243, or a successor entity;

57.30 (2) intercity bus service;

57.31 (3) charter bus service;

58.1 (4) school bus service;

58.2 (5) sightseeing service;

58.3 (6) courtesy shuttle service for patrons of one or more specific establishments; or

58.4 (7) intraterminal or intrafacility shuttle services.

58.5 Sec. 5. Minnesota Statutes 2022, section 174.22, subdivision 12, is amended to read:

58.6 Subd. 12. **Rural area service.** "Rural area service" means a public transportation service
 58.7 ~~primarily operated in an area having population centers of less than 2,500 persons~~ rural
 58.8 areas that have not been designated in the most recent decennial census as an urbanized
 58.9 area by the United States Census Bureau.

58.10 Sec. 6. Minnesota Statutes 2022, section 174.22, subdivision 14, is amended to read:

58.11 Subd. 14. **Small ~~urban~~ urbanized area service.** "Small ~~urban~~ urbanized area service"
 58.12 means a public transportation service ~~operating in an area with a population between 2,500~~
 58.13 ~~and 50,000~~ operated in areas located outside the metropolitan area with a population of at
 58.14 least 50,000 but less than 200,000 that is designated by the United States Census Bureau.
 58.15 Small urbanized area service does not include complementary paratransit service (ADA),
 58.16 as defined in subdivision 1a.

58.17 Sec. 7. Minnesota Statutes 2022, section 174.23, subdivision 2, is amended to read:

58.18 Subd. 2. **Financial assistance; application, approval.** (a) The commissioner ~~shall~~ must
 58.19 seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27.

58.20 (b) The commissioner ~~shall~~ must establish ~~by rule~~ the procedures and standards for
 58.21 review and approval of applications for financial assistance submitted to the commissioner
 58.22 pursuant to sections 174.21 to 174.27. Any applicant ~~shall~~ must provide to the commissioner
 58.23 any financial or other information required by the commissioner to carry out the
 58.24 commissioner's duties. The commissioner may require local contributions from applicants
 58.25 as a condition for receiving financial assistance.

58.26 ~~(c) Before the commissioner approves any grant, the application for the grant may be~~
 58.27 ~~reviewed by the appropriate regional development commission only for consistency with~~
 58.28 ~~regional transportation plans and development guides. If an applicant proposes a project~~
 58.29 ~~within the jurisdiction of a transit authority or commission or a transit system assisted or~~
 58.30 ~~operated by a city or county, the application shall also be reviewed by that commission,~~

59.1 ~~authority, or political subdivision for consistency with its transit programs, policies, and~~
 59.2 ~~plans.~~

59.3 Sec. 8. Minnesota Statutes 2022, section 174.24, subdivision 1a, is amended to read:

59.4 Subd. 1a. **Greater Minnesota transit investment plan.** (a) The commissioner ~~shall~~
 59.5 must develop a greater Minnesota transit investment plan that contains a goal of meeting
 59.6 at least 80 percent of total transit service needs in greater Minnesota by July 1, 2015, and
 59.7 meeting at least 90 percent of total transit service needs in greater Minnesota by July 1,
 59.8 2025.

59.9 (b) The plan must include, but is not limited to, the following:

59.10 (1) an analysis of ridership and total transit service needs throughout greater Minnesota;

59.11 (2) a calculation of the level and type of service required to meet total transit service
 59.12 needs, for the transit system classifications as provided under subdivision 3b, paragraph
 59.13 (c), of large urbanized area, small urban urbanized area, rural area, and elderly and disabled
 59.14 service, and complementary paratransit service (ADA);

59.15 (3) an analysis of costs and revenue options;

59.16 (4) a plan to reduce total transit service needs as specified in this subdivision; and

59.17 (5) identification of the operating and capital costs necessary to meet 100 percent of the
 59.18 greater Minnesota transit targeted and projected bus service hours, as identified in the greater
 59.19 Minnesota transit plan, for 2010, 2015, 2020, 2025, and 2030.

59.20 (c) The plan must specifically address special transportation service ridership and needs.
 59.21 The plan must also provide that recipients of operating assistance under this section provide
 59.22 fixed route public transit service without charge for disabled veterans in accordance with
 59.23 subdivision 7.

59.24 Sec. 9. Minnesota Statutes 2022, section 174.24, subdivision 3b, is amended to read:

59.25 Subd. 3b. **Operating assistance; recipient classifications.** ~~(a) The commissioner shall~~
 59.26 ~~determine the total operating cost of any public transit system receiving or applying for~~
 59.27 ~~assistance in accordance with generally accepted accounting principles. To be eligible for~~
 59.28 ~~financial assistance, an applicant or recipient shall provide to the commissioner all financial~~
 59.29 ~~records and other information and shall permit any inspection reasonably necessary to~~
 59.30 ~~determine total operating cost and correspondingly the amount of assistance that may be~~
 59.31 ~~paid to the applicant or recipient. Where more than one county or municipality contributes~~

60.1 ~~assistance to the operation of a public transit system, the commissioner shall identify one~~
 60.2 ~~as lead agency for the purpose of receiving money under this section.~~

60.3 ~~(b)~~ (a) Prior to distributing operating assistance to eligible recipients for any contract
 60.4 period, the commissioner ~~shall~~ must place all recipients into one of the following
 60.5 classifications: large urbanized area service, small urban urbanized area service, rural area
 60.6 service, and elderly and disabled service, and complementary paratransit service (ADA).

60.7 ~~(e)~~ (b) The commissioner ~~shall~~ must distribute ~~funds~~ the operating assistance amount
 60.8 under this section so that the percentage of ~~total contracted operating cost~~ from local sources
 60.9 paid by any recipient ~~from local sources~~ will not exceed the following percentage for that
 60.10 recipient's classification, except as provided in this subdivision. ~~The percentages must be:~~

60.11 (1) for urbanized area service and small urban area service, 20 percent;

60.12 (2) for rural area service, 15 percent; and

60.13 (3) for elderly and disabled service and complementary paratransit service (ADA), 15
 60.14 percent.

60.15 ~~Except as provided in a United States Department of Transportation program allowing or~~
 60.16 ~~requiring a lower percentage to be paid from local sources, the remainder of the recipient's~~
 60.17 ~~total contracted operating cost will be paid from state sources of funds less any assistance~~
 60.18 ~~received by the recipient from the United States Department of Transportation.~~

60.19 ~~(d)~~ (c) For purposes of this subdivision, "local sources" means all local sources of funds
 60.20 and includes all operating revenue, tax levies, and contributions from public funds, ~~except~~
 60.21 ~~that the commissioner may exclude from the total assistance contract revenues derived from~~
 60.22 ~~operations the cost of which is excluded from the computation of total operating cost.~~

60.23 ~~(e)~~ (d) If a recipient informs the commissioner in writing after the establishment of these
 60.24 percentages but prior to the distribution of financial assistance for any year that paying its
 60.25 designated percentage of ~~total operating cost~~ the operating assistance amount from local
 60.26 sources will cause undue hardship, the commissioner may reduce the percentage to be paid
 60.27 from local sources by the recipient and increase the percentage to be paid from local sources
 60.28 by one or more other recipients inside or outside the classification. However, the
 60.29 commissioner may not reduce or increase any recipient's percentage under this paragraph
 60.30 for more than two years successively. If for any year the funds appropriated to the
 60.31 commissioner to carry out the purposes of this section are insufficient to allow the
 60.32 commissioner to pay the state share of ~~total operating cost~~ the operating assistance amount

61.1 as provided in this paragraph, the commissioner ~~shall~~ must reduce the state share in each
 61.2 classification to the extent necessary.

61.3 Sec. 10. Minnesota Statutes 2022, section 174.24, subdivision 3c, is amended to read:

61.4 Subd. 3c. **Nonoperating assistance.** The commissioner ~~shall~~ must determine the total
 61.5 cost of any planning and engineering design, capital assistance, other capital expenditures,
 61.6 and other assistance for public transit services that furthers the purposes of section 174.21
 61.7 for any public transit system receiving or applying for the assistance in accordance with
 61.8 generally accepted accounting principles. The percentage of local sources paid by any
 61.9 recipient must not exceed 20 percent of the awarded amount. To be eligible for
 61.10 non-operating-cost financial assistance, an applicant or recipient ~~shall~~ must provide to the
 61.11 commissioner all financial records and other information and ~~shall~~ must permit any inspection
 61.12 reasonably necessary to determine total cost and the amount of assistance that may be paid
 61.13 to the applicant or recipient. When more than one county or municipality contributes
 61.14 assistance to the operation of a public transit system, the commissioner ~~shall~~ must identify
 61.15 one as a lead agency for the purpose of receiving money under this section. The commissioner
 61.16 has the sole discretion to determine the amount of state funds distributed to any recipient
 61.17 for non-operating-cost assistance.

61.18 Sec. 11. Minnesota Statutes 2022, section 174.247, is amended to read:

61.19 **174.247 ANNUAL TRANSIT REPORT.**

61.20 (a) By February 15 annually, the commissioner ~~shall~~ must submit a report to the
 61.21 legislature on transit services outside the metropolitan area. ~~The Metropolitan Council and~~
 61.22 Any public transit system receiving assistance under section 174.24 ~~shall~~ must provide
 61.23 assistance in creating the report, as requested by the commissioner.

61.24 (b) The report must include, at a minimum, the following:

61.25 (1) a descriptive overview of public transit in Minnesota;

61.26 (2) a descriptive summary of funding sources and assistance programs;

61.27 (3) a summary of each public transit system receiving assistance under section 174.24;

61.28 (4) data that identifies use of volunteers in providing transit service;

61.29 (5) financial data that identifies for each public transit system and for each transit system
 61.30 classification under section 174.24, subdivision 3b:

61.31 (i) the operating and capital costs;

- 62.1 (ii) each of the funding sources used to provide financial assistance; and
- 62.2 (iii) for federal funds, the amount from each specific federal program under which
62.3 funding is provided;
- 62.4 (6) a summary of the differences in program implementation requirements and aid
62.5 recipient eligibility between federal aid and state sources of funds; and
- 62.6 (7) ~~in each odd-numbered year~~, an analysis of public transit system needs and operating
62.7 expenditures on an annual basis, which must include a methodology for identifying monetary
62.8 needs, and calculations of:
- 62.9 (i) the total monetary needs for all public transit systems, for the year of the report and
62.10 the ensuing five years;
- 62.11 (ii) the total expenditures from local sources for each transit system classification;
- 62.12 (iii) the comprehensive transit assistance percentage for each transit system classification,
62.13 which equals (A) the expenditures identified under item (ii), for a transit system classification,
62.14 divided by (B) the amounts identified under subitem (A), plus the sum of state sources of
62.15 funds plus federal funds provided to all transit systems in that classification; and
- 62.16 (iv) the amount of surplus or insufficient funds available for paying capital and operating
62.17 costs to fully implement the greater Minnesota transit investment plan under section 174.24,
62.18 subdivision 1a.

62.19 Sec. 12. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 17, is
62.20 amended to read:

62.21 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
62.22 means motor vehicle transportation provided by a public or private person that serves
62.23 Minnesota health care program beneficiaries who do not require emergency ambulance
62.24 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

62.25 (b) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
62.26 a census-tract based classification system under which a geographical area is determined
62.27 to be urban, rural, or super rural.

62.28 (c) Medical assistance covers medical transportation costs incurred solely for obtaining
62.29 emergency medical care or transportation costs incurred by eligible persons in obtaining
62.30 emergency or nonemergency medical care when paid directly to an ambulance company,
62.31 nonemergency medical transportation company, or other recognized providers of
62.32 transportation services. Medical transportation must be provided by:

63.1 (1) nonemergency medical transportation providers who meet the requirements of this
63.2 subdivision;

63.3 (2) ambulances, as defined in section 144E.001, subdivision 2;

63.4 (3) taxicabs that meet the requirements of this subdivision;

63.5 (4) public transit, within the meaning of "public transportation" as defined in section
63.6 174.22, subdivision 7; or

63.7 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,
63.8 subdivision 1, paragraph (h).

63.9 (d) Medical assistance covers nonemergency medical transportation provided by
63.10 nonemergency medical transportation providers enrolled in the Minnesota health care
63.11 programs. All nonemergency medical transportation providers must comply with the
63.12 operating standards for special transportation service as defined in sections 174.29 to 174.30
63.13 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
63.14 commissioner and reported on the claim as the individual who provided the service. All
63.15 nonemergency medical transportation providers shall bill for nonemergency medical
63.16 transportation services in accordance with Minnesota health care programs criteria. Publicly
63.17 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
63.18 requirements outlined in this paragraph.

63.19 (e) An organization may be terminated, denied, or suspended from enrollment if:

63.20 (1) the provider has not initiated background studies on the individuals specified in
63.21 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

63.22 (2) the provider has initiated background studies on the individuals specified in section
63.23 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

63.24 (i) the commissioner has sent the provider a notice that the individual has been
63.25 disqualified under section 245C.14; and

63.26 (ii) the individual has not received a disqualification set-aside specific to the special
63.27 transportation services provider under sections 245C.22 and 245C.23.

63.28 (f) The administrative agency of nonemergency medical transportation must:

63.29 (1) adhere to the policies defined by the commissioner;

63.30 (2) pay nonemergency medical transportation providers for services provided to
63.31 Minnesota health care programs beneficiaries to obtain covered medical services;

64.1 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
64.2 trips, and number of trips by mode; and

64.3 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
64.4 administrative structure assessment tool that meets the technical requirements established
64.5 by the commissioner, reconciles trip information with claims being submitted by providers,
64.6 and ensures prompt payment for nonemergency medical transportation services.

64.7 (g) Until the commissioner implements the single administrative structure and delivery
64.8 system under subdivision 18e, clients shall obtain their level-of-service certificate from the
64.9 commissioner or an entity approved by the commissioner that does not dispatch rides for
64.10 clients using modes of transportation under paragraph (l), clauses (4), (5), (6), and (7).

64.11 (h) The commissioner may use an order by the recipient's attending physician, advanced
64.12 practice registered nurse, physician assistant, or a medical or mental health professional to
64.13 certify that the recipient requires nonemergency medical transportation services.

64.14 Nonemergency medical transportation providers shall perform driver-assisted services for
64.15 eligible individuals, when appropriate. Driver-assisted service includes passenger pickup
64.16 at and return to the individual's residence or place of business, assistance with admittance
64.17 of the individual to the medical facility, and assistance in passenger securement or in securing
64.18 of wheelchairs, child seats, or stretchers in the vehicle.

64.19 (i) Nonemergency medical transportation providers must take clients to the health care
64.20 provider using the most direct route, and must not exceed 30 miles for a trip to a primary
64.21 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
64.22 authorization from the local agency.

64.23 (j) Nonemergency medical transportation providers may not bill for separate base rates
64.24 for the continuation of a trip beyond the original destination. Nonemergency medical
64.25 transportation providers must maintain trip logs, which include pickup and drop-off times,
64.26 signed by the medical provider or client, whichever is deemed most appropriate, attesting
64.27 to mileage traveled to obtain covered medical services. Clients requesting client mileage
64.28 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
64.29 services.

64.30 (k) The administrative agency shall use the level of service process established by the
64.31 commissioner to determine the client's most appropriate mode of transportation. If public
64.32 transit or a certified transportation provider is not available to provide the appropriate service
64.33 mode for the client, the client may receive a onetime service upgrade.

64.34 (l) The covered modes of transportation are:

65.1 (1) client reimbursement, which includes client mileage reimbursement provided to
65.2 clients who have their own transportation, or to family or an acquaintance who provides
65.3 transportation to the client;

65.4 (2) volunteer transport, which includes transportation by volunteers using their own
65.5 vehicle;

65.6 (3) unassisted transport, which includes transportation provided to a client by a taxicab
65.7 or public transit. If a taxicab or public transit is not available, the client can receive
65.8 transportation from another nonemergency medical transportation provider;

65.9 (4) assisted transport, which includes transport provided to clients who require assistance
65.10 by a nonemergency medical transportation provider;

65.11 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
65.12 dependent on a device and requires a nonemergency medical transportation provider with
65.13 a vehicle containing a lift or ramp;

65.14 (6) protected transport, which includes transport provided to a client who has received
65.15 a prescreening that has deemed other forms of transportation inappropriate and who requires
65.16 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
65.17 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
65.18 the vehicle driver; and (ii) who is certified as a protected transport provider; and

65.19 (7) stretcher transport, which includes transport for a client in a prone or supine position
65.20 and requires a nonemergency medical transportation provider with a vehicle that can transport
65.21 a client in a prone or supine position.

65.22 (m) The local agency shall be the single administrative agency and shall administer and
65.23 reimburse for modes defined in paragraph (l) according to paragraphs (p) and (q) when the
65.24 commissioner has developed, made available, and funded the web-based single administrative
65.25 structure, assessment tool, and level of need assessment under subdivision 18e. The local
65.26 agency's financial obligation is limited to funds provided by the state or federal government.

65.27 (n) The commissioner shall:

65.28 (1) verify that the mode and use of nonemergency medical transportation is appropriate;

65.29 (2) verify that the client is going to an approved medical appointment; and

65.30 (3) investigate all complaints and appeals.

65.31 (o) The administrative agency shall pay for the services provided in this subdivision and
65.32 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,

66.1 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
66.2 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

66.3 (p) Payments for nonemergency medical transportation must be paid based on the client's
66.4 assessed mode under paragraph (k), not the type of vehicle used to provide the service. The
66.5 medical assistance reimbursement rates for nonemergency medical transportation services
66.6 that are payable by or on behalf of the commissioner for nonemergency medical
66.7 transportation services are:

66.8 (1) \$0.22 per mile for client reimbursement;

66.9 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
66.10 transport;

66.11 (3) equivalent to the standard fare for unassisted transport when provided by public
66.12 transit, and \$12.10 for the base rate and \$1.43 per mile when provided by a nonemergency
66.13 medical transportation provider;

66.14 (4) \$14.30 for the base rate and \$1.43 per mile for assisted transport;

66.15 (5) \$19.80 for the base rate and \$1.70 per mile for lift-equipped/ramp transport;

66.16 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

66.17 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
66.18 an additional attendant if deemed medically necessary.

66.19 (q) The base rate for nonemergency medical transportation services in areas defined
66.20 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in
66.21 paragraph (p), clauses (1) to (7). The mileage rate for nonemergency medical transportation
66.22 services in areas defined under RUCA to be rural or super rural areas is:

66.23 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
66.24 rate in paragraph (p), clauses (1) to (7); and

66.25 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
66.26 rate in paragraph (p), clauses (1) to (7).

66.27 (r) For purposes of reimbursement rates for nonemergency medical transportation services
66.28 under paragraphs (p) and (q), the zip code of the recipient's place of residence shall determine
66.29 whether the urban, rural, or super rural reimbursement rate applies.

66.30 (s) The commissioner, when determining reimbursement rates for nonemergency medical
66.31 transportation under paragraphs (p) and (q), shall exempt all modes of transportation listed
66.32 under paragraph (l) from Minnesota Rules, part 9505.0445, item R, subitem (2).

67.1 (t) Effective for the first day of each calendar quarter in which the price of gasoline as
67.2 posted publicly by the United States Energy Information Administration exceeds \$3.00 per
67.3 gallon, the commissioner shall adjust the rate paid per mile in paragraph (p) by one percent
67.4 up or down for every increase or decrease of ten cents for the price of gasoline. The increase
67.5 or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase
67.6 or decrease must be calculated using the average of the most recently available price of all
67.7 grades of gasoline for Minnesota as posted publicly by the United States Energy Information
67.8 Administration.

67.9 Sec. 13. Minnesota Statutes 2022, section 473.121, subdivision 19, is amended to read:

67.10 Subd. 19. **Public transit or transit.** "Public transit" or "transit" has the meaning given
67.11 to "public transportation" in section 174.22, subdivision 7.

67.12 Sec. 14. Minnesota Statutes 2023 Supplement, section 609.855, subdivision 7, is amended
67.13 to read:

67.14 Subd. 7. **Definitions.** (a) The definitions in this subdivision apply in this section.

67.15 (b) "Public transit" or "transit" has the meaning given to "public transportation" in section
67.16 174.22, subdivision 7.

67.17 (c) "Public transit vehicle" or "transit vehicle" means any vehicle used for the purpose
67.18 of providing public transit, whether or not the vehicle is owned or operated by a public
67.19 entity.

67.20 (d) "Public transit facilities" or "transit facilities" means any vehicles, equipment,
67.21 property, structures, stations, improvements, plants, parking or other facilities, or rights that
67.22 are owned, leased, held, or used for the purpose of providing public transit, whether or not
67.23 the facility is owned or operated by a public entity.

67.24 (e) "Fare medium" means a ticket, smart card, pass, coupon, token, transfer, or other
67.25 medium sold or distributed by a public transit provider, or its authorized agents, for use in
67.26 gaining entry to or use of the public transit facilities or vehicles of the provider.

67.27 (f) "Proof of fare payment" means a fare medium valid for the place or time at, or the
67.28 manner in, which it is used. If using a reduced-fare medium, proof of fare payment also
67.29 includes proper identification demonstrating a person's eligibility for the reduced fare. If
67.30 using a fare medium issued solely for the use of a particular individual, proof of fare payment
67.31 also includes an identification document bearing a photographic likeness of the individual
67.32 and demonstrating that the individual is the person to whom the fare medium is issued.

68.1 (g) "Authorized transit representative" means the person authorized by the transit provider
68.2 to operate the transit vehicle, a peace officer, a transit official under section 473.4075,
68.3 subdivision 1, or any other person designated by the transit provider as an authorized transit
68.4 representative under this section.

68.5 Sec. 15. **REVISOR INSTRUCTION.**

68.6 (a) The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
68.7 174.22, in alphabetical order by their headnotes and correct any cross-reference changes
68.8 that result.

68.9 (b) In Minnesota Statutes, the revisor of statutes must change the term "public transit"
68.10 to "public transportation" wherever the term appears in Minnesota Statutes, sections 174.21
68.11 to 174.27.

68.12 (c) Except as otherwise provided in this article, in Minnesota Statutes, the revisor of
68.13 statutes must change the term "public transit" to "public transportation" wherever the term
68.14 appears in statutes in conjunction with a specific reference to Minnesota Statutes, section
68.15 174.22, subdivision 7.

68.16 Sec. 16. **REPEALER.**

68.17 (a) Minnesota Statutes 2022, sections 174.22, subdivisions 5 and 15; and 174.23,
68.18 subdivision 7, are repealed.

68.19 (b) Minnesota Rules, parts 8835.0110, subparts 1, 1a, 6, 7, 10, 11a, 12a, 12b, 13a, 14a,
68.20 15, 15a, 16, 17, 18, and 19; 8835.0210; 8835.0220; 8835.0230; 8835.0240; 8835.0250;
68.21 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280; 8835.0290; 8835.0310;
68.22 8835.0320; 8835.0330, subparts 1, 3, and 4; and 8835.0350, subparts 1, 3, 4, and 5, are
68.23 repealed.

169.011 DEFINITIONS.

Subd. 70. **Safety zone.** "Safety zone" means the area or space officially set apart within a roadway for the exclusive use of pedestrians and which is protected or is so marked or indicated by adequate signs as to be plainly visible at all times set apart as a safety zone.

169.25 SAFETY ZONE.

No vehicle shall at any time be driven through a safety zone.

171.06 APPLICATION FOR LICENSE, PERMIT, IDENTIFICATION CARD; FEES.

Subd. 9. **Noncompliant license or identification card; general requirements.** (a) A document submitted under this subdivision or subdivision 10 or 11 must include the applicant's name and must be:

- (1) issued to or provided for the applicant;
- (2) legible and unaltered;
- (3) an original or a copy certified by the issuing agency or by a court; and
- (4) accompanied by a certified translation or an affidavit of translation into English, if the document is not in English.

(b) If the applicant's current legal name is different from the name on a document submitted under subdivision 10 or 11, the applicant must submit:

- (1) a certified copy of a court order that specifies the applicant's name change;
- (2) a certified copy of the applicant's certificate of marriage;
- (3) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court; or
- (4) similar documentation of a lawful change of name, as determined by the commissioner.

(c) A form issued by a federal agency that is specified under subdivisions 10 and 11 includes any subsequent form or version.

(d) The commissioner must establish a process to grant a waiver from the requirements under this subdivision and subdivisions 10 and 11.

(e) The same document must not be submitted as both a primary document under subdivision 10 and a secondary document under subdivision 11.

(f) For purposes of this subdivision and subdivisions 10 and 11:

- (1) "court" includes a foreign court of competent jurisdiction; and
- (2) "foreign" means a jurisdiction that is not, and is not within, the United States, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, or a territory of the United States.

Subd. 10. **Noncompliant license or identification card; primary documents.** (a) For purposes of a noncompliant driver's license or identification card, a primary document under Minnesota Rules, part 7410.0400, subpart 2, or successor rules, includes:

- (1) an unexpired foreign passport or a foreign consular identification document that bears a photograph of the applicant;
- (2) a certified birth certificate issued by a foreign jurisdiction; and
- (3) a certified adoption certificate issued by a foreign jurisdiction that includes the applicant's name and date of birth.

(b) A document submitted under this subdivision must contain security features that make the document as impervious to alteration as is reasonably practicable in its design and quality of material and technology.

(c) Submission of more than one primary document is not required under this subdivision.

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Subd. 11. **Noncompliant license or identification card; secondary documents.** (a) For purposes of a noncompliant driver's license or identification card, a secondary document under Minnesota Rules, part 7410.0400, subpart 3, or successor rules, includes:

- (1) a second primary document listed under subdivision 10, paragraph (a);
 - (2) a notice of action on or proof of submission of a completed Application for Asylum and for Withholding of Removal issued by the United States Department of Homeland Security, Form I-589;
 - (3) a Certificate of Eligibility for Nonimmigrant Student Status issued by the United States Department of Homeland Security, Form I-20;
 - (4) a Certificate of Eligibility for Exchange Visitor Status issued by the United States Department of State, Form DS-2019;
 - (5) a Deferred Action for Childhood Arrival approval notice issued by the United States Department of Homeland Security;
 - (6) an employment authorization document issued by the United States Department of Homeland Security, Form I-688, Form I-688A, Form I-688B, or Form I-766;
 - (7) a document issued by the Internal Revenue Service with an individual taxpayer identification number;
 - (8) a Social Security card;
 - (9) a Supplemental Security Income award statement issued no more than 12 months before the application;
 - (10) an unexpired Selective Service card;
 - (11) military orders that are still in effect at the time of application;
 - (12) a Minnesota unemployment insurance benefit statement issued no more than 90 days before the application;
 - (13) a valid identification card for health benefits or an assistance or social services program;
 - (14) a Minnesota vehicle certificate of title issued no more than 12 months before the application;
 - (15) mortgage documents for the applicant's residence;
 - (16) a filed property deed or title for the applicant's residence;
 - (17) a Minnesota property tax statement for the current or prior calendar year, or a proposed Minnesota property tax notice for the current year, that shows the applicant's principal residential address both on the mailing portion and the portion stating what property is being taxed;
 - (18) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name or name change, issued by a court; and
 - (19) any of the following documents issued by a foreign jurisdiction:
 - (i) a driver's license that is current or has been expired for five years or less;
 - (ii) a high school, college, or university student identification card with a certified transcript from the school;
 - (iii) an official high school, college, or university transcript that includes the applicant's date of birth and a photograph of the applicant at the age the record was issued;
 - (iv) a federal electoral card issued on or after January 1, 1991, that contains the applicant's photograph;
 - (v) a certified copy of the applicant's certificate of marriage; and
 - (vi) a certified copy of a court order or judgment from a court of competent jurisdiction that contains the applicant's name and date of birth.
- (b) Submission of more than one secondary document is not required under this subdivision.

171.0605 EVIDENCE OF IDENTITY AND LAWFUL PRESENCE.

Subd. 4. **Evidence; Social Security number.** The following is satisfactory evidence of an applicant's Social Security number or related documentation under section 171.06, subdivision 3, paragraph (b):

- (1) a Social Security card;
- (2) if a Social Security card is not available:
 - (i) a federal Form W-2;
 - (ii) a federal Form SSA-1099 or other federal Form 1099 having the applicant's Social Security number; or
 - (iii) a computer-printed United States employment pay stub with the applicant's name, address, and Social Security number; or
- (3) for an applicant who provides a passport under subdivision 2, paragraph (a), clause (9), documentation demonstrating nonwork authorized status.

174.22 DEFINITIONS.

Subd. 5. **Operating deficit.** "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived from the system.

Subd. 15. **Urbanized area service.** "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include elderly and disabled service, as defined in subdivision 2b.

174.23 GENERAL POWERS AND DUTIES.

Subd. 7. **Rulemaking; total operating cost.** The commissioner shall by rule define "total operating cost" as the term is used in carrying out the purposes of section 174.24. "Total operating cost" may include provisions for a fee for service. The commissioner shall consult with eligible recipients to the maximum extent feasible in formulating these rules and develop necessary and reasonable changes in cost and fee allowability provisions and financial examination procedures where possible. The rules are subject to the provisions in the Administrative Procedure Act of sections 14.001 to 14.69.

221.033 REGULATION OF HAZARDOUS MATERIALS.

Subd. 2c. **Age of petroleum tank truck driver.** A driver of a motorized tank truck vehicle having a capacity of less than 3,500 gallons, who is engaged in the intrastate transportation of petroleum products, must be at least 18 years of age.

7410.6180 COMMERCIAL MOTOR VEHICLE TESTING PROGRAM.

A public, postsecondary educational institution or school as described in part 7410.6100 applying to be a third-party testing program for commercial motor vehicles shall offer a training course for commercial motor vehicle operation that consists of at least 180 hours of training.

7411.7600 REQUIREMENTS FOR APPROVAL AND OPERATION.

Subp. 3. **Course length restrictions.** The course of study may not be less than a total of eight hours, with no more than four hours of instruction required in a 24-hour period.

8835.0110 DEFINITIONS.

Subpart 1. **Scope.** The terms used in this chapter have the meanings given them in this part.

Subp. 1a. **Applicant.** "Applicant" means an entity that is eligible under Minnesota Statutes, section 174.24, subdivision 2, for financial assistance for a new or existing public transit system.

Subp. 6. **Cost reimbursement contract.** "Cost reimbursement contract" means a contract providing for payment to the contractor of allowable costs incurred in the performance of the contract, to the extent prescribed in the contract.

Subp. 7. **Department.** "Department" means the Department of Transportation.

Subp. 10. **Financial assistance.** "Financial assistance" means state funds paid to a recipient in accordance with the public transit participation program established under Minnesota Statutes, section 174.24.

Subp. 11a. **Greater Minnesota.** "Greater Minnesota" has the meaning given in Minnesota Statutes, section 116O.02, subdivision 5.

Subp. 12a. **Local share.** "Local share" means the percentage of total operating costs paid by a recipient according to the distribution classifications in Minnesota Statutes, section 174.24, subdivision 3b, and the percentage of capital costs paid by a recipient according to part 8835.0320.

Subp. 12b. **Local source.** "Local source" has the meaning given it in Minnesota Statutes, section 174.24, subdivision 3b.

Subp. 13a. **Management plan.** "Management plan" means a description of all the elements of a proposed public transit system, as required by part 8835.0260.

Subp. 14a. **Passenger trip.** "Passenger trip" means a one-way movement of a person between two points. Each time a passenger boards a transit vehicle counts as one passenger trip.

Subp. 15. **Public transit or transit.** "Public transit" or "transit" has the meaning given it in Minnesota Statutes, section 174.22, subdivision 7.

Subp. 15a. **Public transit participation program.** "Public transit participation program" means the department's program for providing financial assistance for public transit services in greater Minnesota under Minnesota Statutes, section 174.24.

Subp. 16. **Reasonable cost.** "Reasonable cost" means a price for a commodity or service which, in its nature or amount, does not exceed that which would be incurred by an ordinarily prudent person in the conduct of competitive business.

Subp. 17. **Regional Development Commission.** "Regional Development Commission" has the meaning given it in Minnesota Statutes, section 462.384, subdivision 4.

Subp. 18. **Revenue.** "Revenue" means sources of income.

Subp. 19. **Total operating cost.** "Total operating cost" means the categories of allowable expenses provided in part 8835.0280.

8835.0210 STATUTORY AUTHORITY.

This chapter is adopted pursuant to Minnesota Statutes, section 174.23, subdivisions 2 and 7.

8835.0220 PURPOSE.

The purpose of this chapter is to establish the procedures and standards for review and approval of applications for financial assistance under the public transit participation program in Minnesota Statutes, section 174.24, and to define "total operating cost" as the term is used in carrying out the public transit participation program.

8835.0230 SCOPE.

This chapter applies to applicants for financial assistance under the public transit participation program established by Minnesota Statutes, section 174.24.

8835.0240 ADMINISTRATION OF PUBLIC TRANSIT PARTICIPATION PROGRAM.

The Office of Transit shall administer the public transit participation program as provided by Minnesota Statutes, section 174.23, subdivision 8. The Office of Transit shall allocate:

A. operating assistance to public transit systems according to the distribution classifications in Minnesota Statutes, section 174.24, subdivision 3b; and

B. nonoperating or capital assistance to public transit systems according to the discretion provided to the commissioner by Minnesota Statutes, section 174.24, subdivision 3c, and according to part 8835.0320.

The Office of Transit shall make payments of financial assistance by a contract between the department and a recipient as required by Minnesota Statutes, section 174.24, subdivision 3.

8835.0250 APPLICATION FOR FINANCIAL ASSISTANCE.

Subpart 1. **Who may apply.** An applicant may apply for financial assistance under the public transit participation program to provide public transit in greater Minnesota.

Subp. 2. **Public transit.** Public transit includes a single service or a combination of services, such as route deviations, fixed route, flexible fixed route, demand-response/dial-a-ride, rideshare, subscription, volunteer driver services, and other services that meet the needs of individual transit systems to the extent they are consistent with Minnesota Statutes, section 174.21. A public transit system must be available and accessible to the general public.

Subp. 3. **Submission; deadline.** An applicant shall request financial assistance using an application prescribed by the department. The department shall establish a deadline for submission of applications for financial assistance and shall provide adequate notice of the deadline to applicants. A complete application contains a management plan, a resolution from the applicant's governing body, and other forms and certifications required by federal or state law or regulation.

Subp. 4. **Additional review.** In addition to submitting an application to the department, an applicant shall submit an application for review and approval as provided in Minnesota Statutes, section 174.23, subdivision 2.

Subp. 5. **Resolution.** An applicant shall submit with the application a resolution by the governing body that:

- A. resolves to provide public transit;
- B. indicates the person or persons authorized by title to execute a contract with the department and all amendments to the contract; and
- C. authorizes funds for the local share of financial assistance, if applicable.

8835.0260 MANAGEMENT PLAN.

Subpart 1. **Submission in application.** An applicant shall submit a management plan as part of its application for financial assistance.

Subp. 2. **Contents.** The management plan must include the following information:

- A. a service plan that describes the levels of service to be provided during the contract period, including a discussion of service area and general population, type or types of service, vehicle descriptions, days and hours of service, service schedules, contract services, and route maps;
- B. a description of unmet service needs;
- C. a financial plan, including:
 - (1) a general narrative that supports and explains the budget;
 - (2) a detailed narrative for each line item in the budget, including increases;
 - (3) actual statistics on operating expenses and operating revenues for the most recent calendar years;
 - (4) anticipated statistics on operating expenses and operating revenues for the new contract period;
 - (5) actual statistics on miles and hours of service and passenger trips for the most recent calendar year; and
 - (6) anticipated statistics on miles and hours of service and passenger trips for the new contract period;
- D. a coordination and marketing plan, including costs and benefits of major elements;
- E. a capital plan that describes the major capital assets of the transit system with an outline of how they will be maintained, improved, or replaced;
- F. a description of revenue-producing contracts relating to the transit services provided by or for the applicant;
- G. a description of expense contracts for services and goods procured by the transit system;
- H. a description of the participating public transit system's vehicle maintenance program for the period of financial assistance;
- I. a description of the organizational structure established to direct, control, review, and implement the management plan;
- J. a description of measurable goals and objectives for the transit system, illustrating the benefits expected to be realized by the investment of state financial assistance;
- K. a description of the fare structure of the public transit system;
- L. a listing of transit and paratransit systems and their union affiliations currently operating in the applicant's area, and a description of existing or potential coordination with these systems;
- M. a description of the transit system's safety and training policies, including its driver selection process;

- N. a description of the proposed insurance carrier and the limits of coverage;
- O. a description of the internal controls policy for the collection and deposit of fares;
- P. a copy of the transit system's most recent drug and alcohol policy as approved by the local recipient's governing body;
- Q. all third party contracts relating to transit operations; and
- R. a copy of the governing body's third-party contract procurement policy.

Subp. 3. **Incorporation into contract.** The department shall incorporate an approved management plan into the financial assistance contract between the department and the recipient, as provided in part 8835.0330. The department shall approve a management plan after it determines the financial assistance according to part 8835.0270.

8835.0265 THIRD-PARTY CONTRACT FOR OPERATING SERVICES.

A recipient shall include a copy of the third-party contract procurement policy of its governing body in the management plan required in part 8835.0260. A third-party contract for operating services must contain all relevant terms contained in the financial assistance contract between the recipient and the department. The recipient is responsible for third-party contractor compliance with local, state, and federal laws, rules, and regulations. A third-party contract must be available for audit according to part 8835.0350, subpart 3. Before a recipient awards a third-party contract for operating services, the department shall review the third-party contract for compliance with the terms of the financial assistance contract between the department and the recipient.

8835.0270 FINANCIAL ASSISTANCE.

Subpart 1. **Allocation priorities.** The department shall allocate financial assistance to recipients for purposes of the public transit participation program according to the following order of priority:

- A. first priority: operating costs for existing public transit systems;
- B. second priority: capital costs for existing public transit systems; and
- C. third priority: operating and capital costs for the provision of public transit services in a community or area not currently served by public transit.

Subp. 2. **Determination of financial assistance.** To determine financial assistance, the department shall review an applicant's management plan and evaluate the proposed public transit system by considering:

- A. the degree to which the proposed system meets the objectives of the public transit participation program;
- B. the accessibility of the proposed system to the general public, including persons with disabilities;
- C. the amount of local government and community support for the proposed system;
- D. the plan for continuation of the proposed system after the first year; and
- E. the plan for coordination of transit services in the geographical area.

The department shall evaluate the budget, service delivery and design, and administration of a public transit system. The department shall compare the past performance of a transit system to its current performance and to the performance of other similar transit systems. To measure the performance of a public transit system, the department shall consider cost efficiency, cost-effectiveness, service effectiveness, and quality.

Subp. 3. **Approval of management plan.** The department shall approve a management plan for incorporation into a financial assistance contract after determining the reasonable costs of the proposed public transit system.

8835.0275 DETERMINING FINANCIAL ASSISTANCE; EXPENSE CATEGORIES.

In determining the total operating costs of a public transit system, upon which financial assistance is based, part 8835.0290 and the definitions of expense categories in part 8835.0280 apply and have the meanings given them.

8835.0280 TOTAL OPERATING COST.

Subpart 1. **Definition.** "Total operating cost" means the categories of allowable expenses provided in subparts 2 to 7. The total operating cost is subject to the audit provisions of part 8835.0350, subpart 3.

Subp. 2. **Personnel services expense.** The "personnel services" expense category includes:

A. administrative, management, and supervisory services, which are the amount paid to transit system employees classified as managers, supervisors, coordinators, or administrators and for which the amounts claimed by employees must be supported by daily time distribution records or a cost allocation plan that is supported by the applicant and approved by the department as part of the management plan;

B. operators' wages, which are the total amount paid to transit system employees classified as vehicle operators and for which the amounts claimed by employees must be supported by daily time distribution records;

C. maintenance and repair wages, which are the labor charges incurred in the performance of maintenance and repair of vehicles and other property required for the operation of the transit system, including only wages of maintenance personnel employed by the transit system, and for which the amounts claimed by employees must be supported by daily time distribution records;

D. other direct wages, which are the amount paid to transit system employees not classified as operators, maintenance, or administrative personnel, such as dispatchers, bookkeepers, clerical personnel, janitors, and security personnel, and for which the amounts claimed by employees must be supported by daily time distribution records;

E. indirect labor charges, which are the amount to be allocated to the transit contract for labor that is not traceable to a specific transit activity but which benefits the transit operation and which must be based on a cost allocation plan approved by the department; and

F. fringe benefits, which are the cost of providing fringe benefits for active and retired transit system employees, including pension benefits, vacation and sick leave benefits, social security taxes, workers' compensation insurance, unemployment insurance, life insurance, and first party medical coverage, and which may be allocated indirectly based on a cost allocation plan approved by the department.

Subp. 3. **Administrative charges expense.** The "administrative charges" expense category includes:

A. management fees, which are the amount paid for professional services provided by a management service company engaged contractually to provide operating management to the transit system;

B. tariffs and traffic expenses, which are any necessary tariff filing fees and costs for the procurement of tickets, tokens, and transfers;

C. advertising, marketing, and promotional charges, including the necessary cost of advertising and promoting the transit system;

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D. legal, auditing, and other professional fees rendered by individuals or firms, other than transit system employees, for the purpose of maintaining continuing operations of the transit system, including:

(1) attorney fees and expenses, court costs, witness fees, and fees for accounting and auditing services, such as accident claims, defending workers' compensation claims, or other items directly related to the management plan and approved by the department; and

(2) fees paid for planning, engineering, or other consultant services that are directly related to the management plan approved by the department;

E. security costs, which are the costs necessary to provide armored car services, patrol services, and electronic surveillance for vehicles, stations, yards, and buildings to detect and prevent criminal activity, fires, and unsafe conditions, when the patrolling is performed by an outside security agency and not by transit system employees;

F. office supplies expense, which is the cost of office supplies and materials and printing and photocopying charges solely attributable to and necessary for the operation of the transit system;

G. lease and rental costs of administrative facilities used for performing the general administrative functions of the transit system, including leases and rentals of such items as land, buildings, office equipment, and furnishings;

H. utilities expense, which is the cost of utilities such as gas, electricity, water, telephone and other communications services, and trash collection;

I. other direct administrative charges, including administrative charges necessary for the continuing operation of the transit system, such as mileage reimbursement for transit support vehicles, approved conference fees, employee travel expenses, employee development, driver's training, approved membership fees for transit associations if the cost of membership is reasonably related to the value of the services or benefits received, and subscriptions to transit publications; and

J. indirect administrative charges, which are the amount allocated to the transit contract for administrative services not traceable to a specific transit activity but which benefit the transit operation and which must be based on a cost allocation plan approved by the department.

For purposes of item I, mileage reimbursement must be based on a rate approved by the local governing body, as long as the rate is reasonable and consistent with similar rates approved by the local governing body.

Subp. 4. **Vehicle charges expense.** The "vehicle charges" expense category applies to vehicles owned or leased by the public transit system and includes:

A. fuel and lubricants expense, including net costs of gasoline, diesel, and alternative fuels and costs of antifreeze, propane, lubricating oil, transmission fluid, and grease used by revenue and service vehicles;

B. maintenance and repair material expense, including costs of parts, materials, and supplies used in the maintenance and repair of revenue and service equipment;

C. contract service maintenance labor expense, which is the cost of labor for maintenance and repair service provided by persons other than transit system employees;

D. tire expense, which is the cost of tires and tubes used on revenue and service equipment including the cost of recapping or regrooving and the rental costs for tires and tubes; and

E. other vehicle charges, including the costs of:

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(1) first aid equipment, fire extinguishers, and other emergency equipment required for vehicles; and

(2) noncapitalized vehicle improvements that do not remake a vehicle or appreciably extend its useful life and that have received approval from the department.

Subp. 5. **Operations charges expense.** The "operations charges" expense category includes:

A. purchase of service, which is the cost of having a subcontractor operate the project service, with cost established:

(1) through competitive bidding procedures, except for those recipients covered under Minnesota Statutes, chapter 221;

(2) through a negotiated contract with the prime contractor in bid situations when only one bid is received; or

(3) through a negotiated subcontract in a nonbid situation;

B. depreciation, which is the amount of depreciation or use allowance on depreciable items such as structures, revenue equipment, service vehicles and equipment, and office furniture and equipment and is the amount allowed based on a company's existing depreciation schedule or, if a schedule does not already exist, a depreciation schedule submitted to and approved by the department, but which may not be charged for items purchased, totally or in part, with state or federal funds;

C. mileage reimbursement for passenger service, including the cost of volunteer driver reimbursement for projects incorporating this type of service, as well as mileage reimbursement for transit personnel using private vehicles for emergency replacement passenger transport in the event of mechanical breakdown of transit vehicles;

D. repair and maintenance of other property, including material costs associated with the upkeep and repair of buildings and stations, grounds, nonrevenue equipment owned or leased by the transit company, and miscellaneous expenses such as small tool replacement, and supplies used for cleaning and for general shop and garage purposes;

E. leases and rentals of facilities or equipment used in the operation of the transit system, including leases and rentals of garages, depots, passenger vehicles, service vehicles, passenger stations, communication equipment, and computers, with allowability based on the reasonableness of rates and the presence of evidence that the lease will not give rise to material equity in the property; and

F. other operations charges, including the cost of such things as the purchase or rental and cleaning of uniforms, tools and equipment, sanding and snowplow operations, passenger amenities, and station agents and which may be allocated indirectly based on a cost allocation plan approved by the department.

For purposes of item C, mileage reimbursement must be based on a rate approved by the local governing body, as long as the rate is reasonable and consistent with similar rates approved by the local governing body.

Subp. 6. **Insurance charges expense.** The "insurance charges" expense category includes:

A. public liability and property damage insurance expense on vehicles, including premiums paid to insure the transit system against loss through damage to its own property and to indemnify the transit system and all financial and operational participants against loss from liability for its acts that cause damage to the person or property of others; and

B. public liability and property damage insurance charges other than on vehicles, including excess liability insurance, baggage and express insurance, and fire and theft insurance.

Subp. 7. **Taxes and fees expense.** The "taxes and fees" expense category includes:

- A. vehicle registration and permit fees on vehicles; and
- B. other taxes and fees, including applicable real estate, property, and sales taxes.

8835.0290 UNALLOWABLE EXPENSES.

Subpart 1. **Scope.** In determining the total operating costs of a public transit system, upon which financial assistance is based, the definitions of unallowable expenses in subparts 2 to 8 apply and have the meanings given them.

Subp. 2. **General purpose equipment.** Expenditures for general purpose equipment are unallowable as operating costs. "General purpose equipment" means equipment that is used for other than transit contract purposes, such as communications equipment, office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, and computers and related equipment.

Subp. 3. **Interest and other financial costs.** Interest on borrowing (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection with these costs are unallowable.

Subp. 4. **Fines and penalties.** Costs resulting from violations of, or failure to comply with federal, state, or local laws and regulations are unallowable.

Subp. 5. **Contingencies.** Contributions to a contingency reserve or any similar provision for unseen events are unallowable.

Subp. 6. **Bad debts.** Any losses arising from uncollectible accounts, other claims, and related costs are unallowable.

Subp. 7. **Donations and entertainment expense.** Contributions and donations are unallowable as are any entertainment expenses.

Subp. 8. **Unrelated costs.** Costs that are not directly related to the provision of public transit are unallowable.

8835.0310 REVENUE CATEGORIES.

Subpart 1. **Operating revenue categories; local sources.** In determining the local sources of funds that may comprise the fixed percentage of total operating costs to be paid by a recipient in accordance with the distribution classifications in Minnesota Statutes, sections 174.24, subdivision 3b, the definitions of revenue categories in subparts 2 to 7 apply and have the meanings given them.

Subp. 2. **Passenger fare.** "Passenger fare" means revenue earned from transporting passengers on the public transit system, including a cash fare, a donation received instead of a set fare, and an advance fare received from the sale of a coupon, token, or pass.

Subp. 3. **Contract revenue.** "Contract revenue" means revenue received from a contract with a beneficiary of a specific transit service. Contract revenue includes:

- A. an amount paid by an organization for a special route guarantee; and
- B. revenue earned for a ride given in regular transit service but paid for by an organization, including a state or local social service agency or a private social service organization, for the benefit of the rider.

Subp. 4. **School revenue.** "School revenue" means revenue earned from service provided under a contract with a school district, including an amount paid for transporting school children on regularly scheduled service, and an amount paid by a college or university for operating a transit vehicle on or between campuses.

Subp. 5. **Charter revenue.** "Charter revenue" includes reimbursement for charter service received in association with publicly funded transit service, providing that charter

service rates are developed so that cost recovery equals or exceeds the full cost of providing the charter service.

Subp. 6. **Auxiliary revenue.** "Auxiliary revenue" means revenue earned from an activity closely associated with the transit operation, including revenue received from an advertising service, delivery, a lease, and station and vehicle concessions.

Subp. 7. **Other financial assistance.** "Other financial assistance" includes revenue earned from an activity not associated with the provision of the recipient's transit service but which is applied to help cover the system's costs, including tax levies, a federal cash grant, senior citizen fare assistance, investment income, and any general donation.

8835.0320 CAPITAL ASSISTANCE.

Subpart 1. **Budget.** An applicant seeking financial assistance for capital costs shall include in its budget a description of the vehicle, facility, or equipment desired, its cost and the reason for the request.

Subp. 2. **Criteria.** The department shall use the following criteria to evaluate requests for capital assistance:

- A. the extent to which the request maintains public transit services, promotes safety, and promotes efficient operations;
- B. the extent to which accessibility is enhanced; and
- C. the availability of local share money.

Subp. 3. **Allocation formula.** The department shall determine the amount of capital assistance for the public transit participation program according to the discretion provided to the commissioner in Minnesota Statutes, section 174.24, subdivision 3c. Except as provided in subparts 4 and 5, the department shall fund 80 percent of the capital costs approved by the department under the public transit participation program. The recipient shall provide the remaining 20 percent of the approved capital costs from local sources.

Subp. 4. **Program deviation from allocation formula.** Under the discretion provided to the commissioner in Minnesota Statutes, section 174.24, subdivision 3c, the department may establish a capital assistance allocation formula that deviates from the formula established in subpart 3. In setting this formula, the department must consider all relevant conditions relating to funding the public transit participation program.

Subp. 5. **Individual exception to allocation formula.** The department may deviate from the capital assistance allocation formula for an exceptional circumstance. A recipient that seeks capital assistance from the public transit participation program in an amount greater than the allocation formula, established under subpart 3 or 4, must make a written request to the department that includes:

- A. a detailed description of the exceptional circumstance that is the basis of the written request; and
- B. a resolution from the governing body that the request is due to an exceptional circumstance.

The department shall consider a request for an individual exception to the allocation formula after assessing the nature of the exceptional circumstance, balancing the request against other requests from recipients for capital assistance, and considering the assurance provided by the governing body that the circumstance that gave rise to the request is exceptional.

Subp. 6. **Vehicle replacement or disposition.** The department shall determine financial assistance to a public transit system to replace, refurbish, or dispose of a vehicle based on the condition of the vehicle and the availability of funds.

Subp. 7. **Contract.** The financial assistance contract between the department and the recipient must specify the maximum amount of capital assistance to be allocated to the recipient and the terms and conditions of assistance. The department shall determine the actual amount of capital assistance based on the availability of funds.

8835.0330 CONTRACT FOR FINANCIAL ASSISTANCE.

Subpart 1. **Content.** The financial assistance contract is a cost reimbursement contract that is based on the total operating cost in part 8835.0280. The contract must specify the maximum amount of financial assistance to be awarded to the recipient by the department and state the terms and conditions of assistance. The management plan must be incorporated into the contract as a legal part of the contract document. A resolution by the governing body, as provided in part 8835.0250, subpart 5, must be included with the contract.

Subp. 3. **Penalties.** If a recipient fails to comply with the terms and conditions of the contract, the department may withhold payment at any time or may terminate the financial assistance contract upon 30 days' written notice.

Subp. 4. **Amendments.** A recipient or the department may initiate an amendment to the contract. Before implementation, an amendment must be fully executed by the parties to the original contract, or their successors.

8835.0350 FINANCIAL RECORDS.

Subpart 1. **Records.** A recipient and any third party contractor shall maintain their financial records in accordance with generally accepted accounting principles. The records must permit audit verification of transit cost allocations claimed during the contract period. The recipient and any third party contractor also shall keep records on miles and hours of service and passenger trips. Records must be kept available for a period of six years from the date of final payment or the expiration date of the contract, whichever occurs first.

Subp. 3. **Audits.** The financial records of the recipient must be audited. They may be audited by the department or the department may accept all or part of the audit of an independent auditor instead of a departmental audit if the audit meets department standards. In addition to chapter 8835, department audits must be based on the contract cost principles and procedures in Code of Federal Regulations, title 48, chapter 1, part 31, and Office of Management and Budget Circular, Number A-87 and Number A-122, as amended. The financial records of a subcontractor may be audited at the department's discretion. The department shall submit year-end financial statements to the department auditor by April 15 of the year following the period covered by the financial assistance contract. Audits at the end of a contract period must establish approved total operating costs. New recipients are subject to a preaward audit before contract execution and fund encumbrance. As provided by Minnesota Statutes, section 16C.05, subdivision 5, the records, books, documents, and accounting practices of the recipient and of any third party contractor relating to the contract are subject to audit and examination by the department and the legislative auditor during working hours. If the department determines it has overpaid a recipient on a previous contract, the department may reduce payments under the current contract by the amount of overpayment.

Subp. 4. **Project monitoring.** The department shall use the management plan required under part 8835.0260 as a basis for monitoring and evaluating the performance of the public transit system during the contract period. Public transit policy decisions made by the recipient and actions taken during the contract period must conform with the management plan. A proposed deviation from the management plan must be reported to the department and approval secured in writing before implementation. Approval will be granted if it is clearly documented that the proposed deviation will not increase overall project costs. Failure to secure approval jeopardizes continued financial assistance.

Subp. 5. **Reserve account.** If a public transit system generates operating revenue in excess of the recipient's local share amount, the recipient shall deposit the excess into a

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reserve account to be used for approved operating expenses that are not covered by the contract or for part of the local share of capital expenses of the transit system. The recipient shall report this revenue and expenses charged against it to the department on reporting forms provided by the department.