

1.1 CONFERENCE COMMITTEE REPORT ON H. F. No. 5242

1.2 A bill for an act

1.3 relating to state government; appropriating money for a supplemental budget for
1.4 the Department of Transportation, Department of Public Safety, and the
1.5 Metropolitan Council; modifying prior appropriations; modifying various provisions
1.6 related to transportation and public safety, including but not limited to an intensive
1.7 driver testing program, greenhouse gas emissions, electric-assisted bicycles, high
1.8 voltage transmission, railroad safety, and transit; establishing civil penalties;
1.9 establishing an advisory committee; labor and industry; making supplemental
1.10 appropriation changes to labor provisions; modifying combative sports regulations,
1.11 construction codes and licensing, Bureau of Mediation provisions, public employee
1.12 labor relations provisions, miscellaneous labor provisions, broadband and pipeline
1.13 safety, employee misclassification, and minors appearing in internet content;
1.14 housing; modifying prior appropriations; establishing new programs and modifying
1.15 existing programs; expanding eligible uses of housing infrastructure bonds;
1.16 authorizing the issuance of housing infrastructure bonds; establishing a working
1.17 group and a task force; authorizing rulemaking; requiring reports; appropriating
1.18 money; amending Minnesota Statutes 2022, sections 13.6905, by adding a
1.19 subdivision; 15.082; 116J.395, subdivision 6; 161.14, by adding subdivisions;
1.20 161.45, by adding subdivisions; 161.46, subdivision 1; 168.09, subdivision 7;
1.21 168.092; 168.301, subdivision 3; 168A.10, subdivision 2; 168A.11, subdivision
1.22 1; 169.011, by adding subdivisions; 169.21, subdivision 6; 169.222, subdivisions
1.23 6a, 6b; 169A.55, subdivision 4; 171.306, subdivisions 1, 8; 174.02, by adding a
1.24 subdivision; 174.75, subdivisions 1, 2, by adding a subdivision; 177.27, subdivision
1.25 3; 179A.12, subdivision 5; 181.171, subdivision 1; 181.722; 181.723; 181.960,
1.26 subdivision 3; 181A.03, by adding subdivisions; 216B.17, by adding a subdivision;
1.27 216E.02, subdivision 1; 221.0255, subdivisions 4, 9, by adding subdivisions;
1.28 270B.14, subdivision 17, by adding a subdivision; 299J.01; 299J.02, by adding a
1.29 subdivision; 299J.04, subdivision 2; 299J.11; 326B.081, subdivisions 3, 6, 8;
1.30 326B.082, subdivisions 1, 2, 4, 6, 7, 10, 11, 13, by adding a subdivision; 326B.701;
1.31 326B.802, subdivision 13; 326B.89, subdivisions 1, 5; 341.28, by adding a
1.32 subdivision; 341.29; 462A.02, subdivision 10; 462A.03, by adding subdivisions;
1.33 462A.05, subdivisions 3b, 14a, 14b, 15, 15b, 21, 23; 462A.07, by adding
1.34 subdivisions; 462A.202, subdivision 3a; 462A.21, subdivisions 7, 8b; 462A.222,
1.35 by adding a subdivision; 462A.35, subdivision 2; 462A.37, by adding a subdivision;
1.36 462A.40, subdivisions 2, 3; 462C.02, subdivision 6; 469.012, subdivision 2j;
1.37 473.13, by adding a subdivision; 473.3927; 626.892, subdivision 10; Minnesota
1.38 Statutes 2023 Supplement, sections 116J.871, subdivision 1, as amended; 161.178;
1.39 161.46, subdivision 2; 168.1259; 169.011, subdivision 27; 169A.44, subdivision
1.40 1; 171.0705, subdivision 2; 171.13, subdivision 1; 174.38, subdivisions 3, 6;
1.41 174.634, subdivision 2, by adding a subdivision; 177.27, subdivisions 1, 2, 4, 7;
1.42 177.42, subdivision 2; 179A.041, subdivision 10; 179A.06, subdivision 6; 179A.07,
1.43 subdivisions 8, 9; 179A.10, subdivision 2; 179A.12, subdivisions 2a, 6, 11; 219.015,

2.1 subdivision 2; 326B.106, subdivision 1; 326B.802, subdivision 15; 341.25; 341.28,
2.2 subdivision 5; 341.30, subdivision 4; 341.321; 341.33, by adding a subdivision;
2.3 341.355; 462A.05, subdivisions 14, 45; 462A.22, subdivision 1; 462A.37,
2.4 subdivisions 2, 5; 462A.39, subdivision 2; 473.4051, by adding a subdivision;
2.5 477A.35, subdivisions 1, 2, 4, 5, 6, by adding a subdivision; Laws 2021, First
2.6 Special Session chapter 5, article 1, section 2, subdivision 2; Laws 2023, chapter
2.7 37, article 1, section 2, subdivisions 1, 2, 17, 29, 32; article 2, section 12,
2.8 subdivision 2; Laws 2023, chapter 52, article 19, section 120; Laws 2023, chapter
2.9 53, article 19, sections 2, subdivisions 1, 3, 5; 4; proposing coding for new law in
2.10 Minnesota Statutes, chapters 116J; 161; 168; 169; 171; 174; 181; 181A; 219; 325F;
2.11 462A; 469; 504B; repealing Minnesota Statutes 2022, sections 116J.398; 168.1297;
2.12 179.81; 179.82; 179.83, subdivision 1; 179.84, subdivision 1; 179.85; Minnesota
2.13 Rules, parts 5520.0100; 5520.0110; 5520.0120; 5520.0200; 5520.0250; 5520.0300;
2.14 5520.0500; 5520.0520; 5520.0540; 5520.0560; 5520.0600; 5520.0620; 5520.0700;
2.15 5520.0710; 5520.0800; 7410.6180.

2.16 May 17, 2024

2.17 The Honorable Melissa Hortman
2.18 Speaker of the House of Representatives

2.19 The Honorable Bobby Joe Champion
2.20 President of the Senate

2.21 We, the undersigned conferees for H. F. No. 5242 report that we have agreed upon the
2.22 items in dispute and recommend as follows:

2.23 That the Senate recede from its amendments and that H. F. No. 5242 be further amended
2.24 as follows:

2.25 Delete everything after the enacting clause and insert:

2.26 **"ARTICLE 1**

2.27 **TRANSPORTATION APPROPRIATIONS**

2.28 Section 1. **TRANSPORTATION APPROPRIATIONS.**

2.29 The sums shown in the columns marked "Appropriations" are added to the appropriations
2.30 in Laws 2023, chapter 68, article 1, to the agencies and for the purposes specified in this
2.31 article. The appropriations are from the trunk highway fund, or another named fund, and
2.32 are available for the fiscal years indicated for each purpose. Amounts for "Total
2.33 Appropriation" and sums shown in the corresponding columns marked "Appropriations by
2.34 Fund" are summary only and do not have legal effect. The figures "2024" and "2025" used
2.35 in this article mean that the appropriations listed under them are available for the fiscal year
2.36 ending June 30, 2024, or June 30, 2025, respectively. "Each year" is each of fiscal years
2.37 2024 and 2025.

2.38 **APPROPRIATIONS**
2.39 **Available for the Year**
2.40 **Ending June 30**
2.41 **2024** **2025**

3.1	Sec. 2. <u>DEPARTMENT OF</u>		
3.2	<u>TRANSPORTATION</u>		
3.3	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u> <u>\$</u> <u>58,416,000</u>
3.4	<u>Appropriations by Fund</u>		
3.5		<u>2024</u>	<u>2025</u>
3.6	<u>General</u>	<u>-0-</u>	<u>3,443,000</u>
3.7	<u>Special Revenue</u>	<u>-0-</u>	<u>3,750,000</u>
3.8	<u>Trunk Highway</u>	<u>-0-</u>	<u>51,223,000</u>
3.9	<u>The appropriations in this section are to the</u>		
3.10	<u>commissioner of transportation.</u>		
3.11	<u>The amounts that may be spent for each</u>		
3.12	<u>purpose are specified in the following</u>		
3.13	<u>subdivisions.</u>		
3.14	<u>Subd. 2. Multimodal Systems</u>		
3.15	<u>(a) Transit</u>		<u>-0-</u> <u>3,750,000</u>
3.16	<u>Notwithstanding the requirements under</u>		
3.17	<u>Minnesota Statutes, section 174.38,</u>		
3.18	<u>subdivision 3, paragraph (a), this appropriation</u>		
3.19	<u>is from the active transportation account in</u>		
3.20	<u>the special revenue fund for a grant to the city</u>		
3.21	<u>of Ramsey for design, environmental analysis,</u>		
3.22	<u>site preparation, and construction of the</u>		
3.23	<u>Mississippi Skyway Trail Bridge over marked</u>		
3.24	<u>U.S. Highways 10 and 169 in Ramsey to</u>		
3.25	<u>provide for a grade-separated crossing for</u>		
3.26	<u>pedestrians and nonmotorized vehicles.</u>		
3.27	<u>Notwithstanding Minnesota Statutes, section</u>		
3.28	<u>16B.98, subdivision 14, the commissioner</u>		
3.29	<u>must not use any amount of this appropriation</u>		
3.30	<u>for administrative costs. This is a onetime</u>		
3.31	<u>appropriation and is available until June 30,</u>		
3.32	<u>2028.</u>		
3.33	<u>(b) Passenger Rail</u>		<u>-0-</u> <u>1,000,000</u>

4.1 This appropriation is from the general fund
4.2 for a grant to the Ramsey County Regional
4.3 Railroad Authority for a portion of the costs
4.4 of insurance coverage related to rail-related
4.5 incidents occurring at Union Depot in the city
4.6 of St. Paul. Notwithstanding Minnesota
4.7 Statutes, section 16B.98, subdivision 14, the
4.8 commissioner must not use any amount of this
4.9 appropriation for administrative costs. This is
4.10 a onetime appropriation.

4.11 **Subd. 3. State Roads**

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

4.13 \$300,000 in fiscal year 2025 is for rumble
4.14 strips under Minnesota Statutes, section
4.15 161.1258.

4.16 \$1,000,000 in fiscal year 2025 is for
4.17 landscaping improvements located within
4.18 trunk highway rights-of-way under the
4.19 Department of Transportation's community
4.20 roadside landscape partnership program, with
4.21 prioritization of tree planting as feasible.

4.22 \$1,000,000 is from the general fund for the
4.23 traffic safety camera pilot program under
4.24 Minnesota Statutes, section 169.147, and the
4.25 evaluation and legislative report under article
4.26 3, sections 116 and 117. With the approval of
4.27 the commissioner of transportation, any
4.28 portion of this appropriation is available to the
4.29 commissioner of public safety. This is a
4.30 onetime appropriation and is available until
4.31 June 30, 2029.

4.32 \$105,000 in fiscal year 2025 is for the cost of
4.33 staff time to coordinate with the Public
4.34 Utilities Commission relating to placement of

5.1	<u>high voltage transmission lines along trunk</u>		
5.2	<u>highways.</u>		
5.3	<u>(b) Program Planning and Delivery</u>	<u>-0-</u>	<u>5,800,000</u>
5.4	<u>\$3,000,000 in fiscal year 2025 is for</u>		
5.5	<u>implementation and development of statewide</u>		
5.6	<u>and regional travel demand modeling related</u>		
5.7	<u>to the requirements under Minnesota Statutes,</u>		
5.8	<u>section 161.178. This is a onetime</u>		
5.9	<u>appropriation and is available until June 30,</u>		
5.10	<u>2026.</u>		
5.11	<u>\$800,000 in fiscal year 2025 is for one or more</u>		
5.12	<u>grants to metropolitan planning organizations</u>		
5.13	<u>outside the metropolitan area, as defined in</u>		
5.14	<u>Minnesota Statutes, section 473.121,</u>		
5.15	<u>subdivision 2, for modeling activities related</u>		
5.16	<u>to the requirements under Minnesota Statutes,</u>		
5.17	<u>section 161.178. Notwithstanding Minnesota</u>		
5.18	<u>Statutes, section 16B.98, subdivision 14, the</u>		
5.19	<u>commissioner must not use any amount of this</u>		
5.20	<u>appropriation for administrative costs. This is</u>		
5.21	<u>a onetime appropriation.</u>		
5.22	<u>\$2,000,000 in fiscal year 2025 is to complete</u>		
5.23	<u>environmental documentation and for</u>		
5.24	<u>preliminary engineering and design for the</u>		
5.25	<u>reconstruction of marked Trunk Highway 55</u>		
5.26	<u>from Hennepin County State-Aid Highway</u>		
5.27	<u>19, north of the city of Loretto to Hennepin</u>		
5.28	<u>County Road 118 near the city of Medina.</u>		
5.29	<u>This is a onetime appropriation and is</u>		
5.30	<u>available until June 30, 2027.</u>		
5.31	<u>(c) State Road Construction</u>	<u>-0-</u>	<u>10,900,000</u>
5.32	<u>\$8,900,000 in fiscal year 2025 is for the</u>		
5.33	<u>acquisition, environmental analysis, predesign,</u>		
5.34	<u>design, engineering, construction,</u>		

6.1 reconstruction, and improvement of trunk
6.2 highway bridges, including design-build
6.3 contracts, program delivery, consultant usage
6.4 to support these activities, and the cost of
6.5 payments to landowners for lands acquired
6.6 for highway rights-of-way. Projects under this
6.7 appropriation must follow eligible investment
6.8 priorities identified in the Minnesota state
6.9 highway investment plan under Minnesota
6.10 Statutes, section 174.03, subdivision 1c. The
6.11 commissioner may use up to 17 percent of this
6.12 appropriation for program delivery. This is a
6.13 onetime appropriation and is available until
6.14 June 30, 2028.

6.15 \$1,000,000 in fiscal year 2025 is for predesign
6.16 and design of intersection safety improvements
6.17 along marked Trunk Highway 65 from the
6.18 interchange with marked U.S. Highway 10 to
6.19 99th Avenue Northeast in the city of Blaine.
6.20 This is a onetime appropriation.

6.21 \$1,000,000 in fiscal year 2025 is to design and
6.22 construct trunk highway improvements
6.23 associated with an interchange at U.S.
6.24 Highway 169, marked Trunk Highway 282,
6.25 and Scott County State-Aid Highway 9 in the
6.26 city of Jordan, including accommodations for
6.27 bicycles and pedestrians and for bridge and
6.28 road construction. This is a onetime
6.29 appropriation and is available until June 30,
6.30 2027.

6.31 (d) Highway Debt Service -0- 468,000

6.32 This appropriation is for transfer to the state
6.33 bond fund. If this appropriation is insufficient
6.34 to make all transfers required in the year for
6.35 which it is made, the commissioner of

7.1 management and budget must transfer the
7.2 deficiency amount as provided under
7.3 Minnesota Statutes, section 16A.641, and
7.4 notify the chairs and ranking minority
7.5 members of the legislative committees with
7.6 jurisdiction over transportation finance and
7.7 the chairs of the senate Finance Committee
7.8 and the house of representatives Ways and
7.9 Means Committee of the amount of the
7.10 deficiency. Any excess appropriation cancels
7.11 to the trunk highway fund.

7.12 **Subd. 4. Local Roads** 1,200,000

7.13 \$1,000,000 in fiscal year 2025 is from the
7.14 general fund for a grant to a political
7.15 subdivision that (1) has a directly elected
7.16 governing board, (2) is contained within a city
7.17 of the first class, and (3) maintains sole
7.18 jurisdiction over a roadway system within the
7.19 city. This appropriation is for the design,
7.20 engineering, construction, and reconstruction
7.21 of roads on the roadway system.

7.22 Notwithstanding Minnesota Statutes, section
7.23 16B.98, subdivision 14, the commissioner
7.24 must not use any amount of this appropriation
7.25 for administrative costs. This is a onetime
7.26 appropriation and is available until June 30,
7.27 2027.

7.28 \$200,000 in fiscal year 2025 is from the
7.29 general fund for a grant to the city of
7.30 Shorewood to develop a transportation
7.31 management organization along the marked
7.32 Trunk Highway 7 corridor from the western
7.33 border of Hennepin County to Interstate
7.34 Highway 494. Money under this rider is
7.35 available for developing a comprehensive

8.1 study and financial plan for a transportation
 8.2 management organization in the cities and
 8.3 school districts along this corridor and
 8.4 connecting roadways. Notwithstanding
 8.5 Minnesota Statutes, section 16B.98,
 8.6 subdivision 14, the commissioner must not
 8.7 use any amount of this appropriation for
 8.8 administrative costs. This is a onetime
 8.9 appropriation.

8.10 **Subd. 5. Agency Management**

8.11 **(a) Agency Services** -0- 243,000

8.12 This appropriation is from the general fund
 8.13 for costs related to complete streets
 8.14 implementation training under Minnesota
 8.15 Statutes, section 174.75, subdivision 2a.

8.16 **(b) Buildings** -0- 32,650,000

8.17 \$20,100,000 in fiscal year 2025 is for the
 8.18 transportation facilities capital improvement
 8.19 program under Minnesota Statutes, section
 8.20 174.595. This is a onetime appropriation and
 8.21 is available until June 30, 2028.

8.22 \$7,750,000 in fiscal year 2025 is for land
 8.23 acquisition, predesign, design, and
 8.24 construction of expanded truck parking at Big
 8.25 Spunk in Avon and Enfield Rest Areas and
 8.26 for the rehabilitation or replacement of truck
 8.27 parking information management system
 8.28 equipment at Department of
 8.29 Transportation-owned parking rest area
 8.30 locations. This is a onetime appropriation and
 8.31 is available until June 30, 2028.

8.32 \$4,800,000 in fiscal year 2025 is for predesign,
 8.33 design, engineering, environmental analysis
 8.34 and remediation, acquisition of land or

9.1 permanent easements, and construction of one
9.2 or more truck parking safety projects for the
9.3 trunk highway system. Each truck parking
9.4 safety project must expand truck parking
9.5 availability in proximity to a trunk highway
9.6 and be located in the Department of
9.7 Transportation metropolitan district. In
9.8 developing each project, the commissioner
9.9 must seek partnerships with local units of
9.10 government, established truck stop businesses,
9.11 or a combination. Partnership activities may
9.12 include but are not limited to parking site
9.13 identification and review, financial assistance,
9.14 donation of land, and project development
9.15 activities. This is a onetime appropriation and
9.16 is available until June 30, 2027.

9.17 Sec. 3. **METROPOLITAN COUNCIL** \$ -0- 10,000,000

9.18 The appropriation in this section is from the
9.19 general fund to the Metropolitan Council.
9.20 This appropriation is for a grant to Hennepin
9.21 County to administer the Blue Line light rail
9.22 transit extension antidisplacement community
9.23 prosperity program under article 3, sections
9.24 118 and 119. Notwithstanding Minnesota
9.25 Statutes, section 16B.98, subdivision 14, the
9.26 council must not use any amount of this
9.27 appropriation for administrative costs. This is
9.28 a onetime appropriation and is available until
9.29 June 30, 2027.

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

9.31 **Subdivision 1. Total Appropriation** \$ -0- \$ 4,641,000

9.32 The appropriations in this section are to the
9.33 commissioner of public safety.

10.1 The amounts that may be spent for each
 10.2 purpose are specified in the following
 10.3 subdivisions.

10.4 **Subd. 2. Driver and Vehicle Services** -0- 3,241,000

10.5 The appropriations in this subdivision are from
 10.6 the driver and vehicle services operating
 10.7 account in the special revenue fund.

10.8 \$2,969,000 in fiscal year 2025 is for staff and
 10.9 related operating costs to support testing at
 10.10 driver's license examination stations.

10.11 \$100,000 in fiscal year 2025 is for costs
 10.12 related to the special license plate review
 10.13 committee study and report under article 3,
 10.14 section 131. This is a onetime appropriation
 10.15 and is available until June 30, 2026.

10.16 \$172,000 in fiscal year 2025 is for costs
 10.17 related to translating written materials and
 10.18 providing them to driver's license agents and
 10.19 deputy registrars as required under article 3,
 10.20 section 123. This is a onetime appropriation.

10.21 **Subd. 3. Traffic Safety** -0- 1,400,000

10.22 Notwithstanding Minnesota Statutes, section
 10.23 299A.705, regarding the use of funds from
 10.24 this account, \$1,200,000 in fiscal year 2025
 10.25 is from the driver and vehicle services
 10.26 operating account in the special revenue fund
 10.27 for the Lights On grant program under
 10.28 Minnesota Statutes, section 169.515. The
 10.29 commissioner must contract with the Lights
 10.30 On! microgrant program to administer and
 10.31 operate the grant program. Notwithstanding
 10.32 Minnesota Statutes, section 16B.98,
 10.33 subdivision 14, the commissioner may use up
 10.34 to two percent of this appropriation for

11.1 administrative costs. This is a onetime
11.2 appropriation and is available until June 30,
11.3 2026.

11.4 \$200,000 in fiscal year 2025 is from the
11.5 motorcycle safety account in the special
11.6 revenue fund for the public education
11.7 campaign on motorcycle operation under
11.8 article 3, section 122. This is a onetime
11.9 appropriation.

11.10 **Sec. 5. APPROPRIATION; DEPARTMENT OF TRANSPORTATION.**

11.11 \$15,560,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
11.12 of transportation for trunk highway and local road projects, which may include but are not
11.13 limited to feasibility and corridor studies, project development, predesign, preliminary and
11.14 final design, engineering, environmental analysis and mitigation, right-of-way acquisition,
11.15 construction, and associated infrastructure improvements. This appropriation is available
11.16 for grants to local units of government. The commissioner may establish that a grant under
11.17 this section does not require a nonstate contribution. Notwithstanding Minnesota Statutes,
11.18 section 16B.98, subdivision 14, the commissioner must not use any amount of this
11.19 appropriation for administrative costs. This is a onetime appropriation and is available until
11.20 June 30, 2029.

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

11.22 **Sec. 6. APPROPRIATIONS; DEPARTMENT OF ADMINISTRATION.**

11.23 Subdivision 1. **Minnesota Advisory Council on Infrastructure.** \$41,000 in fiscal year
11.24 2025 is appropriated from the general fund to the commissioner of administration for
11.25 purposes of the Minnesota Advisory Council on Infrastructure as provided under article 3,
11.26 section 121, and Minnesota Statutes, sections 16B.357 to 16B.359. The base for this
11.27 appropriation is \$475,000 in fiscal year 2026 and \$471,000 in fiscal year 2027.

11.28 Subd. 2. **Public-facing professional services.** \$43,000 in fiscal year 2025 is appropriated
11.29 from the general fund to the commissioner of administration for space costs incurred in
11.30 fiscal years 2025, 2026, and 2027 by tenants that provide public-facing professional services
11.31 on the Capitol complex. The commissioner of administration must designate one publicly
11.32 accessible space on the complex for which this appropriation may be used. This is a onetime
11.33 appropriation and is available until June 30, 2027.

12.1 Subd. 3. Department of Transportation building. (a) The following are appropriated
12.2 to the commissioner of administration for design, construction, and equipment required to
12.3 upgrade the physical security elements and systems for the Department of Transportation
12.4 building, attached tunnel systems, surrounding grounds, and parking facilities as identified
12.5 in the 2017 Minnesota State Capitol complex physical security predesign and the updated
12.6 assessment completed in 2022:

12.7 (1) \$1,350,000 in fiscal year 2025 from the trunk highway fund; and

12.8 (2) \$450,000 in fiscal year 2025 from the general fund.

12.9 (b) This is a onetime appropriation and is available until June 30, 2028.

12.10 Subd. 4. State Patrol headquarters. \$22,500,000 in fiscal year 2025 is appropriated
12.11 from the trunk highway fund to the commissioner of administration for design and land
12.12 acquisition for a new headquarters building and support facilities for the State Patrol. This
12.13 appropriation may also be used, as part of the first phase of the overall site development,
12.14 to design the abatement of hazardous materials and demolition of any buildings located on
12.15 the site and to demolish any buildings located on the site and abate hazardous materials.
12.16 This is a onetime appropriation and is available until June 30, 2028.

12.17 Sec. 7. APPROPRIATION; DEPARTMENT OF COMMERCE.

12.18 \$46,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
12.19 of commerce for an environmental review conducted by the Department of Commerce
12.20 Energy Environmental Review and Analysis unit, relating to the placement of high voltage
12.21 transmission lines along trunk highway rights-of-way.

12.22 Sec. 8. APPROPRIATION CANCELLATIONS; DEPARTMENT OF
12.23 TRANSPORTATION.

12.24 (a) \$11,000,000 of the appropriation in fiscal year 2024 from the general fund for
12.25 Infrastructure Investment and Jobs Act (IIJA) discretionary matches under Laws 2023,
12.26 chapter 68, article 1, section 2, subdivision 5, paragraph (a), is canceled to the general fund.

12.27 (b) \$15,560,000 of the appropriation in fiscal year 2022 for trunk highway corridor
12.28 studies and local road grants under Laws 2021, First Special Session chapter 5, article 1,
12.29 section 6, is canceled to the general fund.

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

13.1 Sec. 9. **TRANSFER.**

13.2 \$11,350,000 in fiscal year 2025 is transferred from the general fund to the small cities
 13.3 assistance account under Minnesota Statutes, section 162.145, subdivision 2. This is a
 13.4 onetime transfer. The amount transferred under this section must be allocated and distributed
 13.5 in the July 2024 payment.

13.6 Sec. 10. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, is
 13.7 amended to read:

13.8 Subd. 2. **Multimodal Systems**

13.9 (a) **Aeronautics**

13.10 (1) **Airport Development and Assistance** 24,198,000 18,598,000

13.11	Appropriations by Fund		
13.12		2022	2023
13.13	General	5,600,000	-0-
13.14	Airports	18,598,000	18,598,000

13.15 This appropriation is from the state airports
 13.16 fund and must be spent according to
 13.17 Minnesota Statutes, section 360.305,
 13.18 subdivision 4.

13.19 \$5,600,000 in fiscal year 2022 is from the
 13.20 general fund for a grant to the city of Karlstad
 13.21 for the acquisition of land, predesign, design,
 13.22 engineering, and construction of a primary
 13.23 airport runway. This appropriation is for Phase
 13.24 1 of the project.

13.25 Notwithstanding Minnesota Statutes, section
 13.26 16A.28, subdivision 6, this appropriation is
 13.27 available for five years after the year of the
 13.28 appropriation. If the appropriation for either
 13.29 year is insufficient, the appropriation for the
 13.30 other year is available for it.

13.31 If the commissioner of transportation
 13.32 determines that a balance remains in the state

14.1 airports fund following the appropriations
 14.2 made in this article and that the appropriations
 14.3 made are insufficient for advancing airport
 14.4 development and assistance projects, an
 14.5 amount necessary to advance the projects, not
 14.6 to exceed the balance in the state airports fund,
 14.7 is appropriated in each year to the
 14.8 commissioner and must be spent according to
 14.9 Minnesota Statutes, section 360.305,
 14.10 subdivision 4. Within two weeks of a
 14.11 determination under this contingent
 14.12 appropriation, the commissioner of
 14.13 transportation must notify the commissioner
 14.14 of management and budget and the chairs,
 14.15 ranking minority members, and staff of the
 14.16 legislative committees with jurisdiction over
 14.17 transportation finance concerning the funds
 14.18 appropriated. Funds appropriated under this
 14.19 contingent appropriation do not adjust the base
 14.20 for fiscal years 2024 and 2025.

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

14.22	Appropriations by Fund		
14.23		2022	2023
14.24	General	1,650,000	1,650,000
14.25	Airports	6,682,000	6,690,000

14.26 \$28,000 in fiscal year 2022 and \$36,000 in
 14.27 fiscal year 2023 are from the state airports
 14.28 fund for costs related to regulating unmanned
 14.29 aircraft systems.

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

14.31 This appropriation is from the state airports
 14.32 fund for the Civil Air Patrol.

14.33 **(b) Transit and Active Transportation** 23,501,000 18,201,000

14.34 This appropriation is from the general fund.

15.1 \$5,000,000 in fiscal year 2022 is for the active
 15.2 transportation program under Minnesota
 15.3 Statutes, section 174.38. This is a onetime
 15.4 appropriation and is available until June 30,
 15.5 2025.

15.6 \$300,000 in fiscal year 2022 is for a grant to
 15.7 the 494 Corridor Commission. The
 15.8 commissioner must not retain any portion of
 15.9 the funds appropriated under this section. The
 15.10 commissioner must make grant payments in
 15.11 full by December 31, 2021. Funds under this
 15.12 grant are for programming and service
 15.13 expansion to assist companies and commuters
 15.14 in telecommuting efforts and promotion of
 15.15 best practices. A grant recipient must provide
 15.16 telework resources, assistance, information,
 15.17 and related activities on a statewide basis. This
 15.18 is a onetime appropriation.

15.19 **(c) Safe Routes to School** 5,500,000 500,000

15.20 This appropriation is from the general fund
 15.21 for the safe routes to school program under
 15.22 Minnesota Statutes, section 174.40.

15.23 If the appropriation for either year is
 15.24 insufficient, the appropriation for the other
 15.25 year is available for it.

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

15.27 This appropriation is from the general fund
 15.28 for passenger rail activities under Minnesota
 15.29 Statutes, sections 174.632 to 174.636.

15.30 \$10,000,000 in fiscal year 2022 is for final
 15.31 design and construction to provide for a
 15.32 second daily Amtrak train service between
 15.33 Minneapolis and St. Paul and Chicago. The
 15.34 commissioner may expend funds for program

16.1 delivery and administration from this amount.
 16.2 This is a onetime appropriation and is
 16.3 available until June 30, 2025.

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

16.5	Appropriations by Fund		
16.6		2022	2023
16.7	General	2,464,000	1,445,000
16.8	Trunk Highway	5,878,000	5,878,000

16.9 \$1,000,000 in fiscal year 2022 is from the
 16.10 general fund for procurement costs of a
 16.11 statewide freight network optimization tool.

16.12 This is a onetime appropriation and is
 16.13 available until June 30, 2023.

16.14 \$350,000 in fiscal year 2022 and \$287,000 in
 16.15 fiscal year 2023 are from the general fund for
 16.16 two additional rail safety inspectors in the state
 16.17 rail safety inspection program under
 16.18 Minnesota Statutes, section 219.015. In each
 16.19 year, the commissioner must not increase the
 16.20 total assessment amount under Minnesota
 16.21 Statutes, section 219.015, subdivision 2, from
 16.22 the most recent assessment amount.

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

16.24		<u>85,654,000</u>	
16.25	Subd. 2. Transit System Operations	<u>75,654,000</u>	32,654,000

16.26 This appropriation is for transit system
 16.27 operations under Minnesota Statutes, sections
 16.28 473.371 to 473.449.

16.29 ~~\$50,000,000~~ \$40,000,000 in fiscal year 2024
 16.30 is for a grant to Hennepin County for the Blue
 16.31 Line light rail transit extension project,
 16.32 including but not limited to predesign, design,
 16.33 engineering, environmental analysis and
 16.34 mitigation, right-of-way acquisition,

17.1 construction, and acquisition of rolling stock.
 17.2 Of this amount, ~~\$40,000,000~~ \$30,000,000 is
 17.3 available only upon entering a full funding
 17.4 grant agreement with the Federal Transit
 17.5 Administration by June 30, 2027. This is a
 17.6 onetime appropriation and is available until
 17.7 June 30, 2030.
 17.8 \$3,000,000 in fiscal year 2024 is for highway
 17.9 bus rapid transit project development in the
 17.10 marked U.S. Highway 169 and marked Trunk
 17.11 Highway 55 corridors, including but not
 17.12 limited to feasibility study, predesign, design,
 17.13 engineering, environmental analysis and
 17.14 remediation, and right-of-way acquisition.

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

17.16 Sec. 12. Laws 2023, chapter 68, article 1, section 4, subdivision 3, is amended to read:

17.17 Subd. 3. **State Patrol**

17.18 (a) **Patrolling Highways** 154,044,000 141,731,000

17.19 Appropriations by Fund

17.20		2024	2025
17.21	General	387,000	37,000
17.22	H.U.T.D.	92,000	92,000
17.23	Trunk Highway	153,565,000	141,602,000

17.24 \$350,000 in fiscal year 2024 is from the
 17.25 general fund for predesign of a State Patrol
 17.26 headquarters building and related storage and
 17.27 training facilities. The commissioner of public
 17.28 safety must work with the commissioner of
 17.29 administration to complete the predesign. This
 17.30 is a onetime appropriation and is available
 17.31 until June 30, 2027.

17.32 \$14,500,000 in fiscal year 2024 is from the
 17.33 trunk highway fund to purchase and equip a

18.1 helicopter for the State Patrol. This is a
 18.2 onetime appropriation and is available until
 18.3 June 30, 2025.

18.4 \$2,300,000 in fiscal year 2024 is from the
 18.5 trunk highway fund to purchase a Cirrus single
 18.6 engine airplane for the State Patrol. This is a
 18.7 onetime appropriation and is available until
 18.8 June 30, 2025.

18.9 \$1,700,000 in each year is from the trunk
 18.10 highway fund for staff and equipment costs
 18.11 of pilots for the State Patrol.

18.12 \$611,000 in fiscal year 2024 and \$352,000 in
 18.13 fiscal year 2025 are from the trunk highway
 18.14 fund to support the State Patrol's accreditation
 18.15 process under the Commission on
 18.16 Accreditation for Law Enforcement Agencies.

18.17 **(b) Commercial Vehicle Enforcement** 15,446,000 18,423,000

18.18 \$2,948,000 in fiscal year 2024 and \$5,248,000
 18.19 in fiscal year 2025 are to provide the required
 18.20 match for federal grants for additional troopers
 18.21 and nonsworn commercial vehicle inspectors.

18.22 **(c) Capitol Security** 18,666,000 19,231,000

18.23 This appropriation is from the general fund.

18.24 The commissioner must not:

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

18.27 (2) permanently transfer any state trooper from
 18.28 the patrolling highways activity to capitol
 18.29 security.

18.30 The commissioner must not transfer any
 18.31 money appropriated to the commissioner under
 18.32 this section:

19.1 (1) to capitol security; or

19.2 (2) from capitol security.

19.3 The commissioner may expend the
19.4 unencumbered balance from this appropriation
19.5 for operating costs under this subdivision.

19.6 **(d) Vehicle Crimes Unit** 1,244,000 1,286,000

19.7 This appropriation is from the highway user
19.8 tax distribution fund to investigate:

19.9 (1) registration tax and motor vehicle sales tax
19.10 liabilities from individuals and businesses that
19.11 currently do not pay all taxes owed; and

19.12 (2) illegal or improper activity related to the
19.13 sale, transfer, titling, and registration of motor
19.14 vehicles.

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

19.16 Sec. 13. Laws 2023, chapter 68, article 1, section 20, is amended to read:

19.17 Sec. 20. **TRANSFERS.**

19.18 (a) \$152,650,000 in fiscal year 2024 is transferred from the general fund to the trunk
19.19 highway fund for the state match for highway formula and discretionary grants under the
19.20 federal Infrastructure Investment and Jobs Act, Public Law 117-58, and for related state
19.21 investments.

19.22 (b) \$19,500,000 in fiscal year 2024 and ~~\$19,500,000~~ \$19,215,000 in fiscal year 2025
19.23 are transferred from the general fund to the active transportation account under Minnesota
19.24 Statutes, section 174.38. The base for this transfer is ~~\$8,875,000~~ \$8,155,000 in fiscal year
19.25 2026 and ~~\$9,000,000~~ \$8,284,000 in fiscal year 2027.

19.26 (c) By June 30, 2023, the commissioner of management and budget must transfer any
19.27 remaining unappropriated balance, estimated to be \$232,000, from the driver services
19.28 operating account in the special revenue fund to the driver and vehicle services operating
19.29 account under Minnesota Statutes, section 299A.705.

19.30 (d) By June 30, 2023, the commissioner of management and budget must transfer any
19.31 remaining unappropriated balance, estimated to be \$13,454,000, from the vehicle services

20.1 operating account in the special revenue fund to the driver and vehicle services operating
 20.2 account under Minnesota Statutes, section 299A.705.

20.3 **ARTICLE 2**

20.4 **TRUNK HIGHWAY BONDS**

20.5 Section 1. **BOND APPROPRIATIONS.**

20.6 The sums shown in the column under "Appropriations" are appropriated from the bond
 20.7 proceeds account in the trunk highway fund to the commissioner of transportation or other
 20.8 named entity to be spent for public purposes. Appropriations of bond proceeds must be
 20.9 spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise
 20.10 specified, money appropriated in this article for a capital program or project may be used
 20.11 to pay state agency staff costs that are attributed directly to the capital program or project
 20.12 in accordance with accounting policies adopted by the commissioner of management and
 20.13 budget.

20.14 **SUMMARY**

20.15 <u>Department of Transportation</u>	\$	<u>30,000,000</u>
20.16 <u>Department of Management and Budget</u>	\$	<u>30,000</u>
20.17 <u>TOTAL</u>	\$	<u>30,030,000</u>

20.18 **APPROPRIATIONS**

20.19 **Sec. 2. DEPARTMENT OF**
 20.20 **TRANSPORTATION**

20.21 <u>Subdivision 1. Corridors of Commerce</u>	\$	<u>15,000,000</u>
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20.22 (a) This appropriation is to the commissioner
 20.23 of transportation for the corridors of commerce
 20.24 program under Minnesota Statutes, section
 20.25 161.088. The commissioner may use up to 17
 20.26 percent of the amount for program delivery.

20.27 (b) From this appropriation, the commissioner
 20.28 may (1) select projects using the results of the
 20.29 most recent evaluation for the corridors of
 20.30 commerce program, and (2) provide additional
 20.31 funds for projects previously selected under
 20.32 the corridors of commerce program.

20.33 <u>Subd. 2. State Road Construction</u>	<u>15,000,000</u>
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21.1 This appropriation is to the commissioner of
21.2 transportation for construction, reconstruction,
21.3 and improvement of trunk highways, including
21.4 design-build contracts, internal department
21.5 costs associated with delivering the
21.6 construction program, and consultant usage
21.7 to support these activities. The commissioner
21.8 may use up to 17 percent of the amount for
21.9 program delivery.

21.10 Sec. 3. **BOND SALE EXPENSES** **\$** **30,000**

21.11 This appropriation is to the commissioner of
21.12 management and budget for bond sale
21.13 expenses under Minnesota Statutes, sections
21.14 16A.641, subdivision 8, and 167.50,
21.15 subdivision 4.

21.16 Sec. 4. **BOND SALE AUTHORIZATION.**

21.17 To provide the money appropriated in this article from the bond proceeds account in the
21.18 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
21.19 of the state in an amount up to \$30,030,000 in the manner, upon the terms, and with the
21.20 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
21.21 Constitution, article XIV, section 11, at the times and in the amounts requested by the
21.22 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
21.23 premium received from the sale of the bonds, must be deposited in the bond proceeds account
21.24 in the trunk highway fund.

21.25 **ARTICLE 3**
21.26 **TRANSPORTATION POLICY**

21.27 Section 1. Minnesota Statutes 2022, section 13.6905, is amended by adding a subdivision
21.28 to read:

21.29 Subd. 38. **Traffic safety camera data.** Data related to traffic safety cameras are governed
21.30 by section 169.147, subdivisions 14 to 16.

22.1 Sec. 2. Minnesota Statutes 2022, section 13.824, subdivision 1, is amended to read:

22.2 Subdivision 1. ~~Definition~~ **Definitions.** ~~As used in~~ (a) For purposes of this section, the
22.3 following terms have the meanings given.

22.4 (b) "Automated license plate reader" means an electronic device mounted on a law
22.5 enforcement vehicle or positioned in a stationary location that is capable of recording data
22.6 on, or taking a photograph of, a vehicle or its license plate and comparing the collected data
22.7 and photographs to existing law enforcement databases for investigative purposes. Automated
22.8 license plate reader includes a device that is owned or operated by a person who is not a
22.9 government entity to the extent that data collected by the reader are shared with a law
22.10 enforcement agency. Automated license plate reader does not include a traffic safety camera
22.11 system.

22.12 (c) "Traffic safety camera system" has the meaning given in section 169.011, subdivision
22.13 85a.

22.14 Sec. 3. Minnesota Statutes 2022, section 13.824, is amended by adding a subdivision to
22.15 read:

22.16 Subd. 2a. **Limitations; certain camera systems.** A person must not use a traffic safety
22.17 camera system for purposes of this section.

22.18 Sec. 4. **[16B.356] DEFINITIONS.**

22.19 Subdivision 1. **Terms.** For the purposes of sections 16B.356 to 16B.359, the terms
22.20 defined in this section have the meanings given.

22.21 Subd. 2. **Council.** "Council" means the Minnesota Advisory Council on Infrastructure
22.22 established in section 16B.357.

22.23 Subd. 3. **Infrastructure.** "Infrastructure" means physical structures and facilities,
22.24 including but not limited to property, lands, buildings, and other assets of a capital nature.
22.25 The term includes infrastructure related to agriculture, commerce, communications, economic
22.26 development, energy, food, health, housing, natural resources, public safety, transportation,
22.27 drinking water, stormwater, and wastewater.

22.28 Sec. 5. **[16B.357] MINNESOTA ADVISORY COUNCIL ON INFRASTRUCTURE.**

22.29 Subdivision 1. **Establishment; purpose.** (a) The Minnesota Advisory Council on
22.30 Infrastructure is established as provided under sections 16B.356 to 16B.359.

23.1 (b) The purpose of the council is to define and maintain a vision for the future of
23.2 Minnesota's infrastructure that provides for its proper management, coordination, and
23.3 investment.

23.4 Subd. 2. **Voting membership.** The council consists of the following voting members:

- 23.5 (1) two members appointed by the governor;
23.6 (2) two members appointed by the senate majority leader;
23.7 (3) two members appointed by the senate minority leader;
23.8 (4) two members appointed by the speaker of the house;
23.9 (5) two members appointed by the house minority leader; and
23.10 (6) one member appointed by the Indian Affairs Council.

23.11 Subd. 3. **Nonvoting membership.** The council consists of the following nonvoting
23.12 members:

- 23.13 (1) the commissioner of administration;
23.14 (2) the commissioner of agriculture;
23.15 (3) the commissioner of commerce;
23.16 (4) the commissioner of employment and economic development;
23.17 (5) the commissioner of health;
23.18 (6) the commissioner of management and budget;
23.19 (7) the commissioner of natural resources;
23.20 (8) the commissioner of the Pollution Control Agency;
23.21 (9) the commissioner of transportation;
23.22 (10) the commissioner of Iron Range resources and rehabilitation;
23.23 (11) the chair of the Metropolitan Council;
23.24 (12) the chair of the Board of Water and Soil Resources;
23.25 (13) the executive director of the Minnesota Public Facilities Authority;
23.26 (14) the chancellor of Minnesota State Colleges and Universities; and
23.27 (15) the president of the University of Minnesota.

24.1 Subd. 4. **Voting members; appointment requirements.** (a) An appointing authority
24.2 under subdivision 2 may only appoint an individual who has direct and practical expertise
24.3 and experience, whether from the public or private sector, in any of the following:

24.4 (1) asset management in one or more of the areas of planning, design, construction,
24.5 management, or operations and maintenance, for: (i) drinking water; (ii) wastewater; (iii)
24.6 stormwater; (iv) transportation; (v) energy; or (vi) communications;

24.7 (2) financial management and procurement; or

24.8 (3) regional asset management across jurisdictions and infrastructure sectors.

24.9 (b) Each appointing authority under subdivision 2, clauses (1) to (5), must appoint one
24.10 individual who resides in a metropolitan county, as defined in section 473.121, subdivision
24.11 4, and one individual who resides outside of a metropolitan county.

24.12 (c) No current legislator may be appointed to the council.

24.13 (d) Prior to making appointments, the appointing authorities under subdivision 2 must
24.14 coordinate and provide for:

24.15 (1) geographic representation throughout the state;

24.16 (2) representation for all major types of infrastructure assets; and

24.17 (3) representation from the public and private sectors.

24.18 Subd. 5. **Voting members; recommendations for appointment.** Each appointing
24.19 authority under subdivision 2 must acknowledge and give consideration to appointment
24.20 recommendations made by interested stakeholders, including but not limited to:

24.21 (1) the Association of Minnesota Counties;

24.22 (2) the League of Minnesota Cities;

24.23 (3) the Coalition of Greater Minnesota Cities;

24.24 (4) the Minnesota Association of Townships;

24.25 (5) the Minnesota Chapter of the American Public Works Association;

24.26 (6) the Associated General Contractors of Minnesota;

24.27 (7) a labor union representing the building trades;

24.28 (8) a public utility;

24.29 (9) the Minnesota Municipal Utilities Association;

25.1 (10) the Minnesota Chamber of Commerce;

25.2 (11) the Minnesota section of the American Water Works Association;

25.3 (12) the Minnesota Rural Water Association; and

25.4 (13) the Minnesota Rural Electric Association.

25.5 Subd. 6. **Nonvoting members; delegation.** (a) Notwithstanding section 15.06,
25.6 subdivision 6, an individual specified under subdivision 3 may appoint a designee to serve
25.7 on the council only as provided in this subdivision.

25.8 (b) An individual specified under subdivision 3 may appoint a designee who serves on
25.9 an ongoing basis to exercise the powers and duties as a nonvoting council member under
25.10 this section. The designation must be made by written order, filed with the secretary of state.
25.11 The designee must be a public employee who is:

25.12 (1) a deputy commissioner or deputy director;

25.13 (2) an assistant commissioner;

25.14 (3) an immediate subordinate of the appointing authority;

25.15 (4) a director of a relevant office; or

25.16 (5) if the appointing authority is the chair of a board or council specified under subdivision
25.17 3, another member of that board or council.

25.18 Subd. 7. **Officers.** (a) The council must elect from among its voting members a chair,
25.19 or cochairs, and vice-chair. As necessary, the council may elect other council members to
25.20 serve as officers.

25.21 (b) The chair is responsible for convening meetings of the council and setting each
25.22 meeting agenda.

25.23 Subd. 8. **Council actions.** (a) A majority of the council, including voting and nonvoting
25.24 members and excluding vacancies, is a quorum.

25.25 (b) The council may conduct business as provided under section 13D.015.

25.26 Subd. 9. **Compensation; terms; removal; vacancies.** The compensation, membership
25.27 terms, filling of vacancies, and removal of members on the council are as provided in section
25.28 15.0575.

25.29 Subd. 10. **Open Meeting Law.** The council is subject to the Minnesota Open Meeting
25.30 Law under chapter 13D.

26.1 Subd. 11. **Data practices.** The council is subject to the Minnesota Data Practices Act
26.2 under chapter 13.

26.3 Sec. 6. **[16B.358] POWERS; RESPONSIBILITIES AND DUTIES.**

26.4 Subdivision 1. **General powers.** The council has the nonregulatory powers necessary
26.5 to carry out its responsibilities and duties specified by law.

26.6 Subd. 2. **General responsibilities.** (a) The council is responsible for activities in a
26.7 nonregulatory capacity and in coordination with stakeholders to identify and recommend
26.8 best practices that:

26.9 (1) preserve and extend the longevity of Minnesota's public and privately owned
26.10 infrastructure; and

26.11 (2) provide for effective and efficient management of infrastructure.

26.12 (b) Unless specifically provided otherwise, nothing in sections 16B.356 to 16B.359
26.13 requires transfer of personnel, specific responsibilities, or administrative functions from a
26.14 department or agency to the council.

26.15 Subd. 3. **Duties.** The duties of the council are to:

26.16 (1) identify approaches to enhance and expedite infrastructure coordination across
26.17 jurisdictions, agencies, state and local government, and public and private sectors, including
26.18 in planning, design, engineering, construction, maintenance, and operations;

26.19 (2) analyze methods to improve efficiency and the use of resources related to (i) public
26.20 infrastructure, and (ii) public asset management practices;

26.21 (3) identify opportunities to reduce duplication in infrastructure projects and asset
26.22 management;

26.23 (4) identify barriers and gaps in effective asset management;

26.24 (5) identify objectives and strategies that enhance the longevity and adaptability of
26.25 infrastructure throughout the state;

26.26 (6) develop advisory recommendations, if any, related to the responsibilities and duties
26.27 specified under this section, including to state agencies for programs, policies, and practices;
26.28 and

26.29 (7) implement the requirements under sections 16B.356 to 16B.359.

26.30 Subd. 4. **Asset managers program.** The council must develop and recommend a plan
26.31 for a statewide asset managers program that provides for:

- 27.1 (1) identification, exchange, and distribution of (i) information on existing asset
27.2 management tools and resources, and (ii) best practices on infrastructure management;
27.3 (2) training for infrastructure owners and asset managers; and
27.4 (3) coordination and collaboration among infrastructure owners and asset managers.

27.5 Subd. 5. **Administrative support.** The commissioner must provide the council with
27.6 suitable space to maintain an office, hold meetings, and keep records. The commissioner
27.7 must provide administrative staff and information technology resources to the council as
27.8 necessary for the expeditious conduct of the council's duties and responsibilities.

27.9 Subd. 6. **Report.** By December 15 annually, the council must submit a report to the
27.10 governor and the legislative committees with jurisdiction over capital investment, climate,
27.11 economic development, energy, and transportation. At a minimum, the report must:

- 27.12 (1) summarize the activities of the council;
27.13 (2) provide an overview for each of the duties and requirements under sections 16B.356
27.14 to 16B.359;
27.15 (3) identify any barriers and constraints related to activities of the council; and
27.16 (4) provide any recommendations of the council.

27.17 **Sec. 7. [16B.359] PERSONNEL.**

27.18 Subdivision 1. **Executive director.** (a) The commissioner must hire an executive director
27.19 in the classified service, with the advice of the council. The executive director is the principal
27.20 administrative officer for the council. The executive director is not an ex officio member
27.21 of the council.

27.22 (b) The executive director must have (1) leadership or management experience, and (2)
27.23 training and experience in public works or asset management.

27.24 (c) The executive director must perform the duties as specified by the council to manage
27.25 and implement the requirements of sections 16B.356 to 16B.359.

27.26 Subd. 2. **Staffing.** (a) The executive director must:

27.27 (1) hire any employees on the basis of merit and fitness that the executive director
27.28 considers necessary to discharge the functions of the office; and

27.29 (2) prescribe the powers and duties of an employee.

27.30 (b) The executive director may:

- 28.1 (1) hire a deputy director and other staff; and
28.2 (2) delegate the powers, duties, and responsibilities of the executive director to employees,
28.3 under conditions prescribed by the executive director.

28.4 Sec. 8. Minnesota Statutes 2023 Supplement, section 123B.935, subdivision 1, is amended
28.5 to read:

28.6 Subdivision 1. **Training required.** (a) Each district must provide public school pupils
28.7 enrolled in kindergarten through grade 3 with age-appropriate active transportation safety
28.8 training. At a minimum, the training must include pedestrian safety, including crossing
28.9 roads.

28.10 (b) Each district must provide public school pupils enrolled in grades 4 through 8 with
28.11 age-appropriate active transportation safety training. At a minimum, the training must
28.12 include:

28.13 (1) pedestrian safety, including crossing roads safely using the searching left, right, left
28.14 for vehicles in traffic technique; ~~and~~

28.15 (2) bicycle safety, including relevant traffic laws, use and proper fit of protective
28.16 headgear, bicycle parts and safety features, and safe biking techniques; and

28.17 (3) electric-assisted bicycle safety, including that a person under the age of 15 is not
28.18 allowed to operate an electric-assisted bicycle.

28.19 (c) A nonpublic school may provide nonpublic school pupils enrolled in kindergarten
28.20 through grade 8 with training as specified in paragraphs (a) and (b).

28.21 Sec. 9. Minnesota Statutes 2022, section 134A.09, subdivision 2a, is amended to read:

28.22 Subd. 2a. **Petty misdemeanor cases and criminal convictions; fee assessment.** (a) In
28.23 Hennepin County and Ramsey County, the district court administrator or a designee may,
28.24 upon the recommendation of the board of trustees and by standing order of the judges of
28.25 the district court, include in the costs or disbursements assessed against a defendant convicted
28.26 in the district court of the violation of a statute or municipal ordinance, a county law library
28.27 fee. This fee may be collected in all petty misdemeanor cases and criminal prosecutions in
28.28 which, upon conviction, the defendant may be subject to the payment of the costs or
28.29 disbursements in addition to a fine or other penalty. When a defendant is convicted of more
28.30 than one offense in a case, the county law library fee shall be imposed only once in that
28.31 case.

29.1 (b) Beginning August 1, 2025, the law library fee does not apply to a citation issued
29.2 pursuant to sections 169.06, subdivision 10, and 169.14, subdivision 13.

29.3 Sec. 10. Minnesota Statutes 2022, section 134A.10, subdivision 3, is amended to read:

29.4 Subd. 3. **Petty misdemeanor cases and criminal convictions; fee assessment.** (a) The
29.5 judge of district court may, upon the recommendation of the board of trustees and by standing
29.6 order, include in the costs or disbursements assessed against a defendant convicted in the
29.7 district court of the violation of any statute or municipal ordinance, in all petty misdemeanor
29.8 cases and criminal prosecutions in which, upon conviction, the defendant may be subject
29.9 to the payment of the costs or disbursements in addition to a fine or other penalty a county
29.10 law library fee. When a defendant is convicted of more than one offense in a case, the county
29.11 law library fee shall be imposed only once in that case. The item of costs or disbursements
29.12 may not be assessed for any offense committed prior to the establishment of the county law
29.13 library.

29.14 (b) Beginning August 1, 2025, the law library fee does not apply to citations issued
29.15 pursuant to sections 169.06, subdivision 10, and 169.14, subdivision 13.

29.16 Sec. 11. Minnesota Statutes 2022, section 161.089, is amended to read:

29.17 **161.089 REPORT ON DEDICATED FUND EXPENDITURES.**

29.18 By January 15 of each odd-numbered year, the commissioners of transportation and
29.19 public safety, in consultation with the commissioner of management and budget, must jointly
29.20 submit a report to the chairs and ranking minority members of the legislative committees
29.21 with jurisdiction over transportation finance. The report must:

29.22 (1) list detailed expenditures and transfers from the trunk highway fund and highway
29.23 user tax distribution fund for the previous two fiscal years and must include information on
29.24 the purpose of each expenditure.~~The report must;~~

29.25 (2) list summary expenditures and transfers from each fund other than the trunk highway
29.26 fund or highway user tax distribution fund for each departmental division, office, or program
29.27 for which funds are listed under clause (1);

29.28 (3) include for each expenditure from the trunk highway fund an estimate of the
29.29 percentage of activities performed or purchases made with that expenditure that are not for
29.30 trunk highway purposes; and

29.31 (4) include a separate section that lists detailed expenditures and transfers from the trunk
29.32 highway fund and highway user tax distribution fund for cybersecurity.

30.1 Sec. 12. **[161.1258] RUMBLE STRIPS.**

30.2 (a) The commissioner must maintain transverse rumble strips in association with each
30.3 stop sign that is located (1) on a trunk highway segment with a speed limit of at least 55
30.4 miles per hour, and (2) outside the limits of a statutory or home rule charter city.

30.5 (b) Prior to installation of rumble strips at a new location, the commissioner must provide
30.6 a notification to residences adjacent to the location.

30.7 (c) The commissioner must meet the requirements under paragraph (a) at each applicable
30.8 location by the earlier of August 1, 2034, or the date of substantial completion of any
30.9 construction, resurfacing, or reconditioning at the location.

30.10 (d) The requirements under paragraph (a) do not apply to a location in which there is at
30.11 least one residence within 750 feet.

30.12 **EFFECTIVE DATE.** This section is effective August 1, 2024, for road construction,
30.13 resurfacing, or reconditioning projects on or after that date.

30.14 Sec. 13. Minnesota Statutes 2022, section 161.14, is amended by adding a subdivision to
30.15 read:

30.16 Subd. 107. **Gopher Gunners Memorial Bridge.** (a) The bridge on marked Trunk
30.17 Highway 55 and marked Trunk Highway 62 over the Minnesota River, commonly known
30.18 as the Mendota Bridge, is designated as "Gopher Gunners Memorial Bridge."
30.19 Notwithstanding section 161.139, the commissioner must adopt a suitable design to mark
30.20 the bridge and erect appropriate signs.

30.21 (b) The adjutant general of the Department of Military Affairs must reimburse the
30.22 commissioner of transportation for costs incurred under this subdivision.

30.23 Sec. 14. Minnesota Statutes 2023 Supplement, section 161.178, is amended to read:

30.24 **161.178 TRANSPORTATION GREENHOUSE GAS EMISSIONS IMPACT**
30.25 **ASSESSMENT.**

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

30.28 (b) "Applicable entity" means the commissioner with respect to a ~~capacity expansion~~
30.29 project or portfolio for inclusion in the state transportation improvement program or a
30.30 metropolitan planning organization with respect to a ~~capacity expansion~~ project or portfolio
30.31 for inclusion in the appropriate metropolitan transportation improvement program.

31.1 (c) "Assessment" means the ~~capacity expansion~~ impact assessment under this section.

31.2 (d) "Capacity expansion project" means a project for trunk highway construction or
31.3 reconstruction that:

31.4 (1) is a major highway project, as defined in section 174.56, subdivision 1, paragraph
31.5 (b); and

31.6 (2) adds highway traffic capacity or provides for grade separation of motor vehicle traffic
31.7 at an intersection, excluding auxiliary lanes with a length of less than 2,500 feet.

31.8 (e) "Greenhouse gas emissions" includes those emissions described in section 216H.01,
31.9 subdivision 2.

31.10 Subd. 2. **Project or portfolio assessment.** (a) Prior to inclusion of a ~~capacity expansion~~
31.11 project or portfolio in the state transportation improvement program or in a metropolitan
31.12 transportation improvement program, the applicable entity must perform a ~~capacity expansion~~
31.13 an impact assessment of the project or portfolio. Following the assessment, the applicable
31.14 entity must determine if the project ~~conforms~~ or portfolio is proportionally in conformance
31.15 with:

31.16 (1) the greenhouse gas emissions reduction targets under section 174.01, subdivision 3;
31.17 and

31.18 (2) the vehicle miles traveled reduction targets established in the statewide multimodal
31.19 transportation plan under section 174.03, subdivision 1a.

31.20 (b) If the applicable entity determines that the ~~capacity expansion~~ project or portfolio is
31.21 not in conformance with paragraph (a), the applicable entity must:

31.22 (1) alter the scope or design of the project or any number of projects, add or remove one
31.23 or more projects from the portfolio, or undertake a combination, and subsequently perform
31.24 a revised assessment that meets the requirements under this section;

31.25 (2) interlink sufficient impact mitigation as provided in subdivision 4; or

31.26 (3) halt project development and disallow inclusion of the project or portfolio in the
31.27 appropriate transportation improvement program.

31.28 **Subd. 2a. Applicable projects.** (a) For purposes of this section:

31.29 (1) prior to the date established under paragraph (b), a project or portfolio is a capacity
31.30 expansion project; and

32.1 (2) on and after the date established under paragraph (b), a project or portfolio is a
32.2 capacity expansion project or a collection of trunk highway and multimodal projects for a
32.3 fiscal year and specific region.

32.4 (b) The commissioner must establish a date to implement impact assessments on the
32.5 basis of assessing a portfolio or program of projects instead of on a project-by-project basis.
32.6 The date must be:

32.7 (1) August 1, 2027, which applies to projects that first enter the appropriate transportation
32.8 improvement program for fiscal year 2031 or a subsequent year; or

32.9 (2) as established by the commissioner, if the commissioner:

32.10 (i) consults with metropolitan planning organizations;

32.11 (ii) prioritizes and makes reasonable efforts to meet the date under clause (1) or an earlier
32.12 date;

32.13 (iii) determines that the date established under this clause is the earliest practicable in
32.14 which the necessary models and tools are sufficient for analysis under this section; and

32.15 (iv) submits a notice to the chairs and ranking minority members of the legislative
32.16 committees and divisions with jurisdiction over transportation policy and finance, which
32.17 must identify the date established and summarize the efforts under item (ii) and the
32.18 determination under item (iii).

32.19 **Subd. 3. Assessment requirements.** (a) The commissioner must establish a process to
32.20 ~~perform capacity expansion impact assessments. An assessment must provide for the~~
32.21 ~~determination under subdivision 2.~~ implement the requirements under this section, which
32.22 includes:

32.23 (1) any necessary policies, procedures, manuals, and technical specifications;

32.24 (2) procedures to perform an impact assessment that provide for the determination under
32.25 subdivision 2;

32.26 (3) in consultation with the technical advisory committee under section 161.1782, criteria
32.27 for identification of a capacity expansion project; and

32.28 (4) related data reporting from local units of government on local multimodal
32.29 transportation systems and local project impacts on greenhouse gas emissions and vehicle
32.30 miles traveled.

32.31 (b) Analysis under an assessment must include but is not limited to estimates resulting
32.32 from ~~the~~ a project or portfolio for the following:

- 33.1 (1) greenhouse gas emissions over a period of 20 years; ~~and~~
- 33.2 (2) a net change in vehicle miles traveled for the affected network; and
- 33.3 (3) impacts to trunk highways and related impacts to local road systems, on a local,
- 33.4 regional, or statewide basis, as appropriate.

33.5 Subd. 4. **Impact mitigation; interlinking.** (a) To provide for impact mitigation, the
33.6 applicable entity must interlink the ~~capacity expansion~~ project or portfolio as provided in
33.7 this subdivision.

33.8 (b) Impact mitigation is sufficient under subdivision 2, paragraph (b), if the ~~capacity~~
33.9 ~~expansion~~ project or portfolio is interlinked to ~~mitigation~~ offset actions such that the total
33.10 greenhouse gas emissions reduction from the ~~mitigation~~ offset actions, after accounting for
33.11 the greenhouse gas emissions otherwise resulting from the ~~capacity expansion~~ project or
33.12 portfolio, is consistent with meeting the targets specified under subdivision 2, paragraph

33.13 (a). Each comparison under this paragraph must be performed over equal comparison periods.

33.14 (c) ~~A mitigation~~ An offset action consists of a project, program, ~~or~~ operations
33.15 modification, or mitigation plan in one or more of the following areas:

33.16 (1) transit expansion, including but not limited to regular route bus, arterial bus rapid
33.17 transit, highway bus rapid transit, rail transit, and intercity passenger rail;

33.18 (2) transit service improvements, including but not limited to increased service level,
33.19 transit fare reduction, and transit priority treatments;

33.20 (3) active transportation infrastructure;

33.21 (4) micromobility infrastructure and service, including but not limited to shared vehicle
33.22 services;

33.23 (5) transportation demand management, including but not limited to vanpool and shared
33.24 vehicle programs, remote work, and broadband access expansion;

33.25 (6) parking management, including but not limited to parking requirements reduction
33.26 or elimination and parking cost adjustments;

33.27 (7) land use, including but not limited to residential and other density increases, mixed-use
33.28 development, and transit-oriented development;

33.29 (8) infrastructure improvements related to traffic operations, including but not limited
33.30 to roundabouts and reduced conflict intersections; ~~and~~

34.1 (9) natural systems, including but not limited to prairie restoration, reforestation, and
34.2 urban green space; and

34.3 (10) as specified by the commissioner in the manner provided under paragraph (e).

34.4 (d) ~~A mitigation~~ An offset action may be identified as interlinked to the ~~capacity~~
34.5 ~~expansion~~ project or portfolio if:

34.6 (1) there is a specified project, program, ~~or modification,~~ or mitigation plan;

34.7 (2) the necessary funding sources are identified and sufficient amounts are committed;

34.8 (3) the mitigation is localized as provided in subdivision 5; and

34.9 (4) procedures are established to ensure that the mitigation action remains in substantially
34.10 the same form or a revised form that continues to meet the calculation under paragraph (b).

34.11 (e) The commissioner may authorize additional offset actions under paragraph (c) if:

34.12 (1) the offset action is reviewed and recommended by the technical advisory committee
34.13 under section 161.1782; and

34.14 (2) the commissioner determines that the offset action is directly related to reduction in
34.15 the transportation sector of greenhouse gas emissions or vehicle miles traveled.

34.16 Subd. 5. **Impact mitigation; localization.** (a) ~~A mitigation~~ An offset action under
34.17 subdivision 4 must be localized in the following priority order:

34.18 (1) if the offset action is for one project, within or associated with at least one of the
34.19 communities impacted by the ~~capacity expansion~~ project;

34.20 (2) if clause (1) does not apply or there is not a reasonably feasible location under clause
34.21 (1), in areas of persistent poverty or historically disadvantaged communities, as measured
34.22 and defined in federal law, guidance, and notices of funding opportunity;

34.23 (3) if there is not a reasonably feasible location under clauses (1) and (2), in the region
34.24 of the ~~capacity expansion~~ project or portfolio; or

34.25 (4) if there is not a reasonably feasible location under clauses (1) to (3), on a statewide
34.26 basis.

34.27 (b) The applicable entity must include an explanation regarding the feasibility and
34.28 rationale for each mitigation action located under paragraph (a), clauses (2) to (4).

34.29 Subd. 6. **Public information.** The commissioner must publish information regarding
34.30 ~~capacity expansion~~ impact assessments on the department's website. The information must
34.31 include:

35.1 (1) for each project evaluated separately under this section, identification of capacity
35.2 expansion projects the project; and

35.3 (2) for each project evaluated separately, a summary that includes an overview of the
35.4 expansion impact assessment, the impact determination by the commissioner, and project
35.5 disposition, including a review of any mitigation offset actions;

35.6 (3) for each portfolio of projects, an overview of the projects, the impact determination
35.7 by the commissioner, and a summary of any offset actions;

35.8 (4) a review of any interpretation of or additions to offset actions under subdivision 4;

35.9 (5) identification of the date established by the commissioner under subdivision 2a,
35.10 paragraph (b); and

35.11 (6) a summary of the activities of the technical advisory committee under section
35.12 161.1782, including but not limited to any findings or recommendations made by the advisory
35.13 committee.

35.14 Subd. 7. **Safety and well-being.** The requirements of this section are in addition to and
35.15 must not supplant the safety and well-being goals established under section 174.01,
35.16 subdivision 2, clauses (1) and (2).

35.17 Subd. 8. **Transportation impact assessment and mitigation account.** (a) A
35.18 transportation impact assessment and mitigation account is established in the special revenue
35.19 fund. The account consists of funds provided by law and any other money donated, allotted,
35.20 transferred, or otherwise provided to the account.

35.21 (b) Money in the account is annually appropriated to the commissioner and must only
35.22 be expended on activities described or required under this section. In determining
35.23 expenditures from the account, the commissioner must include prioritization for offset
35.24 actions interlinked to trunk highway projects that reduce traffic fatalities or severe injuries.

35.25 **EFFECTIVE DATE.** This section is effective February 1, 2025, except that subdivision
35.26 8 is effective July 1, 2024. This section does not apply to a capacity expansion project that
35.27 was either included in the state transportation improvement program or has been submitted
35.28 for approval of the geometric layout before February 1, 2025.

35.29 Sec. 15. **[161.1782] TRANSPORTATION IMPACT ASSESSMENT; TECHNICAL**
35.30 **ADVISORY COMMITTEE.**

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

36.1 (b) "Advisory committee" means the technical advisory committee established in this
36.2 section.

36.3 (c) "Project or portfolio" is as provided in section 161.178.

36.4 Subd. 2. **Establishment.** The commissioner must establish a technical advisory committee
36.5 to assist in implementation review related to the requirements under section 161.178.

36.6 Subd. 3. **Membership; appointments.** The advisory committee is composed of the
36.7 following members:

36.8 (1) one member from the Department of Transportation, appointed by the commissioner
36.9 of transportation;

36.10 (2) one member from the Pollution Control Agency, appointed by the commissioner of
36.11 the Pollution Control Agency;

36.12 (3) one member from the Metropolitan Council, appointed by the chair of the
36.13 Metropolitan Council;

36.14 (4) one member from the Center for Transportation Studies, appointed by the president
36.15 of the University of Minnesota;

36.16 (5) one member representing metropolitan planning organizations outside the metropolitan
36.17 area, as defined in section 473.121, subdivision 2, appointed by the Association of
36.18 Metropolitan Planning Organizations; and

36.19 (6) up to four members who are not employees of the state, with no more than two who
36.20 are employees of a political subdivision, appointed by the commissioner of transportation.

36.21 Subd. 4. **Membership; requirements.** (a) To be eligible for appointment to the advisory
36.22 committee, an individual must have experience or expertise sufficient to provide assistance
36.23 in implementation or technical review related to the requirements under section 161.178.
36.24 Each appointing authority must consider appointment of individuals with expertise in travel
36.25 demand modeling, emissions modeling, traffic forecasting, land use planning, or
36.26 transportation-related greenhouse gas emissions assessment and analysis. In appointing the
36.27 members under subdivision 3, clause (6), the commissioner must also consider technical
36.28 expertise in other relevant areas, which may include but is not limited to public health or
36.29 natural systems management.

36.30 (b) Members of the advisory committee serve at the pleasure of the appointing authority.
36.31 Vacancies must be filled by the appointing authority.

37.1 Subd. 5. **Duties.** The advisory committee must assist the commissioner in implementation
37.2 of the requirements under section 161.178, including to:

37.3 (1) perform technical review and validation of processes and methodologies used for
37.4 impact assessment and impact mitigation;

37.5 (2) review and make recommendations on:

37.6 (i) impact assessment requirements;

37.7 (ii) models and tools for impact assessment;

37.8 (iii) methods to determine sufficiency of impact mitigation;

37.9 (iv) procedures for interlinking a project or portfolio to impact mitigation; and

37.10 (v) reporting and data collection;

37.11 (3) advise on the approach used to determine the area of influence for a project or portfolio
37.12 for a geographic or transportation network area;

37.13 (4) develop recommendations on any clarifications, modifications, or additions to the
37.14 offset actions authorized under section 161.178, subdivision 4; and

37.15 (5) perform other analyses or activities as requested by the commissioner.

37.16 Subd. 6. **Administration.** (a) The commissioner must provide administrative support
37.17 to the advisory committee. Upon request, the commissioner must provide information and
37.18 technical support to the advisory committee.

37.19 (b) Members of the advisory committee are not eligible for compensation under this
37.20 section.

37.21 (c) The advisory committee is subject to the Minnesota Data Practices Act under chapter
37.22 13 and to the Minnesota Open Meeting Law under chapter 13D.

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

37.24 Sec. 16. Minnesota Statutes 2022, section 161.3203, subdivision 4, is amended to read:

37.25 Subd. 4. **Reports Report.** (a) By September 1 of each year, the commissioner shall
37.26 provide, no later than September 1, an annual written must submit a report to the legislature,
37.27 in compliance with sections 3.195 and 3.197, and shall submit the report to the chairs and
37.28 ranking minority members of the senate and house of representatives legislative committees
37.29 having with jurisdiction over transportation policy and finance.

38.1 (b) The report must list all privatization transportation contracts ~~within the meaning of~~
38.2 ~~this section~~ that were executed or performed, whether wholly or in part, in the previous
38.3 fiscal year. The report must identify, with respect to each contract:

38.4 (1) the contractor;

38.5 (2) contract amount;

38.6 (3) duration;

38.7 (4) work, provided or to be provided;

38.8 (5) the comprehensive estimate derived under subdivision 3, paragraph (a);

38.9 (6) the comprehensive estimate derived under subdivision 3, paragraph (b);

38.10 (7) the actual cost to the agency of the contractor's performance of the contract; and

38.11 (8) for contracts of at least \$250,000, a statement containing the commissioner's
38.12 determinations under subdivision 3, paragraph (c).

38.13 (c) The report must collect aggregate data on each of the commissioner's district offices
38.14 and the bridge office on barriers and challenges to the reduction of transportation contract
38.15 privatization. The aggregate data must identify areas of concern related to transportation
38.16 contract privatization and include information on:

38.17 (1) recruitment and retention of staff;

38.18 (2) expertise gaps;

38.19 (3) access to appropriate equipment; and

38.20 (4) the effects of geography, demographics, and socioeconomic data on transportation
38.21 contract privatization rates.

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

38.23 Sec. 17. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
38.24 read:

38.25 **Subd. 4. High voltage transmission; placement in right-of-way.** (a) For purposes of
38.26 this subdivision and subdivisions 5 to 7, "high voltage transmission line" has the meaning
38.27 given in section 216E.01, subdivision 4.

38.28 (b) Notwithstanding subdivision 1, paragraph (a), high voltage transmission lines under
38.29 the laws of this state or the ordinance of any city or county may be constructed, placed, or
38.30 maintained across or along any trunk highway, including an interstate highway and a trunk

39.1 highway that is an expressway or a freeway, except as deemed necessary by the commissioner
39.2 of transportation to protect public safety or ensure the proper function of the trunk highway
39.3 system.

39.4 (c) If the commissioner denies a high voltage electric line colocation request, the reasons
39.5 for the denial must be submitted for review within 90 days of the commissioner's denial to
39.6 the chairs and ranking minority members of the legislative committees with jurisdiction
39.7 over energy and transportation, the Public Utilities Commission executive secretary, and
39.8 the commissioner of commerce.

39.9 **EFFECTIVE DATE.** This section is effective the day following final enactment and
39.10 applies to colocation requests for high voltage transmission lines on or after that date.

39.11 Sec. 18. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
39.12 read:

39.13 Subd. 5. **High voltage transmission; coordination required.** Upon written request,
39.14 the commissioner must engage in coordination activities with a utility or transmission line
39.15 developer to review requested highway corridors for potential permitted locations for
39.16 transmission lines. The commissioner must assign a project coordinator within 30 days of
39.17 receiving the written request. The commissioner must share all known plans with affected
39.18 utilities or transmission line developers on potential future projects in the highway corridor
39.19 if the potential highway project impacts the placement or siting of high voltage transmission
39.20 lines.

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

39.22 Sec. 19. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
39.23 read:

39.24 Subd. 6. **High voltage transmission; constructability report; advance notice.** (a) If
39.25 the commissioner and a utility or transmission line developer identify a permissible route
39.26 along a trunk highway corridor for possible colocation of transmission lines, a constructability
39.27 report must be prepared by the utility or transmission line developer in consultation with
39.28 the commissioner. A constructability report developed under this subdivision must be used
39.29 by both parties to plan and approve colocation projects.

39.30 (b) A constructability report developed under this section between the commissioner
39.31 and the parties seeking colocation must include terms and conditions for building the
39.32 colocation project. Notwithstanding the requirements in subdivision 1, the report must be

40.1 approved by the commissioner and the party or parties seeking colocation prior to the
40.2 commissioner approving and issuing a permit for use of the trunk highway right-of-way.

40.3 (c) A constructability report must include an agreed upon time frame for which there
40.4 may not be a request from the commissioner for relocation of the transmission line. If the
40.5 commissioner determines that relocation of a transmission line in the trunk highway
40.6 right-of-way is necessary, the commissioner, as much as practicable, must give a four-year
40.7 advance notice.

40.8 (d) Notwithstanding the requirements of subdivision 7 and section 161.46, subdivision
40.9 2, if the commissioner requires the relocation of a transmission line in the interstate highway
40.10 right-of-way earlier than the agreed upon time frame in paragraph (c) in the constructability
40.11 report or provides less than a four-year notice of relocation in the agreed upon constructability
40.12 report, the commissioner is responsible for 75 percent of the relocation costs.

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

40.14 Sec. 20. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
40.15 read:

40.16 Subd. 7. **High voltage transmission; relocation reimbursement prohibited.** (a) A
40.17 high voltage transmission line that receives a route permit under chapter 216E on or after
40.18 July 1, 2024, is not eligible for relocation reimbursement under section 161.46, subdivision
40.19 2.

40.20 (b) If the commissioner orders relocation of a high voltage transmission line that is
40.21 subject to paragraph (a):

40.22 (1) a public utility, as defined in section 216B.02, subdivision 4, may recover its portion
40.23 of costs of relocating the line that the Public Utilities Commission deems prudently incurred
40.24 as a transmission cost adjustment pursuant to section 216B.16, subdivision 7b; and

40.25 (2) a consumer-owned utility, as defined in section 216B.2402, subdivision 2, may
40.26 recover its portion of costs of relocating the line in any manner approved by its governing
40.27 board.

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

40.29 Sec. 21. Minnesota Statutes 2022, section 161.46, subdivision 1, is amended to read:

40.30 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms ~~shall~~
40.31 have the meanings ~~ascribed to them:~~ given.

41.1 (1) ~~(b)~~ "Utility" means all publicly, privately, and cooperatively owned systems for
41.2 supplying power, light, gas, telegraph, telephone, water, pipeline, or sewer service if such
41.3 systems be authorized by law to use public highways for the location of its facilities.

41.4 ~~(2)~~ ~~(c)~~ "Cost of relocation" means the entire amount paid by such utility properly
41.5 attributable to such relocation after deducting therefrom any increase in the value of the
41.6 new facility and any salvage value derived from the old facility.

41.7 (d) "High voltage transmission line" has the meaning given in section 216E.01,
41.8 subdivision 4.

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

41.10 Sec. 22. Minnesota Statutes 2023 Supplement, section 161.46, subdivision 2, is amended
41.11 to read:

41.12 Subd. 2. **Relocation of facilities; reimbursement.** ~~(a)~~ Whenever the commissioner ~~shall~~
41.13 ~~determine~~ determines that the relocation of any utility facility is necessitated by the
41.14 construction of a project on the routes of federally aided ~~state~~ trunk highways, including
41.15 urban extensions thereof, ~~which routes~~ that are included within the National System of
41.16 Interstate Highways, the owner or operator of ~~such~~ the utility facility ~~shall~~ must relocate
41.17 ~~the same utility facility~~ in accordance with the order of the commissioner. After the
41.18 ~~completion of such relocation the cost thereof shall be ascertained and paid by the state out~~
41.19 ~~of trunk highway funds; provided, however, the amount to be paid by the state for such~~
41.20 ~~reimbursement shall not exceed the amount on which the federal government bases its~~
41.21 ~~reimbursement for said interstate system.~~ Except as provided in section 161.45, subdivision
41.22 6, paragraph (d), or 7, upon the completion of relocation of a utility facility, the cost of
41.23 relocation must be ascertained and paid out of the trunk highway fund by the commissioner,
41.24 provided the amount paid by the commissioner for reimbursement to a utility does not
41.25 exceed the amount on which the federal government bases its reimbursement for the interstate
41.26 highway system.

41.27 ~~(b)~~ Notwithstanding paragraph (a), on or after January 1, 2024, any entity that receives
41.28 a route permit under chapter 216E for a high-voltage transmission line necessary to
41.29 interconnect an electric power generating facility is not eligible for relocation reimbursement
41.30 unless the entity directly, or through its members or agents, provides retail electric service
41.31 in this state.

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

42.1 Sec. 23. Minnesota Statutes 2022, section 162.02, is amended by adding a subdivision to
42.2 read:

42.3 Subd. 4a. **Location and establishment; limitations.** The county state-aid highway
42.4 system must not include a segment of a county highway that is designated as a pedestrian
42.5 mall under chapter 430.

42.6 Sec. 24. Minnesota Statutes 2022, section 162.081, subdivision 4, is amended to read:

42.7 Subd. 4. **Formula for distribution to towns; purposes.** (a) Money apportioned to a
42.8 county from the town road account must be distributed to the treasurer of each town within
42.9 the county, according to a distribution formula adopted by the county board. The formula
42.10 must take into account each town's population and town road mileage, and other factors the
42.11 county board deems advisable in the interests of achieving equity among the towns.
42.12 Distribution of town road funds to each town treasurer must be made by March 1, annually,
42.13 or within 30 days after receipt of payment from the commissioner. Distribution of funds to
42.14 town treasurers in a county which has not adopted a distribution formula under this
42.15 subdivision must be made according to a formula prescribed by the commissioner by rule.

42.16 (b) Money distributed to a town under this subdivision may be expended by the town
42.17 only for the construction, reconstruction, and gravel maintenance of town roads within the
42.18 town, including debt service for bonds issued by the town in accordance with chapter 475,
42.19 provided that the bonds are issued for a use allowable under this paragraph.

42.20 Sec. 25. Minnesota Statutes 2022, section 162.09, is amended by adding a subdivision to
42.21 read:

42.22 Subd. 6a. **Location and establishment; limitations.** The municipal state-aid street
42.23 system must not include a segment of a city street that is designated as a pedestrian mall
42.24 under chapter 430.

42.25 Sec. 26. Minnesota Statutes 2022, section 162.145, subdivision 5, is amended to read:

42.26 Subd. 5. **Use of funds.** (a) Funds distributed under this section are available only for
42.27 construction and maintenance of roads located within the city, including:

42.28 (1) land acquisition, environmental analysis, design, engineering, construction,
42.29 reconstruction, and maintenance;

42.30 (2) road projects partially located within the city;

42.31 (3) projects on county state-aid highways located within the city; ~~and~~

43.1 (4) cost participation on road projects under the jurisdiction of another unit of
43.2 government; and

43.3 (5) debt service for obligations issued by the city in accordance with chapter 475, provided
43.4 that the obligations are issued for a use allowable under this section.

43.5 (b) Except for projects under paragraph (a), clause (3), funds distributed under this
43.6 section are not subject to state-aid requirements under this chapter, including but not limited
43.7 to engineering standards adopted by the commissioner in rules.

43.8 Sec. 27. Minnesota Statutes 2023 Supplement, section 162.146, is amended by adding a
43.9 subdivision to read:

43.10 Subd. 3. Use of funds. (a) Funds distributed under this section are available only for
43.11 construction and maintenance of roads located within the city, including:

43.12 (1) land acquisition, environmental analysis, design, engineering, construction,
43.13 reconstruction, and maintenance;

43.14 (2) road projects partially located within the city;

43.15 (3) projects on municipal state-aid streets located within the city;

43.16 (4) projects on county state-aid highways located within the city;

43.17 (5) cost participation on road projects under the jurisdiction of another unit of government;
43.18 and

43.19 (6) debt service for obligations issued by the city in accordance with chapter 475, provided
43.20 that the obligations are issued for a use allowable under this section.

43.21 (b) Except for projects under paragraph (a), clauses (3) and (4), funds distributed under
43.22 this section are not subject to state-aid requirements under this chapter, including but not
43.23 limited to engineering standards adopted by the commissioner in rules.

43.24 Sec. 28. Minnesota Statutes 2022, section 168.09, subdivision 7, is amended to read:

43.25 Subd. 7. Display of temporary permit. (a) ~~A vehicle that displays a Minnesota plate~~
43.26 ~~issued under this chapter may display a temporary permit~~ The commissioner may issue a
43.27 temporary permit under this subdivision in conjunction with the conclusion of a registration
43.28 period or a recently expired registration if:

43.29 (1) the current registration tax and all other fees and taxes have been paid in full; and

43.30 (2) ~~the plate has~~ special plates have been applied for.

44.1 ~~(b) A vehicle may display a temporary permit in conjunction with expired registration,~~
44.2 ~~with or without a registration plate, if:~~

44.3 ~~(1) the plates have been applied for;~~

44.4 ~~(2) the registration tax and other fees and taxes have been paid in full; and~~

44.5 ~~(3) either the vehicle is used solely as a collector vehicle while displaying the temporary~~
44.6 ~~permit and not used for general transportation purposes or the vehicle was issued a 21-day~~
44.7 ~~permit under section 168.092, subdivision 1.~~

44.8 ~~(e)~~ (b) The permit is valid for a period of 60 days. The permit must be in a format
44.9 prescribed by the commissioner, affixed to the rear of the vehicle where a license plate
44.10 would normally be affixed, and plainly visible. The permit is valid only for the vehicle for
44.11 which it was issued to allow a reasonable time for the new plates to be manufactured and
44.12 delivered to the applicant. The permit may be issued only by the commissioner or by a
44.13 deputy registrar under section 168.33.

44.14 **EFFECTIVE DATE.** This section is effective October 1, 2024.

44.15 Sec. 29. Minnesota Statutes 2022, section 168.092, is amended to read:

44.16 **168.092 ~~21-DAY~~ 60-DAY TEMPORARY VEHICLE PERMIT.**

44.17 Subdivision 1. **Resident buyer.** The ~~motor vehicle registrar~~ commissioner may issue a
44.18 permit to a person purchasing a new or used motor vehicle in this state for the purpose of
44.19 allowing the purchaser a reasonable time to register the vehicle and pay fees and taxes due
44.20 on the transfer. The permit is valid for a period of ~~21~~ 60 days. The permit must be in a ~~form~~
44.21 ~~as the registrar may determine~~ format prescribed by the commissioner, affixed to the rear
44.22 of the vehicle where a license plate would normally be affixed, and plainly visible. Each
44.23 permit is valid only for the vehicle for which issued.

44.24 Subd. 2. **Dealer.** The ~~registrar~~ commissioner may issue permits to licensed dealers.
44.25 When issuing a permit, the dealer ~~shall~~ must complete the permit in the manner prescribed
44.26 by the department.

44.27 **EFFECTIVE DATE.** This section is effective October 1, 2024.

45.1 Sec. 30. Minnesota Statutes 2023 Supplement, section 168.1259, is amended to read:

45.2 **168.1259 MINNESOTA PROFESSIONAL SPORTS TEAM FOUNDATION**
45.3 **PHILANTHROPY PLATES.**

45.4 Subdivision 1. **Definition.** For purposes of this section, "Minnesota professional sports
45.5 team" means one of the following teams while its home stadium is located in Minnesota:
45.6 Minnesota Vikings, Minnesota Timberwolves, Minnesota Lynx, Minnesota Wild, Minnesota
45.7 Twins, or Minnesota United.

45.8 Subd. 2. **General requirements and procedures.** (a) The commissioner must issue
45.9 Minnesota professional sports team ~~foundation~~ philanthropy plates to an applicant who:

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

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

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

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

45.16 (5) contributes a minimum of \$30 annually to the professional sports team ~~foundations~~
45.17 philanthropy account; and

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

45.20 (b) Minnesota professional sports team ~~foundation~~ philanthropy plates may be
45.21 personalized according to section 168.12, subdivision 2a.

45.22 Subd. 3. **Design.** At the request of a Minnesota professional sports team or the team's
45.23 foundation, the commissioner must, in consultation with the team or foundation, adopt a
45.24 suitable plate design ~~incorporating~~. Each design must incorporate the requesting foundation's
45.25 marks and colors or directly relate to a charitable purpose as provided in subdivision 5. The
45.26 commissioner may design a single plate that incorporates the marks and colors of all
45.27 ~~foundations~~ organizations that have requested a plate.

45.28 Subd. 4. **Plate transfers.** On application to the commissioner and payment of a transfer
45.29 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
45.30 if the subsequent vehicle is:

45.31 (1) qualified under subdivision 2, paragraph (a), clause (1), to bear the special plates;
45.32 and

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

46.2 Subd. 5. **Contributions; account; appropriation.** (a) Contributions collected under
46.3 subdivision 2, paragraph (a), clause (5), must be deposited in the Minnesota professional
46.4 sports team ~~foundations~~ philanthropy account, which is established in the special revenue
46.5 fund. Money in the account is appropriated to the commissioner of public safety. This
46.6 appropriation is first for the annual cost of administering the account funds, and the remaining
46.7 funds are for distribution to the foundations, or as provided in this subdivision, in the
46.8 proportion that each plate design bears to the total number of Minnesota professional sports
46.9 team ~~foundation~~ philanthropy plates issued for that year. Proceeds from a plate that includes
46.10 the marks and colors of all ~~foundations~~ participating organizations must be divided evenly
46.11 between all foundations and charitable purposes.

46.12 (b) The ~~foundations must only use the~~ proceeds must only be used by:

46.13 (1) a Minnesota professional sports team foundation for philanthropic or charitable
46.14 purposes; or

46.15 (2) the Minnesota United professional sports team through a designation that the funds
46.16 are for the Minnesota Loon Restoration Project.

46.17 (c) The commissioner must annually transfer funds designated under paragraph (b),
46.18 clause (2), from the Minnesota professional sports team philanthropy account to the
46.19 Minnesota critical habitat private sector matching account under section 84.943 for purposes
46.20 of the Minnesota Loon Restoration Project.

46.21 **EFFECTIVE DATE.** This section is effective October 1, 2024, for Minnesota
46.22 professional sports team philanthropy plates issued on or after that date.

46.23 Sec. 31. Minnesota Statutes 2022, section 168.127, is amended to read:

46.24 **168.127 FLEET VEHICLES; REGISTRATION, FEE.**

46.25 Subdivision 1. **Unique registration category.** (a) A unique registration category is
46.26 established for vehicles and trailers of a fleet. Vehicles registered in the fleet must be issued
46.27 a distinctive license plate. The design and size of the fleet license plate must be determined
46.28 by the commissioner.

46.29 (b) A deputy registrar may issue replacement license plates for qualified vehicles in a
46.30 registered fleet pursuant to section 168.29.

46.31 Subd. 2. **Annual registration period.** The annual registration period for vehicles in the
46.32 fleet ~~will be~~ is determined by the commissioner. The applicant must provide all information

47.1 necessary to qualify as a fleet registrant, including a list of all vehicles in the fleet. On initial
47.2 registration, all taxes and fees for vehicles in the fleet must be reassessed based on the
47.3 expiration date.

47.4 Subd. 3. **Registration cards issued.** (a) On approval of the application for fleet
47.5 registration, the commissioner must issue a registration card for each qualified vehicle in
47.6 the fleet. The registration card must be carried in the vehicle at all times and be made
47.7 available to a peace officer on demand. The registered gross weight must be indicated on
47.8 the license plate.

47.9 (b) A new vehicle may be registered to an existing fleet upon application to a deputy
47.10 registrar and payment of the fee under section 168.33, subdivision 7.

47.11 (c) A deputy registrar must issue a replacement registration card for any registered fleet
47.12 or any qualified vehicle in a registered fleet upon application.

47.13 Subd. 4. **Filing registration applications.** Initial fleet applications for registration and
47.14 renewals must be filed with the ~~registrar~~ commissioner or authorized deputy registrar.

47.15 Subd. 5. **Renewal of fleet registration.** On the renewal of a fleet registration, the
47.16 registrant ~~shall~~ must pay full licensing fees for every vehicle registered in the preceding
47.17 year unless the vehicle has been properly deleted from the fleet. In order to delete a vehicle
47.18 from a fleet, the fleet registrant must surrender to the commissioner the registration card
47.19 and license plates. The ~~registrar~~ commissioner may authorize alternative methods of deleting
47.20 vehicles from a fleet, including destruction of the license plates and registration cards. If
47.21 the card or license plates are lost or stolen, the fleet registrant ~~shall~~ must submit a sworn
47.22 statement stating the circumstances for the inability to surrender the card, stickers, and
47.23 license plates. ~~The commissioner shall assess~~ A fleet registrant who fails to renew the
47.24 licenses issued under this section or fails to report the removal of vehicles from the fleet
47.25 within 30 days of the vehicles' removal must pay a penalty of 20 percent of the total tax due
47.26 on the fleet against the fleet registrant who fails to renew the licenses issued under this
47.27 section or fails to report the removal of vehicles from the fleet within 30 days. The penalty
47.28 must be paid within 30 days after it is assessed.

47.29 Subd. 6. **Fee.** ~~Instead of~~ The applicant for fleet registration must pay the filing fee
47.30 described in section 168.33, subdivision 7, the applicant for fleet registration shall pay an
47.31 equivalent administrative fee to the commissioner for each vehicle in the fleet.

47.32 **EFFECTIVE DATE.** This section is effective October 1, 2024, for fleet vehicle
47.33 transactions on or after that date.

48.1 Sec. 32. [168.1283] ROTARY INTERNATIONAL PLATES.

48.2 Subdivision 1. Issuance of plates. The commissioner must issue Rotary International
48.3 special license plates or a single motorcycle plate to an applicant who:

48.4 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
48.5 truck, motorcycle, or self-propelled recreational motor vehicle;

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

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

48.9 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the Rotary
48.10 District 5950 Foundation account; and

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

48.13 Subd. 2. Design. The commissioner must adopt a suitable design for the plate that must
48.14 include the Rotary International symbol and the phrase "Service Above Self."

48.15 Subd. 3. Plates transfer. On application to the commissioner and payment of a transfer
48.16 fee of \$5, special plates may be transferred to another qualified motor vehicle that is
48.17 registered to the same individual to whom the special plates were originally issued.

48.18 Subd. 4. Exemption. Special plates issued under this section are not subject to section
48.19 168.1293, subdivision 2.

48.20 Subd. 5. Contributions; account; appropriation. Contributions collected under
48.21 subdivision 1, clause (4), must be deposited in the Rotary District 5950 Foundation account,
48.22 which is established in the special revenue fund. Money in the account is appropriated to
48.23 the commissioner of public safety. This appropriation is first for the annual cost of
48.24 administering the account funds, and the remaining funds must be distributed to the Rotary
48.25 District 5950 Foundation to further the rotary's mission of service, fellowship, diversity,
48.26 integrity, and leadership. Funds distributed under this subdivision must be used on projects
48.27 within this state.

48.28 EFFECTIVE DATE. This section is effective January 1, 2025, for Rotary International
48.29 special plates issued on or after that date.

49.1 Sec. 33. Minnesota Statutes 2023 Supplement, section 168.29, is amended to read:

49.2 **168.29 REPLACEMENT PLATES.**

49.3 (a) In the event of the defacement, loss, or destruction of any number plates or validation
49.4 stickers, the ~~registrar~~ commissioner, upon receiving and filing a sworn statement of the
49.5 vehicle owner, setting forth the circumstances of the defacement, loss, destruction, or theft
49.6 of the number plates or validation stickers, together with any defaced plates or stickers and
49.7 the payment of a fee calculated to cover the cost of replacement, ~~shall~~ must issue a new set
49.8 of plates or stickers.

49.9 (b) A licensed motor vehicle dealer may only apply for replacement plates upon
49.10 application for a certificate of title in the name of a new owner or the dealer. The
49.11 commissioner must issue a new set of plates or validation stickers upon application for title
49.12 and registration after removal of plates pursuant to section 168A.11, subdivision 2.

49.13 (c) Plates issued under this section are subject to section 168.12

49.14 (d) The registrar shall then commissioner must note on the registrar's commissioner's
49.15 records the issue of new number plates and shall proceed in such manner as the registrar
49.16 may deem advisable to must attempt to cancel and call in the original plates so as to insure
49.17 against their use on another motor vehicle.

49.18 ~~(e)~~ (e) Duplicate registration certificates plainly marked as duplicates may be issued in
49.19 like cases upon the payment of a \$1 fee. Fees collected under this section must be ~~paid into~~
49.20 ~~the state treasury and credited to~~ deposited in the driver and vehicle services operating
49.21 account under section 299A.705, subdivision 1.

49.22 **EFFECTIVE DATE.** This section is effective October 1, 2024.

49.23 Sec. 34. Minnesota Statutes 2022, section 168.301, subdivision 3, is amended to read:

49.24 Subd. 3. **Late fee.** In addition to any fee or tax otherwise authorized or imposed upon
49.25 the transfer of title for a motor vehicle, the commissioner of public safety ~~shall~~ must impose
49.26 a \$2 additional fee for failure to deliver a title transfer within ~~ten business days~~ the period
49.27 specified under section 168A.10, subdivision 2.

49.28 **EFFECTIVE DATE.** This section is effective October 1, 2024.

50.1 Sec. 35. Minnesota Statutes 2022, section 168.33, is amended by adding a subdivision to
50.2 read:

50.3 Subd. 8b. **Competitive bidding.** (a) Notwithstanding any statute or rule to the contrary,
50.4 if a deputy registrar appointed under this section permanently stops offering services at the
50.5 approved office location and permanently closes the approved office location, the
50.6 commissioner must use a competitive bidding process for the appointment of a replacement
50.7 deputy registrar. If available, the replacement deputy registrar appointed by the commissioner
50.8 under this section must continue to offer services at the approved office location. If the
50.9 existing office location is not available to the replacement deputy registrar, the replacement
50.10 office location must be at a location that must be approved by the commissioner and must
50.11 serve a similar service area as the existing office location.

50.12 (b) The commissioner must not give a preference to a partner, owner, manager, or
50.13 employee of the deputy registrar that has permanently stopped offering services at the closed
50.14 office location in a competitive bidding process.

50.15 (c) The commissioner must adopt rules to administer and enforce a competitive bidding
50.16 process to select a replacement deputy registrar. If the replacement deputy registrar elects
50.17 to not offer services at the office location of the prior registrar, Minnesota Rules, chapter
50.18 7406, governing the selection of a proposed office location of a driver's license agent,
50.19 applies.

50.20 **EFFECTIVE DATE.** This section is effective October 1, 2025.

50.21 Sec. 36. Minnesota Statutes 2022, section 168A.10, subdivision 2, is amended to read:

50.22 Subd. 2. **Application for new certificate.** Except as provided in section 168A.11, the
50.23 transferee ~~shall~~ must, within ~~ten~~ 20 calendar days after assignment to the transferee of the
50.24 vehicle title certificate, execute the application for a new certificate of title in the space
50.25 provided on the certificate, and cause the certificate of title to be mailed or delivered to the
50.26 department. Failure of the transferee to comply with this subdivision ~~shall result~~ results in
50.27 the suspension of the vehicle's registration under section 168.17.

50.28 **EFFECTIVE DATE.** This section is effective October 1, 2024, and applies to title
50.29 transfers on or after that date.

50.30 Sec. 37. Minnesota Statutes 2022, section 168A.11, subdivision 1, is amended to read:

50.31 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who
50.32 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring

51.1 the vehicle to another person, other than by the creation of a security interest, the dealer
51.2 ~~shall~~ must promptly execute the assignment and warranty of title by a dealer, showing the
51.3 names and addresses of the transferee and of any secured party holding a security interest
51.4 created or reserved at the time of the resale, and the date of the security agreement in the
51.5 spaces provided ~~therefor~~ on the certificate of title or secure reassignment.

51.6 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the
51.7 dealer need not register the vehicle but ~~shall~~ must pay one month's registration tax. If a
51.8 dealer elects to apply for a certificate of title on a vehicle held for resale, the ~~department~~
51.9 ~~shall~~ commissioner must not place any legend on the title that no motor vehicle sales tax
51.10 was paid by the dealer; but may indicate on the title whether the vehicle is a new or used
51.11 vehicle.

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

51.17 (d) The transferee ~~shall~~ must complete the application for title section on the certificate
51.18 of title or separate title application form prescribed by the ~~department~~ commissioner. The
51.19 dealer ~~shall~~ must mail or deliver the certificate to the ~~registrar~~ commissioner or deputy
51.20 registrar with the transferee's application for a new certificate and appropriate taxes and
51.21 fees, within ~~ten business days~~ the period specified under section 168A.10, subdivision 2.

51.22 (e) With respect to vehicles sold to buyers who will remove the vehicle from this state,
51.23 the dealer ~~shall~~ must remove any license plates from the vehicle, issue a 31-day temporary
51.24 permit pursuant to section 168.091, and notify the ~~registrar~~ commissioner within 48 hours
51.25 of the sale that the vehicle has been removed from this state. The notification must be made
51.26 in an electronic format prescribed by the ~~registrar~~ commissioner. The dealer may contract
51.27 with a deputy registrar for the notification of sale to an out-of-state buyer. The deputy
51.28 registrar may charge a fee of \$7 per transaction to provide this service.

51.29 **EFFECTIVE DATE.** This section is effective October 1, 2024, and applies to title
51.30 transfers on or after that date.

51.31 Sec. 38. Minnesota Statutes 2022, section 168A.11, subdivision 2, is amended to read:

51.32 Subd. 2. **Notification on vehicle held for resale; service fee.** Within 48 hours of
51.33 acquiring a vehicle titled and registered in Minnesota, a dealer ~~shall~~ must:

52.1 (1) notify the ~~registrar~~ commissioner that the dealership is holding the vehicle for resale.
52.2 The notification must be made electronically as prescribed by the ~~registrar~~ commissioner.
52.3 The dealer may contract this service to a deputy registrar and the registrar may charge a fee
52.4 of \$7 per transaction to provide this service; and

52.5 (2) remove any plates from the vehicle and dispose of them as prescribed by the
52.6 commissioner.

52.7 **EFFECTIVE DATE.** This section is effective October 1, 2024, for vehicles on or after
52.8 that date.

52.9 Sec. 39. Minnesota Statutes 2022, section 168B.035, subdivision 3, is amended to read:

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

52.12 (1) the vehicle has expired registration tabs that have been expired for less than 90 days;
52.13 ~~or~~

52.14 (2) the vehicle is at a parking meter on which the time has expired and the vehicle has
52.15 fewer than five unpaid parking tickets; or

52.16 (3) the vehicle is identified in conjunction with a citation to the vehicle owner or lessee
52.17 for (i) a violation under section 169.06, subdivision 10, or (ii) a violation under section
52.18 169.14, subdivision 13.

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

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

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

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

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

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

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

52.28 (7) the vehicle is parked in an area that has been posted for temporary restricted parking
52.29 (i) at least 12 hours in advance in a home rule charter or statutory city having a population
52.30 under 50,000, or (ii) at least 24 hours in advance in another political subdivision;

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

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

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

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

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

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

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

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

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

53.20 (17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section
53.21 168B.011, and subject to immediate removal under this chapter.

53.22 (c) A violation under section 169.06, subdivision 10, or 169.14, subdivision 13, is not
53.23 a traffic offense under paragraph (b), clause (13).

53.24 Sec. 40. Minnesota Statutes 2023 Supplement, section 169.011, subdivision 27, is amended
53.25 to read:

53.26 Subd. 27. **Electric-assisted bicycle.** (a) "Electric-assisted bicycle" means a bicycle with
53.27 two or three wheels that:

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

53.29 (2) meets the requirements for bicycles under Code of Federal Regulations, title 16, part
53.30 1512, or successor requirements;

54.1 (3) is equipped with an electric motor that has a power output of not more than 750
54.2 watts;

54.3 (4) meets the requirements of a class 1, class 2, ~~or~~ class 3, or multiple mode
54.4 electric-assisted bicycle; and

54.5 (5) has a battery or electric drive system that has been tested to an applicable safety
54.6 standard by a third-party testing laboratory.

54.7 (b) A vehicle is not an electric-assisted bicycle if it is designed, manufactured, or intended
54.8 by the manufacturer or seller to be configured or modified to not meet the requirements for
54.9 an electric-assisted bicycle or operate within the requirements for an electric-assisted bicycle
54.10 class.

54.11 (c) For purposes of this subdivision, "configured or modified" includes any of the
54.12 following changes:

54.13 (1) a mechanical switch or button;

54.14 (2) a modification or change to the electric motor or the electric drive system;

54.15 (3) the use of an application to increase or override the electric drive system; or

54.16 (4) through any other means represented or intended by the manufacturer or seller to
54.17 modify the vehicle to no longer meet the requirements or classification of an electric-assisted
54.18 bicycle.

54.19 Sec. 41. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
54.20 to read:

54.21 Subd. 45a. **Multiple mode electric-assisted bicycle.** "Multiple mode electric-assisted
54.22 bicycle" means an electric-assisted bicycle equipped with switchable or programmable
54.23 modes that provide for operation as two or more of a class 1, class 2, or class 3
54.24 electric-assisted bicycle in conformance with the definition and requirements under this
54.25 chapter for each respective class.

54.26 Sec. 42. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
54.27 to read:

54.28 Subd. 62b. **Red light camera system.** "Red light camera system" means an electronic
54.29 system of one or more cameras or other motor vehicle sensors that is specifically designed
54.30 to automatically produce recorded images of a motor vehicle operated in violation of a

55.1 traffic-control signal, including related information technology for recorded image storage,
55.2 retrieval, and transmission.

55.3 Sec. 43. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
55.4 to read:

55.5 Subd. 77a. **Speed safety camera system.** "Speed safety camera system" means an
55.6 electronic system of one or more cameras or other motor vehicle sensors that is specifically
55.7 designed to automatically produce recorded images of a motor vehicle operated in violation
55.8 of the speed limit, including related information technology for recorded image storage,
55.9 retrieval, and transmission.

55.10 Sec. 44. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
55.11 to read:

55.12 Subd. 85a. **Traffic safety camera system.** "Traffic safety camera system" means a red
55.13 light camera system, a speed safety camera system, or both in combination.

55.14 Sec. 45. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
55.15 to read:

55.16 Subd. 92b. **Vulnerable road user.** "Vulnerable road user" means a person in the
55.17 right-of-way of a highway, including but not limited to a bikeway and an adjacent sidewalk
55.18 or trail, who is:

55.19 (1) a pedestrian;

55.20 (2) on a bicycle, including an electric-assisted bicycle, or on another nonmotorized
55.21 vehicle or device;

55.22 (3) on an electric personal assistive mobility device;

55.23 (4) on an implement of husbandry; or

55.24 (5) riding an animal.

55.25 Vulnerable road user includes the operator and any passengers for a vehicle, device, or
55.26 personal conveyance identified in this subdivision.

56.1 Sec. 46. Minnesota Statutes 2022, section 169.04, is amended to read:

56.2 **169.04 LOCAL AUTHORITY.**

56.3 (a) The provisions of this chapter shall not be deemed to prevent local authorities, with
56.4 respect to streets and highways under their jurisdiction, and with the consent of the
56.5 commissioner, with respect to state trunk highways, within the corporate limits of a
56.6 municipality, or within the limits of a town in a county in this state now having or which
56.7 may hereafter have, a population of 500,000 or more, and a land area of not more than 600
56.8 square miles, and within the reasonable exercise of the police power from:

56.9 (1) regulating the standing or parking of vehicles;

56.10 (2) regulating traffic by means of police officers or traffic-control signals;

56.11 (3) regulating or prohibiting processions or assemblages on the highways;

56.12 (4) designating particular highways as one-way roadways and requiring that all vehicles,
56.13 except emergency vehicles, when on an emergency run, thereon be moved in one specific
56.14 direction;

56.15 (5) designating any highway as a through highway and requiring that all vehicles stop
56.16 before entering or crossing the same, or designating any intersection as a stop intersection,
56.17 and requiring all vehicles to stop at one or more entrances to such intersections;

56.18 (6) restricting the use of highways as authorized in sections 169.80 to 169.88;

56.19 (7) regulating speed limits through the use of a speed safety camera system implemented
56.20 under section 169.147; and

56.21 (8) regulating traffic control through the use of a red light camera system implemented
56.22 under section 169.147.

56.23 (b) No ordinance or regulation enacted under paragraph (a), clause (4), (5), or (6), shall
56.24 be effective until signs giving notice of such local traffic regulations are posted upon and
56.25 kept posted upon or at the entrance to the highway or part thereof affected as may be most
56.26 appropriate.

56.27 (c) No ordinance or regulation enacted under paragraph (a), clause (3), or any other
56.28 provision of law shall prohibit:

56.29 (1) the use of motorcycles or vehicles utilizing flashing red lights for the purpose of
56.30 escorting funeral processions, oversize buildings, heavy equipment, parades or similar
56.31 processions or assemblages on the highways; or

57.1 (2) the use of motorcycles or vehicles that are owned by the funeral home and that utilize
57.2 flashing red lights for the purpose of escorting funeral processions.

57.3 (d) Ordinances or regulations enacted under paragraph (a), clauses (7) and (8), are
57.4 effective after August 1, 2025, and before August 1, 2029.

57.5 Sec. 47. Minnesota Statutes 2022, section 169.06, is amended by adding a subdivision to
57.6 read:

57.7 Subd. 10. **Red light camera; penalty.** (a) Subject to subdivision 11, if a motor vehicle
57.8 is operated in violation of a traffic-control signal and the violation is identified through the
57.9 use of a red light camera system implemented under section 169.147, the owner of the
57.10 vehicle or the lessee of the vehicle is guilty of a petty misdemeanor and must pay a fine of
57.11 \$40.

57.12 (b) A person who commits a first offense under paragraph (a) must be given a warning
57.13 and is not subject to a fine or conviction under paragraph (a). A person who commits a
57.14 second offense under paragraph (a) is eligible for diversion, which must include a traffic
57.15 safety course established under section 169.147, subdivision 11. A person who enters
57.16 diversion and completes the traffic safety course is not subject to a fine or conviction under
57.17 paragraph (a).

57.18 (c) Paragraph (b) does not apply to:

57.19 (1) a violation that occurs in a commercial motor vehicle; or

57.20 (2) a violation committed by a holder of a class A, B, or C commercial driver's license
57.21 or commercial driver learner's permit, without regard to whether the violation was committed
57.22 in a commercial motor vehicle or another vehicle.

57.23 (d) This subdivision applies to violations committed on or after August 1, 2025, and
57.24 before August 1, 2029.

57.25 Sec. 48. Minnesota Statutes 2022, section 169.06, is amended by adding a subdivision to
57.26 read:

57.27 Subd. 11. **Red light camera; limitations.** (a) An owner or lessee of a motor vehicle is
57.28 not subject to a fine or conviction under subdivision 10 if any of the conditions under section
57.29 169.14, subdivision 14, paragraph (a), clauses (1) to (7), are met.

57.30 (b) The owner or lessee of a motor vehicle may not be issued a citation under subdivision
57.31 10 and under another subdivision in this section for the same conduct.

58.1 (c) A fine or conviction under subdivision 10 does not constitute grounds for revocation
58.2 or suspension of a person's driver's license.

58.3 (d) Except as provided in subdivision 10, paragraph (c), this subdivision applies to
58.4 violations committed on or after August 1, 2025, and before August 1, 2029.

58.5 Sec. 49. Minnesota Statutes 2022, section 169.14, subdivision 10, is amended to read:

58.6 **Subd. 10. Radar; speed-measuring device; standards of evidence.** (a) In any
58.7 prosecution in which the rate of speed of a motor vehicle is relevant, evidence of the speed
58.8 as indicated on radar or other speed-measuring device, including but not limited to a speed
58.9 safety camera system, is admissible in evidence, subject to the following conditions:

58.10 (1) the officer or traffic enforcement agent under section 169.147 operating the device
58.11 has sufficient training to properly operate the equipment;

58.12 (2) the officer or traffic enforcement agent testifies as to the manner in which the device
58.13 was set up and operated;

58.14 (3) the device was operated with minimal distortion or interference from outside sources;
58.15 and

58.16 (4) the device was tested by an accurate and reliable external mechanism, method, or
58.17 system at the time it was set up.

58.18 (b) Records of tests made of such devices and kept in the regular course of operations
58.19 of any law enforcement agency are admissible in evidence without further foundation as to
58.20 the results of the tests. The records shall be available to a defendant upon demand. Nothing
58.21 in this subdivision shall be construed to preclude or interfere with cross examination or
58.22 impeachment of evidence of the rate of speed as indicated on the radar or speed-measuring
58.23 device.

58.24 (c) Evidence from a speed safety camera system may be used solely for a citation or
58.25 prosecution for a violation under subdivision 13.

58.26 Sec. 50. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to
58.27 read:

58.28 **Subd. 13. Speed safety camera; penalty.** (a) Subject to subdivision 14, if a motor
58.29 vehicle is operated in violation of a speed limit and the violation is identified through the
58.30 use of a speed safety camera system implemented under section 169.147, the owner of the
58.31 vehicle or the lessee of the vehicle is guilty of a petty misdemeanor and must pay a fine of:

59.1 (1) \$40; or

59.2 (2) \$80, if the violation is for a speed at least 20 miles per hour in excess of the speed
59.3 limit.

59.4 (b) A person who commits a first offense under paragraph (a) must be given a warning
59.5 and is not subject to a fine or conviction under paragraph (a). A person who commits a
59.6 second offense under paragraph (a) is eligible for diversion, which must include a traffic
59.7 safety course established under section 169.147, subdivision 11. A person who enters
59.8 diversion and completes the traffic safety course is not subject to a fine or conviction under
59.9 paragraph (a).

59.10 (c) Paragraph (b) does not apply to:

59.11 (1) a violation that occurs in a commercial motor vehicle; or

59.12 (2) a violation committed by a holder of a class A, B, or C commercial driver's license
59.13 or commercial driver learner's permit, without regard to whether the violation was committed
59.14 in a commercial motor vehicle or another vehicle.

59.15 (d) This subdivision applies to violations committed on or after August 1, 2025, and
59.16 before August 1, 2029.

59.17 Sec. 51. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to
59.18 read:

59.19 Subd. 14. **Speed safety camera; limitations.** (a) An owner or lessee of a motor vehicle
59.20 is not subject to a fine or conviction under subdivision 13 if:

59.21 (1) the vehicle was stolen at the time of the violation;

59.22 (2) a transfer of interest in the vehicle in compliance with section 168A.10 was made
59.23 before the time of the violation;

59.24 (3) the vehicle owner is a lessor of the motor vehicle, and the lessor identifies the name
59.25 and address of the lessee;

59.26 (4) the vehicle is an authorized emergency vehicle operated in the performance of official
59.27 duties at the time of the violation;

59.28 (5) another person is convicted, within the meaning under section 171.01, subdivision
59.29 29, for the same violation;

59.30 (6) the vehicle owner provides a sworn statement to the court or prosecuting authority
59.31 that the owner was not operating the vehicle at the time of the violation; or

60.1 (7) the vehicle owner provides a sworn statement to the court or prosecuting authority
60.2 that the owner was operating the vehicle at the time of the violation under the circumstances
60.3 of a medical emergency for either the driver or a passenger in the vehicle.

60.4 (b) The owner or lessee of a motor vehicle may not be issued a citation under subdivision
60.5 13 and under another subdivision in this section for the same conduct.

60.6 (c) Except as provided in subdivision 13, paragraph (c), a fine or conviction under
60.7 subdivision 13 does not constitute grounds for revocation or suspension of a person's driver's
60.8 license.

60.9 (d) A vehicle owner asserting a defense under paragraph (a), clause (7), must provide
60.10 an accompanying sworn statement from the physician responsible for treatment of the
60.11 underlying condition or emergency that necessitated medical attention.

60.12 (e) This subdivision applies to violations committed on or after August 1, 2025, and
60.13 before August 1, 2029.

60.14 **Sec. 52. [169.147] TRAFFIC SAFETY CAMERA SYSTEM PILOT PROGRAM.**

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

60.17 (b) "Camera-based traffic enforcement" means enforcement of traffic control through
60.18 the use of a red light camera system, speed limits through the use of a speed safety camera
60.19 system, or both.

60.20 (c) "Commissioner" means the commissioner of transportation.

60.21 (d) "Commissioners" means the commissioner of transportation as the lead in coordination
60.22 with the commissioner of public safety.

60.23 (e) "Implementing authority" means either:

60.24 (1) the commissioners with respect to trunk highways for the work zone pilot program
60.25 provided under subdivision 17; or

60.26 (2) a local authority specified in paragraph (f) that implements the traffic safety camera
60.27 system pilot program.

60.28 (f) "Local authority" means either the city of Minneapolis or the city of Mendota Heights,
60.29 which are authorized to conduct the pilot program.

60.30 (g) "Monitoring site" means a location at which a traffic safety camera system is placed
60.31 and operated under this section.

61.1 (h) "Pilot program" means the traffic safety camera pilot program established in this
61.2 section.

61.3 (i) "Traffic enforcement agent" means a licensed peace officer or an employee of a local
61.4 authority who is designated as provided in this section.

61.5 Subd. 2. **Pilot program establishment.** (a) In conformance with this section, the
61.6 commissioner of transportation, in coordination with the commissioner of public safety,
61.7 must establish a traffic safety camera pilot program that provides for education and
61.8 enforcement of speeding violations, traffic-control signal violations, or both in conjunction
61.9 with use of traffic safety camera systems.

61.10 (b) The authority for camera-based traffic enforcement under the pilot program is limited
61.11 to August 1, 2025, to July 31, 2029.

61.12 (c) Only the following may implement camera-based traffic enforcement under the pilot
61.13 program:

61.14 (1) the commissioners, as provided under paragraph (d);

61.15 (2) the city of Minneapolis, as provided under paragraph (e); and

61.16 (3) the city of Mendota Heights.

61.17 (d) Under the pilot program, the commissioners must, beginning August 1, 2025,
61.18 commence enforcement of speeding violations in trunk highway work zones as specified
61.19 under subdivision 17.

61.20 (e) The city of Minneapolis is prohibited from implementing the pilot program or
61.21 camera-based traffic enforcement through or in substantive coordination with the city's
61.22 police department.

61.23 Subd. 3. **Local authority requirements.** Prior to implementation of camera-based traffic
61.24 enforcement, a local authority must:

61.25 (1) incorporate both camera-based traffic enforcement and additional strategies designed
61.26 to improve traffic safety in a local traffic safety action plan, transportation plan, or
61.27 comprehensive plan; and

61.28 (2) review and ensure compliance with the requirements under this section.

61.29 Subd. 4. **Traffic safety camera system requirements.** (a) By July 1, 2025, the
61.30 commissioners must establish traffic safety camera system standards that include:

61.31 (1) recording and data requirements as specified in subdivision 15;

62.1 (2) requirements for monitoring site signage in conformance with the requirements under
62.2 subdivision 5, paragraph (b), clause (3);

62.3 (3) procedures for traffic safety camera system placement in conformance with the
62.4 requirements under subdivision 6;

62.5 (4) training and qualification of individuals to inspect and calibrate a traffic safety camera
62.6 system;

62.7 (5) procedures for initial calibration of the traffic safety camera system prior to
62.8 deployment; and

62.9 (6) requirements for regular traffic safety camera system inspection and maintenance
62.10 by a qualified individual.

62.11 (b) Prior to establishing the standards under paragraph (a), the commissioners must
62.12 solicit review and comments and consider any comments received.

62.13 (c) An implementing authority must follow the requirements and standards established
62.14 under this subdivision.

62.15 Subd. 5. **Public engagement and notice.** (a) The commissioner and each implementing
62.16 authority must maintain information on their respective websites that, at a minimum:

62.17 (1) summarizes implementation of traffic safety camera systems under the pilot program;

62.18 (2) provides each camera system impact study performed by the implementing authority
62.19 under subdivision 6, paragraph (b);

62.20 (3) provides information and procedures for a person to contest a citation under the pilot
62.21 program; and

62.22 (4) identifies the enforcement locations under the pilot program.

62.23 (b) An implementing authority must:

62.24 (1) implement a general public engagement and information campaign prior to
62.25 commencing camera-based speed enforcement under the pilot program;

62.26 (2) perform public engagement as part of conducting a camera system impact study
62.27 under subdivision 6, paragraph (b); and

62.28 (3) place conspicuous signage prior to the motorist's arrival at each monitoring site,
62.29 which must:

62.30 (i) notify motor vehicle operators of the use of a traffic safety camera system to detect
62.31 violations; and

63.1 (ii) if a speed safety camera is in use, identify the speed limit.

63.2 (c) Public engagement under paragraph (b) must include but is not limited to:

63.3 (1) outreach to populations that are traditionally underrepresented in public policy or
63.4 planning processes;

63.5 (2) consolidation and analysis of public feedback; and

63.6 (3) creation of an engagement summary that identifies public feedback and the resulting
63.7 impacts on implementation of camera-based traffic enforcement.

63.8 Subd. 6. **Placement requirements.** (a) A local authority with fewer than 10,000 residents
63.9 may place no more than one traffic safety camera system, whether the camera system is
63.10 activated or inactive. A local authority with at least 10,000 residents may place no more
63.11 than one traffic safety camera system per 10,000 residents, whether the camera system is
63.12 activated or inactive. An implementing authority may move the location of a traffic safety
63.13 camera system if the placement requirements under this subdivision are met.

63.14 (b) An implementing authority may only place a traffic safety camera system in
63.15 conformance with the results of a camera system impact study. At a minimum, the study
63.16 must:

63.17 (1) include evaluation of crash rates and severity, vehicle speed, equity, and traffic safety
63.18 treatment alternatives;

63.19 (2) identify traffic safety camera system locations; and

63.20 (3) explain how the locations comply with the placement requirements under paragraph
63.21 (d).

63.22 (c) An implementing authority may only place a traffic safety camera system:

63.23 (1) in a trunk highway work zone; or

63.24 (2) at a location that:

63.25 (i) is within 2,000 feet of (A) a public or nonpublic school, (B) a school zone established
63.26 under section 169.14, subdivision 5a, or (C) a public or private postsecondary institution;

63.27 and

63.28 (ii) has an identified traffic safety concern, as indicated by crash or law enforcement
63.29 data, safety plans, or other documentation.

64.1 (d) An implementing authority that places more than one traffic safety camera system
64.2 must ensure that the cameras are placed in geographically distinct areas and in multiple
64.3 communities with differing socioeconomic conditions.

64.4 (e) An implementing authority may place a traffic safety camera system on a street or
64.5 highway that is not under its jurisdiction only upon approval by the road authority that has
64.6 jurisdiction.

64.7 Subd. 7. **Traffic-control devices.** (a) An implementing authority must not adjust the
64.8 change interval for the steady yellow indication in a traffic-control signal:

64.9 (1) for one month prior to beginning to operate a red light camera system at the associated
64.10 intersection; or

64.11 (2) during the period that the red light camera system is operated at the associated
64.12 intersection.

64.13 (b) The yellow change interval for a traffic-control signal that is subject to paragraph
64.14 (a) must meet or exceed the standards and guidance specified in the Manual on Uniform
64.15 Traffic Control Devices adopted under section 169.06, subdivision 1.

64.16 (c) An implementing authority that adjusts the yellow change interval for a traffic-control
64.17 signal at an intersection where a red light camera system is being operated must deactivate
64.18 the red light camera system and subsequently meet the requirements under paragraph (a).

64.19 Subd. 8. **Traffic enforcement agents.** (a) To meet the requirement established in
64.20 subdivision 2, paragraph (e), the city of Minneapolis must designate one or more permanent
64.21 employees of the authority, who is not a licensed peace officer, as a traffic enforcement
64.22 agent. An employee of a private entity may not be designated as a traffic enforcement agent.
64.23 A traffic enforcement agent who is not a licensed peace officer has the authority to issue
64.24 citations under this section only while engaged in job duties and otherwise has none of the
64.25 other powers and privileges reserved to peace officers.

64.26 (b) The city of Mendota Heights must designate a sworn peace officer as a traffic
64.27 enforcement agent.

64.28 (c) An implementing authority must ensure that a traffic enforcement agent is properly
64.29 trained in the use of equipment and the requirements governing traffic safety camera
64.30 implementation.

64.31 Subd. 9. **Citations; warnings.** (a) A traffic enforcement agent under the pilot program
64.32 has the exclusive authority to issue a citation to the owner or lessee of a motor vehicle for

65.1 (1) a violation under section 169.06, subdivision 10, and (2) a violation under section 169.14,
65.2 subdivision 13.

65.3 (b) A traffic enforcement agent may only issue a citation if:

65.4 (1) the violation is committed at least 30 days after the relevant implementing authority
65.5 has commenced camera-based traffic enforcement;

65.6 (2) with respect to speed limits, the speeding violation is at least ten miles per hour in
65.7 excess of the speed limit; and

65.8 (3) a traffic enforcement agent has inspected and verified recorded images provided by
65.9 the traffic safety camera system.

65.10 (c) An implementing authority must provide a warning for a traffic-control signal
65.11 violation under section 169.06, subdivision 10, or a speeding violation under section 169.14,
65.12 subdivision 13, for the period from (1) the date when camera-based traffic enforcement is
65.13 first commenced, to (2) the date when citations are authorized under paragraph (b), clause
65.14 (1).

65.15 (d) Notwithstanding section 169.022, an implementing authority may specify a speed
65.16 in excess of the speed limit that is higher than the amount specified in paragraph (b), clause
65.17 (2), at which to proceed with issuance of a citation.

65.18 (e) A citation may be issued through the United States mail if postmarked within: (1)
65.19 14 days of the violation for a vehicle registered in Minnesota; or (2) 30 days of the violation
65.20 for a vehicle registered outside of Minnesota. Section 168.346, subdivision 2, applies to a
65.21 private entity that provides citation mailing services under this section.

65.22 Subd. 10. **Uniform citation.** (a) There must be a uniform traffic safety camera citation
65.23 issued throughout the state by a traffic enforcement agent for a violation as provided under
65.24 this section. The uniform traffic safety camera citation is in the form and has the effect of
65.25 a summons and complaint.

65.26 (b) The commissioner of public safety must prescribe the detailed form of the uniform
65.27 traffic safety camera citation. As appropriate, the citation design must conform with the
65.28 requirements for a uniform traffic ticket under section 169.99, subdivisions 1 and 1d. The
65.29 citation design must include:

65.30 (1) a brief overview of the pilot program and implementation of traffic safety camera
65.31 systems;

66.1 (2) a summary of the circumstances of the citation that includes identification of the
66.2 motor vehicle involved, the date and time of the violation, and the location where the
66.3 violation occurred;

66.4 (3) copy of the recorded image or primary images used to identify a violation;

66.5 (4) a notification that the recorded images under clause (3) are evidence of a violation
66.6 under section 169.06, subdivision 10, or 169.14, subdivision 13;

66.7 (5) a statement signed by the traffic enforcement agent who issued the citation stating
66.8 that the agent has inspected the recorded images and determined that the violation occurred
66.9 in the specified motor vehicle;

66.10 (6) a summary of the limitations under sections 169.06, subdivision 11, and 169.14,
66.11 subdivision 14;

66.12 (7) notification that an owner is ineligible for diversion if the violation was committed
66.13 by a holder of a class A, B, or C commercial driver's license or commercial driver learner's
66.14 permit, without regard to whether the violation was committed in a commercial motor
66.15 vehicle or another vehicle;

66.16 (8) information on the diversion and traffic safety course eligibility and requirements
66.17 under sections 169.06, subdivision 10, paragraph (b), and 169.14, subdivision 13, paragraph
66.18 (b);

66.19 (9) the total amount of the fine imposed;

66.20 (10) a notification that the person has the right to contest the citation;

66.21 (11) information on the process and procedures for a person to contest the citation; and

66.22 (12) a statement that payment of the fine constitutes a plea of guilty and failure to appear
66.23 in court is considered a plea of guilty, as provided under section 169.91.

66.24 (c) The commissioner of public safety must make the information required under
66.25 paragraph (b) available in languages that are commonly spoken in the state and in each area
66.26 in which a local authority has implemented camera-based traffic enforcement.

66.27 Subd. 11. **Traffic safety course.** (a) The commissioners must establish a traffic safety
66.28 course that provides at least 30 minutes of instruction on speeding, traffic-control signals,
66.29 and other traffic safety topics. The curriculum must include safety risks associated with
66.30 speed and speeding in school zones and work zones.

66.31 (b) The commissioners must not impose a fee for an individual who is authorized to
66.32 attend the course under sections 169.06, subdivision 10, and 169.14, subdivision 13.

67.1 Subd. 12. **Third-party agreements.** (a) An implementing authority may enter into
67.2 agreements with a private entity for operations, services, or equipment under this section.
67.3 Payment under a contract with a private entity must not be based on the number of violations,
67.4 citations issued, or other similar means.

67.5 (b) An implementing authority that enters into a third-party agreement under this
67.6 subdivision must perform a data practices audit of the private entity to confirm compliance
67.7 with the requirements under subdivisions 14 to 16 and chapter 13. An audit must be
67.8 undertaken at least every other year.

67.9 Subd. 13. **Use of revenue.** (a) Revenue from citations received by an implementing
67.10 authority that is attributable to camera-based traffic enforcement must be allocated as follows:

67.11 (1) first as necessary to provide for implementation costs, which may include but are
67.12 not limited to procurement and installation of traffic safety camera systems, traffic safety
67.13 planning, and public engagement; and

67.14 (2) the remainder for traffic safety measures that perform traffic calming.

67.15 (b) The amount expended under paragraph (a), clause (2), must supplement and not
67.16 supplant existing expenditures for traffic safety.

67.17 Subd. 14. **Data practices; general requirements.** (a) All data collected by a traffic
67.18 safety camera system are private data on individuals as defined in section 13.02, subdivision
67.19 12, or nonpublic data as defined in section 13.02, subdivision 9, unless the data are public
67.20 under section 13.82, subdivision 2, 3, or 6, or are criminal investigative data under section
67.21 13.82, subdivision 7.

67.22 (b) An agreement with a private entity and an implementing authority pursuant to
67.23 subdivision 12 is subject to section 13.05, subdivisions 6 and 11.

67.24 (c) A private entity must use the data gathered under this section only for purposes of
67.25 camera-based traffic enforcement under the pilot program and must not share or disseminate
67.26 the data with an entity other than the appropriate implementing authority, except pursuant
67.27 to a court order. Nothing in this subdivision prevents a private entity from sharing or
67.28 disseminating summary data, as defined in section 13.02, subdivision 19.

67.29 (d) Traffic safety camera system data are not subject to subpoena, discovery, or admission
67.30 into evidence in any prosecution, civil action, or administrative process that is not taken
67.31 pursuant to section 169.06, subdivision 10, or 169.14, subdivision 13.

67.32 Subd. 15. **Data practices; traffic safety camera system.** A traffic safety camera system:

68.1 (1) is limited to collection of the following data:

68.2 (i) recorded video or images of the rear license plate of a motor vehicle;

68.3 (ii) recorded video or images of motor vehicles and areas surrounding the vehicles to
68.4 the extent necessary to (A) identify a violation of a traffic-control device, or (B) calculate
68.5 vehicle speeds;

68.6 (iii) date, time, and vehicle location that correlates to the data collected under item (i)
68.7 or (ii); and

68.8 (iv) general traffic data:

68.9 (A) collected specifically for purposes of pilot program analysis and evaluation;

68.10 (B) that does not include recorded video or images;

68.11 (C) in which individuals or unique vehicles are not identified; and

68.12 (D) from which an individual or unique vehicle is not ascertainable;

68.13 (2) must not record in a manner that makes any individual personally identifiable,
68.14 including but not limited to the motor vehicle operator or occupants; and

68.15 (3) may only record or retain the data specified in clause (1), items (i) to (iii), if the
68.16 traffic safety camera system identifies an appropriate potential violation for review by a
68.17 traffic enforcement agent.

68.18 **Subd. 16. Data practices; destruction of data.** (a) Notwithstanding section 138.17,
68.19 and except as otherwise provided in this subdivision, data collected by a traffic safety camera
68.20 system must be destroyed within 30 days of the date of collection unless the data are criminal
68.21 investigative data under section 13.82, subdivision 7, related to a violation of a traffic-control
68.22 signal or a speed limit.

68.23 (b) Upon written request to a law enforcement agency from an individual who is the
68.24 subject of a pending criminal charge or complaint, along with the case or complaint number
68.25 and a statement that the data may be used as exculpatory evidence, data otherwise subject
68.26 to destruction under paragraph (a) must be preserved by the law enforcement agency until
68.27 the charge or complaint is resolved or dismissed.

68.28 (c) Upon written request from a program participant under chapter 5B, data collected
68.29 by a traffic safety camera system related to the program participant must be destroyed at
68.30 the time of collection or upon receipt of the request, whichever occurs later, unless the data
68.31 are active criminal investigative data. The existence of a request submitted under this
68.32 paragraph is private data on individuals as defined in section 13.02, subdivision 12.

69.1 (d) Notwithstanding section 138.17, data collected by a traffic safety camera system
69.2 must be destroyed within three years of the resolution of a citation issued pursuant to this
69.3 section.

69.4 (e) The destruction requirements under this subdivision do not apply to: (1) general
69.5 traffic data as provided under subdivision 15, clause (1), item (iv); and (2) data that identifies
69.6 the number of warnings or citations issued to an individual under this section.

69.7 Subd. 17. **Work zone pilot project.** (a) By August 1, 2025, the commissioners must
69.8 implement a speed safety camera pilot project that provides for education of speeding
69.9 violations in conjunction with the development and study of the use of speed safety camera
69.10 systems.

69.11 (b) The commissioners must issue a warning for a violation of section 169.14, subdivision
69.12 13, captured by a speed safety camera system and must not impose any fine for a second
69.13 or subsequent violation.

69.14 (c) The warning issued by the commissioners must include easily understandable
69.15 information on speeding, traffic-control signals, and other safety risks associated with speed
69.16 and speeding in work zones.

69.17 (d) The commissioner must establish an implementation schedule that begins
69.18 commencement of camera-based traffic enforcement on at least two, but no more than four,
69.19 trunk highway work zone segments by August 1, 2025. The commissioners may select
69.20 different trunk highway work zones. The commissioners must conduct the work zone pilot
69.21 project in geographically diverse areas and must consider traffic patterns, work zone accident
69.22 rates, historic speed enforcement and citation rates, and other factors to study further
69.23 deployment of speed camera systems in additional work zones.

69.24 (e) By July 1, 2025, the commissioners of transportation and public safety must establish
69.25 standards, schedules, curricula, and requirements for camera-based traffic enforcement in
69.26 a trunk highway work zone.

69.27 (f) The authority for the work zone pilot project is limited to August 1, 2025, to July 31,
69.28 2029.

69.29 Subd. 18. **Exempt from rulemaking.** Rules adopted to implement this section are
69.30 exempt from rulemaking under chapter 14 and are not subject to exempt rulemaking
69.31 procedures under section 14.386.

69.32 Subd. 19. **Expiration.** This section expires July 31, 2029.

70.1 Sec. 53. Minnesota Statutes 2022, section 169.18, is amended by adding a subdivision to
70.2 read:

70.3 Subd. 13. **Impeding motorcycle.** An operator of a motor vehicle must not intentionally
70.4 impede or attempt to prevent the operation of a motorcycle when the motorcycle is operated
70.5 under the conditions specified in section 169.974, subdivision 5, paragraph (g).

70.6 **EFFECTIVE DATE.** This section is effective July 1, 2025, for violations committed
70.7 on or after that date.

70.8 Sec. 54. Minnesota Statutes 2022, section 169.21, subdivision 6, is amended to read:

70.9 Subd. 6. **Driver education curriculum; vulnerable road users.** The class ~~D~~ curriculum,
70.10 in addition to driver education classroom curriculum prescribed in rules of statutes for class
70.11 ~~D~~ motor vehicles, must include instruction on commissioner must adopt rules for persons
70.12 enrolled in driver education programs offered at public schools, private schools, and
70.13 commercial driver training schools to require inclusion of a section on vulnerable road users
70.14 in the course of instruction. The instruction must include information on:

70.15 (1) the rights and responsibilities of vulnerable road users, as defined in section 169.011,
70.16 subdivision 92b;

70.17 (2) the specific duties of a driver when encountering a bicycle, other nonmotorized
70.18 vehicles, or a pedestrian;

70.19 (3) safety risks for vulnerable road users and motorcyclists or other operators of two-
70.20 or three-wheeled vehicles; and

70.21 (4) best practices to minimize dangers and avoid collisions with vulnerable road users
70.22 and motorcyclists or other operators of two- or three-wheeled vehicles.

70.23 Sec. 55. Minnesota Statutes 2022, section 169.222, subdivision 2, is amended to read:

70.24 Subd. 2. **Manner and number riding.** ~~No bicycle, including a tandem bicycle, cargo~~
70.25 ~~or utility bicycle, or trailer, shall be used to carry more persons at one time than the number~~
70.26 ~~for which it is designed and equipped, except an adult rider may carry a child in a seat~~
70.27 ~~designed for carrying children that is securely attached to the bicycle.~~ (a) For purposes of
70.28 this subdivision, "bicycle" includes a tandem bicycle, electric-assisted bicycle, cargo or
70.29 utility bicycle, or trailer.

70.30 (b) No person may operate a bicycle while carrying more than the number of riders for
70.31 which the bicycle is designed or equipped.

71.1 (c) Notwithstanding paragraph (b), an adult bicycle operator may carry a child in a trailer
71.2 or seat designed for carrying children that is securely attached to a bicycle.

71.3 Sec. 56. Minnesota Statutes 2022, section 169.222, subdivision 6a, is amended to read:

71.4 Subd. 6a. **Electric-assisted bicycle; riding rules.** (a) A person may operate an
71.5 electric-assisted bicycle in the same manner as provided for operation of other bicycles,
71.6 including but not limited to operation on the shoulder of a roadway, a bicycle lane, and a
71.7 bicycle route, and operation without the motor engaged on a bikeway or bicycle trail.

71.8 (b) A person may operate a class 1 or class 2 electric-assisted bicycle with the motor
71.9 engaged on a bicycle path, bicycle trail, or shared use path unless prohibited under section
71.10 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2,
71.11 paragraph (b), as applicable.

71.12 (c) A person may operate a class 3 electric-assisted bicycle or multiple mode
71.13 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared
71.14 use path unless the local authority or state agency having jurisdiction over the bicycle path
71.15 or trail prohibits the operation.

71.16 (d) The local authority or state agency having jurisdiction over a trail or over a bike park
71.17 that is designated as nonmotorized and that has a natural surface tread made by clearing
71.18 and grading the native soil with no added surfacing materials may regulate the operation of
71.19 an electric-assisted bicycle.

71.20 (e) ~~No~~ A person under the age of 15 ~~shall~~ must not operate an electric-assisted bicycle.

71.21 Sec. 57. Minnesota Statutes 2022, section 169.222, subdivision 6b, is amended to read:

71.22 Subd. 6b. **Electric-assisted bicycle; equipment.** (a) The manufacturer or distributor of
71.23 an electric-assisted bicycle must apply a label to the bicycle that is permanently affixed in
71.24 a prominent location. The label must contain the ~~classification~~ class number, top assisted
71.25 speed, and motor wattage of the electric-assisted bicycle, and must be printed in a legible
71.26 font with at least 9-point type. A multiple mode electric-assisted bicycle must have labeling
71.27 that identifies the highest class or each of the electric-assisted bicycle classes in which it is
71.28 capable of operating.

71.29 (b) A person must not modify an electric-assisted bicycle to change the motor-powered
71.30 speed capability or motor engagement so that the bicycle no longer meets the requirements
71.31 for the applicable class, unless:

71.32 (1) the person replaces the label required in paragraph (a) with revised information; or

72.1 (2) for a vehicle that no longer meets the requirements for any electric-assisted bicycle
72.2 class, the person removes the labeling as an electric-assisted bicycle.

72.3 (c) An electric-assisted bicycle must operate in a manner so that the electric motor is
72.4 disengaged or ceases to function ~~when the rider stops pedaling or:~~ (1) when the brakes are
72.5 applied; or (2) except for a class 2 electric-assisted bicycle or a multiple mode
72.6 electric-assisted bicycle operating in class 2 mode, when the rider stops pedaling.

72.7 (d) A class 3 electric-assisted bicycle or multiple mode electric-assisted bicycle must
72.8 be equipped with a speedometer that displays the speed at which the bicycle is traveling in
72.9 miles per hour.

72.10 (e) A multiple mode electric-assisted bicycle equipped with a throttle must not be capable
72.11 of exceeding 20 miles per hour on motorized propulsion alone in any mode when the throttle
72.12 is engaged.

72.13 Sec. 58. Minnesota Statutes 2023 Supplement, section 169.223, subdivision 4, is amended
72.14 to read:

72.15 Subd. 4. **Headlight requirement.** The provisions of section 169.974, subdivision 5,
72.16 paragraph ~~(j)~~ (k), apply to motorized bicycles that are equipped with headlights. A new
72.17 motorized bicycle sold or offered for sale in Minnesota must be equipped with a headlight.

72.18 **EFFECTIVE DATE.** This section is effective July 1, 2025.

72.19 Sec. 59. Minnesota Statutes 2022, section 169.346, subdivision 2, is amended to read:

72.20 Subd. 2. **Disability parking space signs.** (a) Parking spaces reserved for physically
72.21 disabled persons must be designated and identified by the posting of signs incorporating
72.22 the international symbol of access in white on blue and indicating that violators are subject
72.23 to a fine of up to \$200. These parking spaces are reserved for disabled persons with motor
72.24 vehicles displaying the required certificate, plates, permit valid for 30 days, or insignia.

72.25 (b) For purposes of this subdivision, a parking space that is clearly identified as reserved
72.26 for physically disabled persons by a permanently posted sign that does not meet all design
72.27 standards, is considered designated and reserved for physically disabled persons. A sign
72.28 posted for the purpose of this section must be visible from inside a motor vehicle parked in
72.29 the space, be kept clear of snow or other obstructions which block its visibility, and be
72.30 nonmovable.

72.31 (c) By August 1, 2024, the Minnesota Council on Disability must select and propose a
72.32 statewide uniform disability parking space sign that is consistent with the Americans with

73.1 Disabilities Act. The selected and proposed sign must not display any variation of the word
73.2 "handicapped." As part of selecting and proposing a statewide uniform disability parking
73.3 space sign, the Minnesota Council on Disability may encourage owners or managers of
73.4 property to replace existing disability parking space signs at the owner's earliest opportunity
73.5 once the sign is made available for distribution.

73.6 (d) Beginning on August 1, 2025, an applicable owner or manager of property on which
73.7 a disability parking sign may be located must install and display the new uniform disability
73.8 parking sign required in paragraph (c) at:

73.9 (1) newly created on-site parking facilities; and

73.10 (2) existing on-site parking facilities when the manager or owner replaces existing
73.11 disability parking space signs.

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

73.13 Sec. 60. **[169.515] LIGHTS ON GRANT PROGRAM.**

73.14 Subdivision 1. **Definition.** For purposes of this section, "high poverty area" means a
73.15 census tract as reported in the most recently completed decennial census published by the
73.16 United States Bureau of the Census that has a poverty area rate of at least 20 percent or in
73.17 which the median family income does not exceed 80 percent of the greater of the statewide
73.18 or metropolitan median family income.

73.19 Subd. 2. **Grant program established.** The Lights On grant program is established under
73.20 this section to provide drivers on Minnesota roads with vouchers of up to \$250 to use at
73.21 participating auto repair shops to repair or replace broken or malfunctioning lighting
73.22 equipment required under sections 169.49 to 169.51.

73.23 Subd. 3. **Eligibility.** Counties, cities, towns, the State Patrol, and local law enforcement
73.24 agencies, including law enforcement agencies of a federally recognized Tribe, as defined
73.25 in United States Code, title 25, section 5304(e), are eligible to apply for grants under this
73.26 section.

73.27 Subd. 4. **Application.** (a) The commissioner of public safety must develop application
73.28 materials and procedures for the Lights On grant program.

73.29 (b) The application must describe the type or types of intended vouchers, the amount of
73.30 money requested, and any other information deemed necessary by the commissioner.

73.31 (c) Applicants must submit an application under this section in the form and manner
73.32 prescribed by the commissioner.

74.1 (d) Applicants must describe how grant money will be used to provide and distribute
74.2 vouchers to drivers.

74.3 Subd. 5. Use of grant award. (a) Applicants must keep records of vouchers distributed
74.4 and records of all expenses associated with awarded grant money.

74.5 (b) Applicants must not use awarded grant money for administrative costs. A nonstate
74.6 organization that contracts with the commissioner to operate the program must not retain
74.7 any of the grant money for administrative costs.

74.8 Subd. 6. Vouchers. (a) An applicant must not distribute more than one voucher per
74.9 motor vehicle in a 90-day period.

74.10 (b) A voucher that is distributed to a driver must contain the following information:

74.11 (1) the motor vehicle license plate number;

74.12 (2) the date of issuance; and

74.13 (3) the badge number of the peace officer distributing the voucher.

74.14 Subd. 7. Grant criteria. Preference for grant awards must be given to applicants whose
74.15 proposals provide resources and vouchers to individuals residing in geographic areas that
74.16 (1) have higher crash rates or higher numbers of tickets issued for broken or malfunctioning
74.17 lighting equipment, or (2) are high poverty areas.

74.18 Subd. 8. Reporting. (a) By February 1 each year, grant recipients must submit a report
74.19 to the commissioner itemizing all expenditures made using grant money during the previous
74.20 calendar year, the purpose of each expenditure, and the disposition of each contact made
74.21 with drivers with malfunctioning or broken lighting equipment. The report must be in the
74.22 form and manner prescribed by the commissioner.

74.23 (b) By March 15 each year, the commissioner must submit a report to the chairs and
74.24 ranking minority members of the legislative committees with jurisdiction over transportation
74.25 policy and finance. The report must list, for the previous calendar year:

74.26 (1) the participating grant recipients and the total number and dollar amount of vouchers
74.27 that each grant recipient distributed; and

74.28 (2) the participating auto repair shops and the total number and dollar amount of vouchers
74.29 that each received.

74.30 Grant recipients and any program organization contracted by the commissioner must provide
74.31 information as requested by the commissioner to complete the report required under this
74.32 paragraph.

75.1 Sec. 61. Minnesota Statutes 2022, section 169.974, subdivision 5, is amended to read:

75.2 Subd. 5. **Driving rules.** (a) An operator of a motorcycle must ride only upon a permanent
75.3 and regular seat which is attached to the vehicle for that purpose. No other person ~~shall~~ may
75.4 ride on a motorcycle, except that passengers may ride (1) upon a permanent and regular
75.5 operator's seat if designed for two persons, (2) upon additional seats attached to or in the
75.6 vehicle, or (3) in a sidecar attached to the vehicle. The operator of a motorcycle is prohibited
75.7 from carrying passengers in a number in excess of the designed capacity of the motorcycle
75.8 or sidecar attached to it. A passenger is prohibited from being carried in a position that
75.9 interferes with the safe operation of the motorcycle or the view of the operator.

75.10 (b) No person ~~shall~~ may ride upon a motorcycle as a passenger unless the person can
75.11 reach the footrests or floorboards with both feet.

75.12 (c) Except for passengers of sidecars, drivers and passengers of three-wheeled
75.13 motorcycles, and persons in an autocycle, no person ~~shall~~ may operate or ride upon a
75.14 motorcycle except while sitting astride the seat, facing forward, with one leg on either side
75.15 of the motorcycle.

75.16 (d) No person ~~shall~~ may operate a motorcycle while carrying animals, packages, bundles,
75.17 or other cargo ~~which~~ that prevent the person from keeping both hands on the handlebars.

75.18 ~~(e) No person shall operate a motorcycle between lanes of moving or stationary vehicles~~
75.19 ~~headed in the same direction, nor shall any person drive a motorcycle abreast of or overtake~~
75.20 ~~or pass another vehicle within the same traffic lane.~~ Motorcycles may, with the consent of
75.21 both drivers, be operated not more than two abreast in a single traffic lane if the vehicles
75.22 fit safely within the designated space of the lane.

75.23 (f) Except under the conditions specified in paragraph (g), no person may operate a
75.24 motorcycle:

75.25 (1) between lanes of moving or stationary vehicles headed in the same direction of travel;

75.26 (2) abreast of moving or stationary vehicles within the same traffic lane; or

75.27 (3) to overtake or pass another vehicle within the same traffic lane.

75.28 (g) A person may operate a motorcycle and overtake and pass another vehicle in the
75.29 same direction of travel and within the same traffic lane if the motorcycle is operated:

75.30 (1) at not more than 25 miles per hour; and

75.31 (2) no more than 15 miles per hour over the speed of traffic in the relevant traffic lanes.

76.1 (h) Motor vehicles including motorcycles are entitled to the full use of a traffic lane and
76.2 no motor vehicle may be driven or operated in a manner so as to deprive a motorcycle of
76.3 the full use of a traffic lane.

76.4 ~~(g)~~ (i) A person operating a motorcycle upon a roadway must be granted the rights and
76.5 is subject to the duties applicable to a motor vehicle as provided by law, except as to those
76.6 provisions which by their nature can have no application.

76.7 ~~(h) Paragraph (e)~~ (j) Paragraphs (e) and (f) of this subdivision ~~does~~ do not apply to police
76.8 officers in the performance of their official duties.

76.9 ~~(i)~~ (k) No person ~~shall~~ may operate a motorcycle on a street or highway unless the
76.10 headlight or headlights are lighted at all times the motorcycle is so operated.

76.11 ~~(j)~~ (l) A person parking a motorcycle on the roadway of a street or highway must:

76.12 (1) if parking in a marked parking space, park the motorcycle completely within the
76.13 marked space; and

76.14 (2) park the motorcycle in such a way that the front of the motorcycle is pointed or
76.15 angled toward the nearest lane of traffic to the extent practicable and necessary to allow the
76.16 operator to (i) view any traffic in both directions of the street or highway without having
76.17 to move the motorcycle into a lane of traffic and without losing balance or control of the
76.18 motorcycle, and (ii) ride the motorcycle forward and directly into a lane of traffic when the
76.19 lane is sufficiently clear of traffic.

76.20 **EFFECTIVE DATE.** This section is effective July 1, 2025.

76.21 Sec. 62. Minnesota Statutes 2022, section 169.99, subdivision 1, is amended to read:

76.22 Subdivision 1. **Form.** (a) Except as provided in subdivision 3; section 169.147,
76.23 subdivision 8; and section 169.999, subdivision 3, there shall be a uniform ticket issued
76.24 throughout the state by the police and peace officers or by any other person for violations
76.25 of this chapter and ordinances in conformity thereto. Such uniform traffic ticket shall be in
76.26 the form and have the effect of a summons and complaint. Except as provided in paragraph
76.27 (b), the uniform ticket shall state that if the defendant fails to appear in court in response to
76.28 the ticket, an arrest warrant may be issued. The uniform traffic ticket shall consist of four
76.29 parts, on paper sensitized so that copies may be made without the use of carbon paper, as
76.30 follows:

76.31 (1) the complaint, with reverse side for officer's notes for testifying in court, driver's
76.32 past record, and court's action, printed on white paper;

77.1 (2) the abstract of court record for the Department of Public Safety, which shall be a
77.2 copy of the complaint with the certificate of conviction on the reverse side, printed on yellow
77.3 paper;

77.4 (3) the police record, which shall be a copy of the complaint and of the reverse side of
77.5 copy (1), printed on pink paper; and

77.6 (4) the summons, with, on the reverse side, such information as the court may wish to
77.7 give concerning the Traffic Violations Bureau, and a plea of guilty and waiver, printed on
77.8 off-white tag stock.

77.9 (b) If the offense is a petty misdemeanor, the uniform ticket must state that a failure to
77.10 appear will be considered a plea of guilty and waiver of the right to trial, unless the failure
77.11 to appear is due to circumstances beyond the person's control.

77.12 **EFFECTIVE DATE.** This section is effective August 1, 2025, and expires August 1,
77.13 2029.

77.14 Sec. 63. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to
77.15 read:

77.16 Subd. 45c. **Residence address and permanent mailing address.** "Residence address"
77.17 and "permanent mailing address" mean, for purposes of a driver's license or Minnesota
77.18 identification card, the postal address of the permanent domicile within this state where an
77.19 individual:

77.20 (1) resides;

77.21 (2) intends to reside within 30 calendar days after the date of application; or

77.22 (3) intends to return whenever absent.

77.23 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
77.24 after that date.

77.25 Sec. 64. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to
77.26 read:

77.27 Subd. 48e. **Temporary mailing address.** "Temporary mailing address" means the
77.28 mailing address of any place where a person regularly or occasionally stays and may receive
77.29 mail in their name other than the person's residence address. A temporary mailing address
77.30 does not include the designated address under section 5B.05.

78.1 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
78.2 after that date.

78.3 Sec. 65. Minnesota Statutes 2023 Supplement, section 171.06, subdivision 3, is amended
78.4 to read:

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

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

78.8 (2) as may be required by the commissioner, contain a description of the applicant and
78.9 any other facts pertaining to the applicant, the applicant's driving privileges, and the
78.10 applicant's ability to operate a motor vehicle with safety;

78.11 (3) state:

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

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

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

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

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

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

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

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

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

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

78.28 (vii) indicate a temporary mailing address separate from the applicant's residence address
78.29 listed on the identification card or license; and

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

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

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

79.3 (2) for driver's licenses and Minnesota identification cards that meet all requirements of
79.4 the REAL ID Act:

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

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

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

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

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

79.13 (2) a photographic identity document.

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

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

79.25 (f) If an applicant designates a temporary mailing address under paragraph (a), clause
79.26 (5), item (vii), the commissioner must use the temporary mailing address in lieu of the
79.27 applicant's residence address for delivery of the driver's license or identification card. The
79.28 commissioner must send all other correspondence to the applicant's residence address.
79.29 Nothing in this paragraph or paragraph (a), clause (5), item (vii), may be construed to modify
79.30 or remove proof of residency requirements at the time of application for an initial driver's
79.31 permit, driver's license, or identification card.

80.1 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
80.2 after that date.

80.3 Sec. 66. Minnesota Statutes 2022, section 171.06, subdivision 3b, is amended to read:

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

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

80.9 (1) each available type of driver's license and Minnesota identification card, including
80.10 a noncompliant license or identification card, an enhanced driver's license, and an enhanced
80.11 identification card;

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

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

80.16 (c) The commissioner must ensure that the summary information is available to driver's
80.17 license and identification card applicants. Renewal notifications mailed to driver's license
80.18 and identification card holders must include the website address that displays the summary
80.19 information.

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

80.23 (e) If the applicant does not indicate a desire to make an anatomical gift when the
80.24 application is made, the applicant must be offered a donor document in accordance with
80.25 section 171.07, subdivision 5. The application must contain statements sufficient to comply
80.26 with the requirements of the Darlene Luther Revised Uniform Anatomical Gift Act, chapter
80.27 525A, so that execution of the application or donor document will make the anatomical gift
80.28 as provided in section 171.07, subdivision 5, for those indicating a desire to make an
80.29 anatomical gift. The application must be accompanied by information describing Minnesota
80.30 laws regarding anatomical gifts and the need for and benefits of anatomical gifts, and the
80.31 legal implications of making an anatomical gift, including the law governing revocation of
80.32 anatomical gifts. The commissioner shall distribute a notice that must accompany all
80.33 applications for and renewals of a driver's license or Minnesota identification card. The

81.1 notice must be prepared in conjunction with a Minnesota organ procurement organization
81.2 that is certified by the federal Department of Health and Human Services and must include:

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

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

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

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

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

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

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

81.16 (g) The commissioner must provide information on the department's website about the
81.17 option for an applicant to designate a temporary mailing address. The information on the
81.18 department's website must:

81.19 (1) be easily accessible and address frequently asked questions;

81.20 (2) detail the department's requirements for the use of a temporary mailing address;

81.21 (3) compare the use of a temporary mailing address to the use of an applicant's residence
81.22 address; and

81.23 (4) clarify that a driver's license or identification card will not be delivered to a forwarded
81.24 mail address.

81.25 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
81.26 after that date.

81.27 Sec. 67. Minnesota Statutes 2022, section 171.061, is amended by adding a subdivision
81.28 to read:

81.29 Subd. 5a. **Competitive bidding.** (a) Notwithstanding any statute or rule to the contrary,
81.30 if a driver's license agent appointed under this section permanently stops offering services
81.31 at the approved office location and permanently closes the approved office location, the

82.1 commissioner must use a competitive bidding process for the appointment of a replacement
82.2 driver's license agent. If available, the replacement driver's license agent appointed by the
82.3 commissioner under this section must continue to offer services at the approved office
82.4 location. If the existing office location is not available to the replacement driver's license
82.5 agent, the replacement office location must be at a location that must be approved by the
82.6 commissioner and must serve a similar service area as the existing office location.

82.7 (b) The commissioner must not give a preference to a partner, owner, manager, or
82.8 employee of the driver's license agent that has permanently stopped offering services at the
82.9 closed office location in a competitive bidding process.

82.10 (c) The commissioner must adopt rules to administer and enforce a competitive bidding
82.11 process to select a replacement driver's license agent. If the replacement driver's license
82.12 agent elects to not offer services at the office location of the prior agent, Minnesota Rules,
82.13 chapter 7404, governing the selection of a proposed office location of a driver's license
82.14 agent, applies.

82.15 **EFFECTIVE DATE.** This section is effective October 1, 2025.

82.16 Sec. 68. Minnesota Statutes 2023 Supplement, section 171.0705, subdivision 2, is amended
82.17 to read:

82.18 Subd. 2. **Driver's manual; ~~bicycle traffic~~ vulnerable road users.** The commissioner
82.19 ~~shall~~ must include in ~~each edition~~ of the driver's manual published by the department a
82.20 section relating to vulnerable road users and motorcyclists or operators of two- or
82.21 three-wheeled vehicles that, at a minimum, includes:

82.22 (1) bicycle traffic laws, including any changes in the law which affect bicycle traffic;

82.23 (2) traffic laws related to pedestrians and pedestrian safety; and

82.24 (3) traffic laws related to motorcycles, autocycles, motorized bicycles, motorized foot
82.25 scooters, and electric personal assistive mobility devices.

82.26 **EFFECTIVE DATE.** This section is effective the day following final enactment and
82.27 applies to each edition of the manual published on or after that date.

83.1 Sec. 69. Minnesota Statutes 2022, section 171.12, is amended by adding a subdivision to
83.2 read:

83.3 Subd. 6a. **Driving record; traffic safety camera system.** (a) Except as provided in
83.4 paragraph (b), the commissioner must not record on an individual's driving record any
83.5 violation of:

83.6 (1) a traffic-control signal under section 169.06, subdivision 10; or

83.7 (2) a speed limit under section 169.14, subdivision 13.

83.8 (b) This subdivision does not apply to:

83.9 (1) a violation that occurs in a commercial motor vehicle; or

83.10 (2) a violation committed by a holder of a class A, B, or C commercial driver's license
83.11 or commercial driver learner's permit, without regard to whether the violation was committed
83.12 in a commercial motor vehicle or another vehicle.

83.13 (c) This subdivision applies to violations committed on or after August 1, 2025, and
83.14 before August 1, 2029.

83.15 Sec. 70. Minnesota Statutes 2022, section 171.13, subdivision 9, is amended to read:

83.16 Subd. 9. **Online driver's license knowledge testing authorization.** (a) The commissioner
83.17 must implement online knowledge testing as provided in this subdivision. The commissioner
83.18 must not charge a fee to a driver education program or an authorized entity for access to
83.19 the online knowledge testing system or for administering the online knowledge test. ~~The~~
83.20 ~~commissioner must administer the fourth or subsequent knowledge test for a person.~~

83.21 (b) Upon written request from a driver education program licensed by the department,
83.22 the commissioner must grant access to the department's web-based knowledge testing system
83.23 to the driver education program. Once granted access to the online knowledge testing system,
83.24 a driver education program may administer the online knowledge test to a student of the
83.25 program.

83.26 (c) An entity other than a driver education program may apply to the commissioner for
83.27 authority to administer online knowledge tests. The commissioner may approve or disapprove
83.28 an application for administering the online knowledge tests under this paragraph. Upon
83.29 approving an application of an entity, the commissioner must grant access to the department's
83.30 web-based knowledge testing system to that authorized entity. Once granted access to the
83.31 online knowledge testing system, the authorized entity may administer the online knowledge
83.32 test.

- 84.1 (d) A driver education program or authorized entity:
- 84.2 (1) must provide all computers and equipment for persons that take the online knowledge
- 84.3 test;
- 84.4 (2) must provide appropriate proctors to monitor persons taking the online knowledge
- 84.5 test; and
- 84.6 (3) may charge a fee of no more than \$10 for administering the online knowledge test.
- 84.7 (e) For purposes of paragraph (d), clause (2), a proctor must be:
- 84.8 (1) an employee of the driver education program, authorized entity, or a state or local
- 84.9 government;
- 84.10 (2) a driver's license agent; or
- 84.11 (3) a classroom teacher, school administrator, or paraprofessional at a public or private
- 84.12 school, excluding a home school.
- 84.13 The proctor must be physically present at the location where the test is being administered.
- 84.14 A proctor must not be a relative of the person taking the test. For purposes of this paragraph,
- 84.15 a relative is a spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
- 84.16 including adoptive, half, step, and in-law relationships.
- 84.17 **EFFECTIVE DATE.** This section is effective August 1, 2025.
- 84.18 Sec. 71. Minnesota Statutes 2022, section 171.16, subdivision 3, is amended to read:
- 84.19 Subd. 3. **Failure to pay fine.** The commissioner is prohibited from suspending a person's
- 84.20 driver's license based solely on the fact that a person:
- 84.21 (1) has been convicted of:
- 84.22 (i) violating a law of this state or an ordinance of a political subdivision which regulates
- 84.23 the operation or parking of motor vehicles;
- 84.24 (ii) a violation under section 169.06, subdivision 10; or
- 84.25 (iii) a violation under section 169.14, subdivision 13;
- 84.26 (2) has been sentenced to the payment of a fine or had a surcharge levied against that
- 84.27 person, or sentenced to a fine upon which a surcharge was levied; and
- 84.28 (3) has refused or failed to comply with that sentence or to pay the surcharge.

85.1 Sec. 72. Minnesota Statutes 2023 Supplement, section 171.301, subdivision 3, is amended
85.2 to read:

85.3 Subd. 3. **Fees prohibited.** (a) For a reintegration driver's license under this section:

85.4 (1) the commissioner must not impose:

85.5 (i) a fee, surcharge, or filing fee under section 171.06, subdivision 2; ~~or~~

85.6 (ii) a reinstatement fee under sections 171.20, subdivision 4, and 171.29, subdivision 2;

85.7 or

85.8 (iii) an endorsement fee under section 171.06, subdivision 2a; and

85.9 (2) a driver's license agent must not impose a filing fee under section 171.061, subdivision
85.10 4.

85.11 (b) Issuance of a reintegration driver's license does not forgive or otherwise discharge
85.12 any unpaid fees or fines.

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

85.14 Sec. 73. Minnesota Statutes 2023 Supplement, section 171.301, subdivision 6, is amended
85.15 to read:

85.16 Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule
85.17 to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license
85.18 to a person who possesses a reintegration driver's license if:

85.19 (1) the person has possessed the reintegration driver's license for at least one full year;

85.20 (2) the reintegration driver's license has not been canceled under subdivision 4 and has
85.21 not expired under subdivision 5;

85.22 (3) the person meets the application requirements under section 171.06, including payment
85.23 of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and
85.24 2a, and 171.061, subdivision 4; and

85.25 (4) issuance of the license does not conflict with the requirements of the nonresident
85.26 violator compact.

85.27 (b) The commissioner must forgive any outstanding balance due on a reinstatement fee
85.28 or surcharge under ~~section~~ sections 171.20, subdivision 4, and 171.29, subdivision 2, for a
85.29 person who is eligible and applies for a license under paragraph (a).

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

86.1 Sec. 74. Minnesota Statutes 2022, section 174.02, is amended by adding a subdivision to
86.2 read:

86.3 Subd. 11. **Tribal worksite training program.** The commissioner must establish a Tribal
86.4 worksite training program for state-funded construction projects. The commissioner may
86.5 enter into an agreement with any private, public, or Tribal entity for the planning, designing,
86.6 developing, and hosting of the program. The commissioner must not use trunk highway
86.7 funds for the worksite training program if the state-funded construction project is not a
86.8 highway construction project.

86.9 Sec. 75. Minnesota Statutes 2022, section 174.185, subdivision 2, is amended to read:

86.10 Subd. 2. **Required analysis.** For each project in the reconditioning, resurfacing, and
86.11 road repair funding categories, the commissioner ~~shall~~ must perform a life-cycle cost analysis
86.12 and ~~shall~~ document the lowest life-cycle costs and all alternatives considered. The
86.13 commissioner ~~shall~~ must document the chosen pavement strategy and, if the lowest life
86.14 cycle is not selected, document the justification for the chosen strategy. ~~A life-cycle cost~~
86.15 ~~analysis is required for projects to be constructed after July 1, 2011.~~

86.16 Sec. 76. Minnesota Statutes 2022, section 174.185, is amended by adding a subdivision
86.17 to read:

86.18 Subd. 2a. **Review and collaboration.** (a) Before finalizing a pavement selection, the
86.19 commissioner must post a draft of the life-cycle cost analysis and the draft pavement selection
86.20 on the department's Office of Materials and Road Research website for 21 days. During
86.21 this period, the commissioner must allow industry association representatives to submit
86.22 questions and comments. The commissioner must collaborate with the person who submitted
86.23 the question or comment, where necessary, to ensure the commissioner fully understands
86.24 the question or comment. The commissioner must respond to each question or comment in
86.25 writing, which must include a description of any associated changes that will be made to
86.26 the life-cycle cost analysis.

86.27 (b) After the review period under paragraph (a) closes, the commissioner may make
86.28 revisions, when deemed appropriate, to the life-cycle cost analysis in response to questions
86.29 or comments received. If the commissioner revises the type of pavement from concrete to
86.30 asphalt or from asphalt to concrete, the commissioner must post the revised life-cycle cost
86.31 analysis for review in accordance with the requirements under paragraph (a).

86.32 **EFFECTIVE DATE.** This section is effective July 1, 2025.

87.1 Sec. 77. Minnesota Statutes 2022, section 174.185, is amended by adding a subdivision
87.2 to read:

87.3 Subd. 2b. **Selection.** (a) After the review period required in subdivision 2a and any
87.4 subsequent changes to the analysis, the commissioner must select the pavement strategy
87.5 and prepare a document of justification. At a minimum, the document of justification must:

87.6 (1) explain why the pavement strategy was selected;

87.7 (2) if the lowest life-cycle cost is not selected, justify why a strategy with a higher
87.8 life-cycle cost was selected; and

87.9 (3) include all questions and comments received during the review period and the
87.10 commissioner's responses to each.

87.11 (b) The commissioner must submit the analysis and document of justification to a licensed
87.12 professional engineer for review. A life-cycle cost analysis is not considered final until it
87.13 is certified and signed by a licensed professional engineer as provided by Minnesota Rules,
87.14 part 1800.4200.

87.15 (c) For all projects that began construction on or after January 1, 2024, the commissioner
87.16 must store all life-cycle cost analyses and documents of justification on the department's
87.17 website in a manner that allows the public to easily access the documents.

87.18 (d) After completing the certification and signature requirements in paragraph (b) and
87.19 the posting requirements in paragraph (c), the commissioner may advance the project to
87.20 substantial plan development.

87.21 (e) For purposes of this subdivision, "substantial plan development" means the point in
87.22 time during the plan development process after which any further activities would preclude
87.23 any of the feasible pavement alternatives from being selected or constructed.

87.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

87.25 Sec. 78. Minnesota Statutes 2022, section 174.185, subdivision 3, is amended to read:

87.26 Subd. 3. **Report.** By January 31 of each year, the commissioner ~~shall~~ must report ~~annually~~
87.27 to the chairs and ranking minority members of the ~~senate and house of representatives~~
87.28 legislative committees with jurisdiction over transportation policy and finance on life-cycle
87.29 cost analyses conducted under this section. At a minimum, the report must include
87.30 information on the results of the analyses ~~required in~~ under subdivision 2, the public review
87.31 under subdivision 2a, and the final selection and document of justification under subdivision
87.32 2b.

88.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

88.2 Sec. 79. Minnesota Statutes 2022, section 174.40, subdivision 3, is amended to read:

88.3 Subd. 3. **Safe routes to school accounts.** (a) A safe routes to school account is established
88.4 in the bond proceeds fund. The account consists of state bond proceeds appropriated to the
88.5 commissioner. Money in the account may only be expended on bond-eligible costs of a
88.6 project receiving financial assistance as provided under this section. All uses of funds from
88.7 the account must be for publicly owned property.

88.8 (b) A safe routes to school account is established in the ~~general~~ special revenue fund.
88.9 The account consists of funds as provided by law, and any other money donated, allotted,
88.10 transferred, or otherwise provided to the account. Money in the account may only be
88.11 expended on a project receiving financial assistance as provided under this section.

88.12 Sec. 80. Minnesota Statutes 2023 Supplement, section 174.49, subdivision 6, is amended
88.13 to read:

88.14 Subd. 6. **Metropolitan counties; use of funds.** (a) A metropolitan county must use
88.15 funds that are received under subdivision 5 as follows:

88.16 (1) 41.5 percent for active transportation and transportation corridor safety studies;

88.17 (2) 41.5 percent for:

88.18 (i) repair, preservation, and rehabilitation of transportation systems; and

88.19 (ii) roadway replacement to reconstruct, reclaim, or modernize a corridor without adding
88.20 traffic capacity, except for auxiliary lanes with a length of less than 2,500 feet; and

88.21 (3) 17 percent for any of the following:

88.22 (i) transit purposes, including but not limited to operations, maintenance, capital
88.23 maintenance, demand response service, and assistance to replacement service providers
88.24 under section 473.388;

88.25 (ii) complete streets projects, as provided under section 174.75; and

88.26 (iii) projects, programs, or operations activities that meet the requirements of a mitigation
88.27 action under section 161.178, subdivision 4.

88.28 (b) Funds under paragraph (a), clause (3), must supplement and not supplant existing
88.29 sources of revenue.

89.1 (c) A metropolitan county may use funds that are received under subdivision 5 as debt
89.2 service for obligations issued by the county in accordance with chapter 475, provided that
89.3 the obligations are issued for a use allowable under this section.

89.4 Sec. 81. Minnesota Statutes 2023 Supplement, section 174.634, subdivision 2, is amended
89.5 to read:

89.6 Subd. 2. **Passenger rail account; transfers; appropriation.** (a) A passenger rail account
89.7 is established in the special revenue fund. The account consists of funds as provided in this
89.8 subdivision and any other money donated, allotted, transferred, collected, or otherwise
89.9 provided to the account.

89.10 (b) By July 15 annually beginning in calendar year 2027, the commissioner of revenue
89.11 must transfer an amount from the general fund to the passenger rail account that equals 50
89.12 percent of the portion of the state general tax under section 275.025 levied on railroad
89.13 operating property, as defined under section 273.13, subdivision 24, in the prior calendar
89.14 year.

89.15 (c) Money in the account is annually appropriated to the commissioner of transportation
89.16 for the ~~net~~ operating and capital maintenance costs of intercity passenger rail, which may
89.17 include but are not limited to planning, designing, developing, constructing, equipping,
89.18 administering, operating, promoting, maintaining, and improving passenger rail service
89.19 within the state, after accounting for operating revenue, federal funds, and other sources.

89.20 (d) By November 1 each year, the commissioner must report on the passenger rail account
89.21 to the chairs and ranking minority members of the legislative committees with jurisdiction
89.22 over transportation policy and finance. The report must, at a minimum, include:

89.23 (1) the actual revenue and expenditures in each of the previous two fiscal years;

89.24 (2) the budgeted and forecasted revenue and expenditures in the current fiscal year and
89.25 each fiscal year within the state forecast period;

89.26 (3) the plan for collection of fees and revenue, as defined and authorized under
89.27 subdivision 3, in the current fiscal year and each fiscal year within the state forecast period;
89.28 and

89.29 (4) the uses of expenditures or planned expenditures in each fiscal year included under
89.30 clauses (1) and (2).

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

90.1 Sec. 82. Minnesota Statutes 2023 Supplement, section 174.634, is amended by adding a
90.2 subdivision to read:

90.3 Subd. 3. Fee and revenue collection authorized. (a) For purposes of this subdivision,
90.4 "fees and revenue" means:

90.5 (1) ridership fees or fares, including ticket sales;

90.6 (2) revenue from the sale of on-board commissary and convenience goods to the traveling
90.7 public; and

90.8 (3) revenue from the sale of promotional goods related to passenger rail routes and
90.9 corridors within Minnesota.

90.10 (b) The commissioner may, directly or through a contractor, vendor, operator, or
90.11 partnership with a federal or state government entity, including Amtrak, collect fees and
90.12 revenue related to passenger rail services within the state, as specified under this subdivision.

90.13 (c) Fees and revenue under this subdivision may be collected as determined by the
90.14 commissioner and are not subject to section 16A.1283, except that, if priced exclusively by
90.15 the commissioner, a ridership fee or fare must not exceed an annual five percent increase
90.16 and the price of a commissary, convenience, or promotional good must not exceed an annual
90.17 ten percent increase.

90.18 (d) Fees and revenue collected under this subdivision must be deposited in the passenger
90.19 rail account in the special revenue fund.

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

90.21 Sec. 83. Minnesota Statutes 2022, section 174.75, subdivision 1, is amended to read:

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

90.24 (b) "Complete streets" is the planning, scoping, design, implementation, operation, and
90.25 maintenance of roads in order to reasonably address the safety and accessibility needs of
90.26 users of all ages and abilities. Complete streets considers the needs of motorists, pedestrians,
90.27 transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along
90.28 and across roads, intersections, and crossings in a manner that is sensitive to the local context
90.29 and recognizes that the needs vary in urban, suburban, and rural settings.

90.30 (c) "Vulnerable road user" has the meaning given in section 169.011, subdivision 92b.

91.1 Sec. 84. Minnesota Statutes 2022, section 174.75, subdivision 2, is amended to read:

91.2 Subd. 2. **Implementation.** (a) The commissioner ~~shall~~ must implement a complete
91.3 streets policy after consultation with stakeholders, state and regional agencies, local
91.4 governments, and road authorities. The commissioner, after such consultation, ~~shall~~ must
91.5 address relevant protocols, guidance, standards, requirements, and training, ~~and shall~~
91.6 integrate.

91.7 (b) The complete streets policy must include but is not limited to:

91.8 (1) integration of related principles of context-sensitive solutions;

91.9 (2) integration throughout the project development process;

91.10 (3) methods to evaluate inclusion of active transportation facilities in a project, which
91.11 may include but are not limited to sidewalks, crosswalk markings, pedestrian accessibility,
91.12 and bikeways; and

91.13 (4) consideration of consultation with other road authorities regarding existing and
91.14 planned active transportation network connections.

91.15 Sec. 85. Minnesota Statutes 2022, section 174.75, is amended by adding a subdivision to
91.16 read:

91.17 Subd. 2a. **Implementation guidance.** The commissioner must maintain guidance that
91.18 accompanies the complete streets policy under this section. The guidance must include
91.19 sections on:

91.20 (1) an analysis framework that provides for:

91.21 (i) identification of characteristics of a project;

91.22 (ii) highway system categorization based on context, including population density, land
91.23 use, density and scale of surrounding development, volume of highway use, and the nature
91.24 and extent of active transportation; and

91.25 (iii) relative emphasis for different road system users in each of the categories under
91.26 item (ii) in a manner that supports safety and mobility of vulnerable road users, motorcyclists
91.27 or other operators of two- or three-wheeled vehicles, and public transit users; and

91.28 (2) an analysis of speed limit reductions and associated roadway design modifications
91.29 to support safety and mobility in active transportation.

92.1 Sec. 86. Minnesota Statutes 2022, section 216E.02, subdivision 1, is amended to read:

92.2 Subdivision 1. **Policy.** The legislature hereby declares it to be the policy of the state to
92.3 locate large electric power facilities and high voltage transmission lines in an orderly manner
92.4 compatible with environmental preservation and the efficient use of resources. In accordance
92.5 with this policy, the commission shall choose locations that minimize adverse human and
92.6 environmental impact while insuring continuing electric power system reliability and integrity
92.7 and insuring that electric energy needs are met and fulfilled in an orderly and timely fashion.

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

92.9 Sec. 87. Minnesota Statutes 2023 Supplement, section 219.015, subdivision 2, is amended
92.10 to read:

92.11 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided in
92.12 this subdivision, the commissioner must annually assess railroad companies that are (1)
92.13 defined as common carriers under section 218.011; (2) classified by federal law or regulation
92.14 as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II Rail Carriers; and
92.15 (3) operating in this state.

92.16 (b) The assessment must be calculated to allocate state rail safety inspection program
92.17 costs proportionally among carriers based on route miles operated in Minnesota at the time
92.18 of assessment. The commissioner must include in the assessment calculation all state rail
92.19 safety inspection program costs to support up to six rail safety inspector positions, including
92.20 but not limited to salary, administration, supervision, travel, equipment, training, and ongoing
92.21 state rail inspector duties.

92.22 (c) The assessments collected under this subdivision must be deposited in a state rail
92.23 safety inspection account, which is established in the special revenue fund. The account
92.24 consists of funds provided by this subdivision and section 221.0255 and any other money
92.25 donated, allotted, transferred, or otherwise provided to the account. Money in the account
92.26 is appropriated to the commissioner to administer the state rail safety inspection program
92.27 and for costs under section 221.0255.

92.28 Sec. 88. **[219.756] YARDMASTER HOURS OF SERVICE.**

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

92.31 (b) "Railroad" means a common carrier that is classified by federal law or regulation as
92.32 a Class I railroad, Class II railroad, or Class III railroad.

93.1 (c) "Yardmaster" means an employee of a common carrier who is responsible for
93.2 supervising and coordinating the control of trains and engines operating within a railyard,
93.3 not including a dispatching service employee, signal employee, or train employee as those
93.4 terms are defined in United States Code, title 49, section 21101.

93.5 Subd. 2. **Hours of service.** (a) A railroad operating in this state must not require or allow
93.6 a yardmaster to remain or go on duty:

93.7 (1) in any month when the employee has spent a total of 276 hours on duty or in any
93.8 other mandatory service for the carrier;

93.9 (2) for a period exceeding 12 consecutive hours; and

93.10 (3) unless the employee has had at least ten consecutive hours off duty during the prior
93.11 24 hours.

93.12 (b) A railroad operating in this state must not require or allow a yardmaster to remain
93.13 or go on duty after the employee has initiated an on-duty period each day for six consecutive
93.14 days unless the employee has had 48 consecutive hours off at the employee's home terminal,
93.15 during which time the employee is unavailable for any service.

93.16 Sec. 89. Minnesota Statutes 2022, section 221.0255, subdivision 4, is amended to read:

93.17 **Subd. 4. Motor carrier of railroad employees; requirements.** (a) The motor carrier
93.18 of railroad employees must implement a policy that provides for annual training and
93.19 certification of the operator in:

93.20 (1) safe operation of the vehicle transporting railroad employees;

93.21 (2) knowing and understanding relevant laws, rules of the road, and safety policies;

93.22 (3) handling emergency situations;

93.23 (4) proper use of seat belts;

93.24 (5) performance of pretrip and posttrip vehicle inspections, and inspection record keeping;

93.25 and

93.26 (6) proper maintenance of required records.

93.27 (b) The motor carrier of railroad employees must:

93.28 (1) confirm that the person is not disqualified under subdivision 6, by performing a
93.29 criminal background check of the operator, which must include:

93.30 (i) a criminal history check of the state criminal records repository; and

- 94.1 (ii) if the operator has resided in Minnesota less than five years, a criminal history check
94.2 from each state of residence for the previous five years;
- 94.3 (2) annually verify the operator's driver's license;
- 94.4 (3) document meeting the requirements in this subdivision, which must include
94.5 maintaining at the carrier's business location:
- 94.6 (i) a driver qualification file on each operator who transports passengers under this
94.7 section; and
- 94.8 (ii) records of pretrip and posttrip vehicle inspections as required under subdivision 3,
94.9 paragraph (a), clause (3);
- 94.10 (4) maintain liability insurance in a minimum amount of \$5,000,000 regardless of the
94.11 seating capacity of the vehicle;
- 94.12 (5) maintain uninsured and underinsured coverage in a minimum amount of ~~\$1,000,000~~
94.13 \$2,000,000; and
- 94.14 (6) ensure inspection of each vehicle operated under this section as provided under
94.15 section 169.781.
- 94.16 (c) A driver qualification file under paragraph (b), clause (3), must include:
- 94.17 (1) a copy of the operator's most recent medical examiner's certificate;
- 94.18 (2) a copy of the operator's current driver's license;
- 94.19 (3) documentation of annual license verification;
- 94.20 (4) documentation of annual training;
- 94.21 (5) documentation of any known violations of motor vehicle or traffic laws; and
- 94.22 (6) responses from previous employers, if required by the current employer.
- 94.23 (d) The driver qualification file must be retained for one year following the date of
94.24 separation of employment of the driver from the carrier. A record of inspection under
94.25 paragraph (b), clause (3), item (ii), must be retained for one year following the date of
94.26 inspection.
- 94.27 (e) If a party contracts with the motor carrier on behalf of the railroad to transport the
94.28 railroad employees, then the insurance requirements may be satisfied by either that party
94.29 or the motor carrier, so long as the motor carrier is a named insured or additional insured
94.30 under any policy.

95.1 **EFFECTIVE DATE.** This section is effective August 1, 2024.

95.2 Sec. 90. Minnesota Statutes 2022, section 221.0255, subdivision 9, is amended to read:

95.3 Subd. 9. **Inspection and investigation authority.** (a) Upon receipt of a complaint form
95.4 or other information alleging a violation of this section, the commissioner must investigate
95.5 the relevant matter. Representatives of the Department of Transportation and the State Patrol
95.6 have the authority to enter, at a reasonable time and place, any vehicle or facility of the
95.7 carrier for purposes of complaint investigations, random inspections, safety reviews, audits,
95.8 or accident investigations.

95.9 (b) Failure of a railroad or motor carrier of railroad employees to permit a complaint
95.10 investigation under this subdivision is grounds for issuance of a civil penalty under
95.11 subdivision 10.

95.12 **EFFECTIVE DATE.** This section is effective August 1, 2024.

95.13 Sec. 91. Minnesota Statutes 2022, section 221.0255, is amended by adding a subdivision
95.14 to read:

95.15 Subd. 10. **Civil penalty.** (a) After completion of an investigation or as provided in
95.16 subdivision 9, paragraph (b), the commissioner may issue a civil penalty to a railroad or
95.17 motor carrier of railroad employees that violates this section. A civil penalty issued under
95.18 this paragraph is in the amount of:

95.19 (1) not less than \$200 but not more than \$500 for a first offense;

95.20 (2) not less than \$500 but not more than \$1,000 for a second offense; and

95.21 (3) not less than \$1,000 but not more than \$5,000 for a third or subsequent offense
95.22 committed within three years of the first offense.

95.23 (b) The civil penalty amounts identified under paragraph (a) are for all violations
95.24 identified in a single investigation and are not per violation.

95.25 (c) The recipient of a civil penalty under this subdivision has 30 days to notify the
95.26 commissioner in writing of intent to contest the civil penalty. If within 30 days after receiving
95.27 the civil penalty the recipient fails to notify the commissioner of intent to contest the penalty,
95.28 the civil penalty is not subject to further review.

95.29 (d) Civil penalties assessed under this subdivision are subject to chapter 14 and may be
95.30 recovered in a civil action.

96.1 (e) Civil penalties collected under this section must be deposited in the state rail safety
96.2 inspection account in the special revenue fund.

96.3 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to violations
96.4 committed on or after that date.

96.5 Sec. 92. Minnesota Statutes 2022, section 297A.815, subdivision 3, is amended to read:

96.6 Subd. 3. **Motor vehicle lease sales tax revenue.** (a) On or before June 30 of each fiscal
96.7 year, the commissioner of revenue must estimate the revenues, including interest and
96.8 penalties and minus refunds, collected under this section for the current fiscal year.

96.9 (b) By July 15 of the subsequent fiscal year, the commissioner of management and
96.10 budget must transfer the revenues estimated under paragraph (a) from the general fund as
96.11 follows:

96.12 (1) 38 percent to the county state-aid highway fund;

96.13 (2) 38 percent to the greater Minnesota transit account;

96.14 (3) 13 percent to the ~~Minnesota state transportation fund~~ local bridge program account
96.15 in the special revenue fund, which is hereby created; and

96.16 (4) 11 percent to the highway user tax distribution fund.

96.17 (c) Notwithstanding any other law to the contrary, the commissioner of transportation
96.18 must allocate the funds transferred under paragraph (b), clause (1), to the counties in the
96.19 metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of
96.20 Hennepin and Ramsey, so that each county receives the percentage that its population, as
96.21 defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year
96.22 prior to the current calendar year, bears to the total population of the counties receiving
96.23 funds under this paragraph.

96.24 (d) ~~The amount transferred~~ Money in the local bridge program account under paragraph
96.25 (b), clause (3), ~~must be used~~ is appropriated to the commissioner of transportation for the
96.26 local bridge program under section 174.50, subdivisions 6 to 7.

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

97.1 Sec. 93. Minnesota Statutes 2023 Supplement, section 297A.993, subdivision 2a, is
97.2 amended to read:

97.3 Subd. 2a. **Uses reporting.** By February 15 of each even-numbered year, a metropolitan
97.4 county, as defined in section 473.121, subdivision 4, that imposes the taxes under this section
97.5 must submit a report to the chairs and ranking minority members of the legislative committees
97.6 with jurisdiction over transportation policy and finance. At a minimum, the report must
97.7 include:

97.8 (1) actual transportation sales tax collections by the county over the previous five calendar
97.9 years;

97.10 (2) an estimation of the total sales tax revenue that is estimated to be collected by the
97.11 county in the current year and for the next ten calendar years; and

97.12 (3) for each of the previous five calendar years, the current calendar year, and for the
97.13 next ten calendar years:

97.14 (i) the amount of sales tax revenue expended or proposed to be expended for each of
97.15 the following:

97.16 (A) planning, construction, operation, or maintenance of guideways, as defined in section
97.17 473.4485, subdivision 1, paragraph (d);

97.18 (B) nonguideway transit and active transportation uses;

97.19 (C) highway uses; and

97.20 (D) uses not otherwise specified in subitems (A) to (C); ~~and~~

97.21 (ii) completed, current, planned, and eligible projects for each category under item (i);
97.22 and

97.23 (iii) an estimated balance of unspent or undesignated county sales tax revenue.

97.24 Sec. 94. Minnesota Statutes 2022, section 299E.01, subdivision 2, is amended to read:

97.25 Subd. 2. **Responsibilities.** (a) The division ~~shall be~~ is responsible and ~~shall~~ must utilize
97.26 state employees for security and public information services in state-owned buildings and
97.27 state leased-to-own buildings in the Capitol Area, as described in section 15B.02. It ~~shall~~
97.28 must provide personnel as are required by the circumstances to insure the orderly conduct
97.29 of state business and the convenience of the public. Until July 1, 2026, it must provide
97.30 emergency assistance and security escorts at any location within the Capitol Area, as
97.31 described in section 15B.02, when requested by a state constitutional officer.

98.1 (b) As part of the division permanent staff, the director must establish the position of
98.2 emergency manager that includes, at a minimum, the following duties:

98.3 (1) oversight of the consolidation, development, and maintenance of plans and procedures
98.4 that provide continuity of security operations;

98.5 (2) the development and implementation of tenant training that addresses threats and
98.6 emergency procedures; and

98.7 (3) the development and implementation of threat and emergency exercises.

98.8 (c) The director must provide a minimum of one state trooper assigned to the Capitol
98.9 complex at all times.

98.10 (d) The director, in consultation with the advisory committee under section 299E.04,
98.11 shall, at least annually, hold a meeting or meetings to discuss, among other issues, Capitol
98.12 complex security, emergency planning, public safety, and public access to the Capitol
98.13 complex. The meetings must include, at a minimum:

98.14 (1) Capitol complex tenants and state employees;

98.15 (2) nongovernmental entities, such as lobbyists, vendors, and the media; and

98.16 (3) the public and public advocacy groups.

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

98.18 Sec. 95. **[325F.661] SALE OF ELECTRIC-ASSISTED BICYCLES AND OTHER**
98.19 **ELECTRIC CYCLES.**

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

98.22 (b) "Class 1 electric-assisted bicycle," "class 2 electric-assisted bicycle," and "class 3
98.23 electric-assisted bicycle" have the meanings given in section 169.011, subdivisions 15a,
98.24 15b, and 15c.

98.25 (c) "Electric-assisted bicycle" has the meaning given in section 169.011, subdivision
98.26 27.

98.27 (d) "Motorcycle" has the meaning given in section 169.011, subdivision 44.

98.28 (e) "Motorized bicycle" has the meaning given in section 169.011, subdivision 45.

98.29 (f) "Multiple mode electric-assisted bicycle" has the meaning given in section 169.011,
98.30 subdivision 45a.

99.1 Subd. 2. **Electric-assisted bicycle.** Before a purchase is completed, a seller of an
99.2 electric-assisted bicycle must disclose to a consumer in written form:

99.3 (1) the maximum motor power of the electric-assisted bicycle;

99.4 (2) the maximum speed of the electric-assisted bicycle, as evaluated using a test method
99.5 matching the criteria specified in Code of Federal Regulations, title 16, section 1512.2(a)(2),
99.6 or successor requirements; and

99.7 (3) whether the electric-assisted bicycle is a class 1, class 2, class 3, or multiple mode
99.8 electric-assisted bicycle.

99.9 Subd. 3. **Other electric cycles.** (a) A seller of a motorized bicycle or motorcycle equipped
99.10 with an electric motor for propulsion may not sell the vehicle or offer the vehicle for sale
99.11 if it is labeled as a class 1, class 2, class 3, or multiple mode electric-assisted bicycle.

99.12 (b) Before a purchase is completed and in any advertising materials, a seller of a
99.13 motorized bicycle or motorcycle equipped with an electric motor for propulsion who
99.14 describes the vehicle as an "electric bicycle," "electric bike," "e-bike," or other similar term
99.15 must disclose to a consumer:

99.16 (1) the name or classification of the vehicle under state law or the most likely
99.17 classification following an intended or anticipated vehicle modification as defined in section
99.18 169.011, subdivision 27, paragraph (c); and

99.19 (2) the following statement:

99.20 "This vehicle is not an "electric-assisted bicycle" as defined in Minnesota law. It is
99.21 instead a type of motor vehicle and subject to applicable motor vehicle laws if used on
99.22 public roads or public lands. Your insurance policies might not provide coverage for crashes
99.23 involving the use of this vehicle. To determine coverage, you should contact your insurance
99.24 company or agent."

99.25 (c) Advertising materials under paragraph (b) include but are not limited to a website
99.26 or social media post that identifies or promotes the vehicle.

99.27 (d) The disclosure under paragraph (b) must be (1) written, and (2) provided clearly and
99.28 conspicuously and in a manner designed to attract the attention of a consumer.

99.29 Subd. 4. **Unlawful practices.** It is an unlawful practice under section 325F.69 to advertise,
99.30 offer for sale, or sell a motorized bicycle or motorcycle equipped with an electric motor for
99.31 propulsion:

99.32 (1) as an electric-assisted bicycle; or

100.1 (2) using the words "electric bicycle," "electric bike," "e-bike," or other similar term
100.2 without providing the disclosure required under subdivision 3.

100.3 Sec. 96. Minnesota Statutes 2023 Supplement, section 357.021, subdivision 6, is amended
100.4 to read:

100.5 Subd. 6. **Surcharges on criminal and traffic offenders.** (a) Except as provided in this
100.6 subdivision, the court shall impose and the court administrator shall collect a \$75 surcharge
100.7 on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty
100.8 misdemeanor offense, other than a violation of: (1) a law or ordinance relating to vehicle
100.9 parking, for which there is a \$12 surcharge; and (2) section 609.855, subdivision 1, 3, or
100.10 3a, for which there is a \$25 surcharge. When a defendant is convicted of more than one
100.11 offense in a case, the surcharge shall be imposed only once in that case. In the Second
100.12 Judicial District, the court shall impose, and the court administrator shall collect, an additional
100.13 \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor,
100.14 or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle
100.15 parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The
100.16 surcharge shall be imposed whether or not the person is sentenced to imprisonment or the
100.17 sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty
100.18 misdemeanor for which no fine is imposed.

100.19 (b) The court may reduce the amount or waive payment of the surcharge required under
100.20 this subdivision on a showing of indigency or undue hardship upon the convicted person
100.21 or the convicted person's immediate family. Additionally, the court may permit the defendant
100.22 to perform community work service in lieu of a surcharge.

100.23 (c) The court administrator or other entity collecting a surcharge shall forward it to the
100.24 commissioner of management and budget.

100.25 (d) If the convicted person is sentenced to imprisonment and has not paid the surcharge
100.26 before the term of imprisonment begins, the chief executive officer of the correctional
100.27 facility in which the convicted person is incarcerated shall collect the surcharge from any
100.28 earnings the inmate accrues from work performed in the facility or while on conditional
100.29 release. The chief executive officer shall forward the amount collected to the court
100.30 administrator or other entity collecting the surcharge imposed by the court.

100.31 (e) A person who enters a diversion program, continuance without prosecution,
100.32 continuance for dismissal, or stay of adjudication for a violation of chapter 169 must pay
100.33 the surcharge described in this subdivision. A surcharge imposed under this paragraph shall
100.34 be imposed only once per case.

101.1 (f) The surcharge does not apply to:

101.2 (1) citations issued pursuant to section 169.06, subdivision 10;

101.3 (2) citations issued pursuant to section 169.14, subdivision 13;

101.4 (3) administrative citations issued pursuant to section 169.999; or

101.5 ~~(g) The surcharge does not apply to~~ (4) administrative citations issued by transit rider
101.6 investment program personnel pursuant to section 473.4075.

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

101.8 Sec. 97. **[430.001] DEFINITIONS.**

101.9 Subdivision 1. **Definitions.** For the purposes of this chapter, the following terms have
101.10 the meanings given.

101.11 Subd. 2. **City.** "City" means a home rule charter or statutory city.

101.12 Subd. 3. **City council.** "City council" means the governing body of a city.

101.13 Subd. 4. **Residence district.** "Residence district" means the territory contiguous to and
101.14 including a highway not comprising a business district when the property on such highway
101.15 for a distance of 300 feet or more is predominantly improved with (1) residences, or (2)
101.16 residences and buildings in use for business.

101.17 Subd. 5. **System of streets, parks, and parkways.** "System of streets, parks, and
101.18 parkways" means a body of contiguous land designated to be used in part for streets and in
101.19 part for parks or parkways.

101.20 Sec. 98. Minnesota Statutes 2022, section 430.01, subdivision 2, is amended to read:

101.21 **Subd. 2. **Parking lots; pedestrian malls and uses.**** The council of a city ~~of the first~~
101.22 ~~class~~ may by resolution designate land to be acquired, improved, and operated for motor
101.23 vehicle parking lots. By resolution, the council may designate lands to be acquired, improved,
101.24 and operated for pedestrian malls. By ordinance adopted under section 430.011, the council
101.25 may designate ~~streets in central business districts~~ any property within a city right-of-way
101.26 to be improved primarily for pedestrian uses.

101.27 Sec. 99. Minnesota Statutes 2022, section 430.011, subdivision 1, is amended to read:

101.28 **Subdivision 1. **Legislative findings.**** The legislature finds that: (1) increases in population
101.29 and automobile usage have created traffic congestion in ~~central business districts of cities~~
101.30 ~~of the first class~~ cities; (2) those conditions endanger pedestrians and impede the movement

102.1 of police and fire equipment, ambulances, and other emergency vehicles; (3) certain streets
102.2 ~~in those central business districts~~ cities have been improved to their maximum width for
102.3 sidewalk and roadway purposes and cannot be further widened without taking valuable
102.4 buildings and improvements, substantially impairing the primary function of those city
102.5 streets as pedestrian facilities, and impairing the cities' sources of tax revenue; and (4)
102.6 limitation on the use of those streets by private vehicles may be found by the council of any
102.7 city ~~of the first class~~ to be in the interest of the city and state, to be of benefit to adjoining
102.8 properties, and to be essential to the effective use of the streets for street purposes.

102.9 Sec. 100. Minnesota Statutes 2022, section 430.011, subdivision 2, is amended to read:

102.10 Subd. 2. **Statement of policy.** It is the state's policy to permit the city council of any
102.11 city ~~of the first class~~ to protect the public welfare and the interests of the public in the safe
102.12 and effective movement of persons and to preserve and enhance the function and appearance
102.13 ~~of the central business districts of cities of the first class~~ cities by adopting pedestrian mall
102.14 ordinances under this section.

102.15 Sec. 101. Minnesota Statutes 2022, section 430.011, subdivision 3, is amended to read:

102.16 Subd. 3. **Pedestrian mall ordinances authorized.** (a) A pedestrian mall ordinance may
102.17 be adopted if the city council finds that:

102.18 (1) a street or a part of a street (i) is not a part of any ~~state~~ trunk highway, (ii) is located
102.19 ~~primarily in a central business district~~ within a city right-of-way, and (iii) is improved to
102.20 its maximum width for roadway and sidewalk purposes, and (iv) ~~is congested during all or~~
102.21 ~~a substantial part of normal business hours~~ except for a city of the first class, is not part of
102.22 a residence district;

102.23 (2) the movement of police and fire equipment and other emergency vehicles would not
102.24 be impeded;

102.25 ~~(2)~~ (3) reasonably convenient alternate routes exist for private vehicles to other parts of
102.26 the city and state;

102.27 ~~(3)~~ (4) continued unlimited use of the street or part of the street by private vehicles may
102.28 endanger pedestrians;

102.29 ~~(4)~~ (5) abutting properties can reasonably and adequately receive and deliver merchandise
102.30 and materials from other streets and alleys or through arrangements for limited use of the
102.31 streets by carriers of merchandise and materials; and

103.1 ~~(5)~~ (6) it would be in the best interests of the city and the public and of benefit to adjacent
103.2 properties to use the street primarily for pedestrian purposes and pedestrian use is the highest
103.3 and best use of the street or part of it.

103.4 (b) In addition to meeting the criteria under paragraph (a), a pedestrian mall ordinance
103.5 may be adopted relating to property that is immediately adjacent to at least one side of an
103.6 intersection with a road that is under the jurisdiction of another road authority only if the
103.7 city has consulted with the other road authority, which must include consideration of changes
103.8 to traffic flow. If the other road authority is opposed to the location of the proposed pedestrian
103.9 mall, the city must make publicly available a detailed written response to the road authority
103.10 before adopting the ordinance. A pedestrian mall ordinance may be adopted relating to
103.11 property that borders another city only if the city developing the ordinance has received the
103.12 approval of the bordering city.

103.13 (c) As relevant, the city must collaborate with the state and local units of government
103.14 in the pedestrian mall planning process.

103.15 Sec. 102. Minnesota Statutes 2022, section 430.023, is amended to read:

103.16 **430.023 WHEN CLERK TO MAIL NOTICE IN CONDEMNATION**
103.17 **PROCEEDING.**

103.18 If a city ~~of the first class~~ is authorized in its charter to condemn property for public use
103.19 and to appoint commissioners to assess damages or benefits on condemned property and is
103.20 required by its charter to give notice of the filing of the commissioners' report, the city clerk
103.21 shall give the required notice. Notice must be given by mailing it to the person whose name
103.22 appears on the records of the auditor of the county in which the city is located as the person
103.23 who last paid the taxes on the property proposed to be taken, within 48 hours after the filing
103.24 of the commissioners' report.

103.25 Sec. 103. Minnesota Statutes 2022, section 430.031, subdivision 1, is amended to read:

103.26 Subdivision 1. **Limitation of actions.** No action may be commenced or maintained, and
103.27 no defense interposed, questioning the validity, regularity, or legality of all or part of a
103.28 pedestrian mall ordinance, or an amendment, to it adopted by a city ~~of the first class~~ under
103.29 section 430.011, subdivision 3 or 13 except by an appeal to the district court of the county
103.30 in which the city is located within 20 days after the final adoption and publication of the
103.31 ordinance or amendment.

104.1 Sec. 104. Minnesota Statutes 2022, section 430.13, is amended to read:

104.2 **430.13 SCOPE OF CHAPTER; DEFINITION; BONDED DEBT.**

104.3 ~~This chapter applies to cities of the first class.~~

104.4 ~~The term "city council" means the governing body of a city.~~

104.5 Certificates or bonds that may be issued to finance an improvement under this chapter
104.6 are part of the bonded debt of the city. In calculating the net indebtedness of the city due to
104.7 the issue of certificates or bonds, there may be deducted from the gross debt of the city the
104.8 amount of certificates or bonds that are payable wholly or partly from collections of special
104.9 assessments levied on property benefited by the improvements, including general obligations
104.10 of the issuing city, if the city is entitled to reimbursement, in whole or in part, from the
104.11 proceeds of special assessments levied upon property especially benefited by the
104.12 improvements.

104.13 Sec. 105. Minnesota Statutes 2022, section 473.13, is amended by adding a subdivision
104.14 to read:

104.15 Subd. 6. **Transportation financial review.** (a) Annually by January 15, the council
104.16 must submit a financial review that details revenue and expenditures for the transportation
104.17 components under the council's budget, as specified in paragraph (c). A financial review
104.18 submitted under this paragraph must provide the information using state fiscal years.

104.19 (b) Annually by the earlier of the accounting close of a budget year or August 15, the
104.20 council must submit a financial review update that provides the following for the most
104.21 recent completed budget year: actual revenues; expenditures; transfers; reserves; balances;
104.22 and a comparison between the budgeted and actual amounts. A financial review update
104.23 under this paragraph must include the information specified in paragraph (d).

104.24 (c) At a minimum, a financial review must identify:

104.25 (1) the actual revenues, expenditures, transfers, reserves, and balances in each of the
104.26 previous four years;

104.27 (2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances in
104.28 the current year and each year within the state forecast period;

104.29 (3) for the most recent completed year, a comparison between the budgeted and actual
104.30 amounts under clause (1); and

104.31 (4) for the most recent completed year, fund balances for each replacement service
104.32 provider under section 473.388.

105.1 (d) The information under paragraph (c), clauses (1) to (3), must include:

105.2 (1) a breakdown by each transportation funding source identified by the council, including
105.3 but not limited to legislative appropriations; federal funds; fare collections; property tax;
105.4 and sales tax, including sales tax used for active transportation under section 473.4465,
105.5 subdivision 2, paragraph (a), clause (1);

105.6 (2) a breakdown by each transportation operating budget category established by the
105.7 council, including but not limited to bus, light rail transit, commuter rail, planning, special
105.8 transportation service under section 473.386, and assistance to replacement service providers
105.9 under section 473.388; and

105.10 (3) data for operations, capital maintenance, and transit capital.

105.11 (e) A financial review under paragraph (a) or (b) must provide information or a
105.12 methodology sufficient to establish a conversion between state fiscal years and budget years,
105.13 summarize reserve policies, identify the methodology for cost allocation, and describe
105.14 revenue assumptions and variables affecting the assumptions.

105.15 (f) The council must submit each financial review to the chairs and ranking minority
105.16 members of the legislative committees and divisions with jurisdiction over transportation
105.17 policy and finance and to the commissioner of management and budget.

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

105.21 Sec. 106. Minnesota Statutes 2022, section 473.3927, is amended to read:

105.22 **473.3927 ZERO-EMISSION AND ELECTRIC TRANSIT VEHICLES.**

105.23 Subdivision 1. **Transition plan required.** (a) The council must develop and maintain
105.24 a zero-emission and electric transit vehicle transition plan.

105.25 (b) The council must ~~complete the initial~~ revise the plan by February 15, 2022 2025,
105.26 and revise the plan at least once every ~~five~~ three years following each prior revision.

105.27 **Subd. 1a. Definitions.** (a) For purposes of this section, the following terms have the
105.28 meanings given.

105.29 (b) "Greenhouse gas emissions" includes those emissions described in section 216H.01,
105.30 subdivision 2.

106.1 (c) "Qualified transit bus" means a motor vehicle that meets the requirements under
106.2 paragraph (d), clauses (1) and (2).

106.3 (d) "Zero-emission transit bus" means a motor vehicle that:

106.4 (1) is designed for public transit service;

106.5 (2) has a capacity of more than 15 passengers, including the driver; and

106.6 (3) produces no exhaust-based greenhouse gas emissions from the onboard source of
106.7 motive power of the vehicle under all operating conditions.

106.8 **Subd. 2. Plan development.** At a minimum, the plan must:

106.9 (1) establish ~~implementation~~ policies and, guidance, and recommendations to implement
106.10 the transition to a transit service fleet of exclusively zero-emission and electric transit
106.11 vehicles, including for recipients of financial assistance under section 473.388;

106.12 (2) establish a bus procurement transition strategy so that beginning on January 1, 2035,
106.13 any qualified transit bus purchased for regular route transit service or special transportation
106.14 service under section 473.386 by the council is a zero-emission transit bus;

106.15 (3) consider methods for transit providers to maximize greenhouse gas reduction in
106.16 addition to zero-emission transit bus procurement, including but not limited to service
106.17 expansion, reliability improvements, and other transit service improvements;

106.18 (4) analyze greenhouse gas emission reduction from transit improvements identified
106.19 under clause (3) in comparison to the zero-emission transit bus procurement strategy under
106.20 clause (2);

106.21 (5) set transition milestones or performance measures, or both, which may include vehicle
106.22 procurement goals over the transition period in conjunction with the strategy under clause
106.23 (2);

106.24 ~~(3)~~ (6) identify barriers, constraints, and risks, and determine objectives and strategies
106.25 to address the issues identified;

106.26 ~~(4)~~ (7) consider findings and best practices from other transit agencies;

106.27 ~~(5)~~ (8) analyze zero-emission and electric transit vehicle technology impacts, including
106.28 cold weather operation and emerging technologies;

106.29 (9) prioritize deployment of zero-emission transit buses based on the extent to which
106.30 service is provided to environmental justice areas, as defined in section 116.065, subdivision
106.31 1;

107.1 ~~(6)~~ (10) consider opportunities to prioritize the deployment of zero-emissions vehicles
107.2 in areas with poor air quality;

107.3 (11) consider opportunities to prioritize deployment of zero-emission transit buses along
107.4 arterial and highway bus rapid transit routes, including methods to maximize cost
107.5 effectiveness with bus rapid transit construction projects;

107.6 ~~(7)~~ (12) provide detailed estimates of implementation costs to implement the plan and
107.7 achieve the transition under clause (2), which, to the extent feasible, must include a forecast
107.8 of annual expenditures, identification of potential sources of funding, and a summary of
107.9 any anticipated or planned activity to seek additional funds; and

107.10 ~~(8)~~ (13) examine capacity, constraints, and potential investments in the electric
107.11 transmission and distribution grid, in consultation with appropriate public utilities;

107.12 (14) identify methods to coordinate necessary facility upgrades in a manner that
107.13 maximizes cost effectiveness and overall system reliability;

107.14 (15) examine workforce impacts under the transition plan, including but not limited to
107.15 changes in staffing complement; personnel skill gaps and needs; and employee training,
107.16 retraining, or role transitions; and

107.17 (16) summarize updates to the plan from the most recent version.

107.18 Subd. 3. **Copy to legislature.** Upon completion or revision of the plan, the council must
107.19 provide a copy to the chairs, ranking minority members, and staff of the legislative
107.20 committees with jurisdiction over transportation policy and finance.

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

107.24 Sec. 107. Minnesota Statutes 2023 Supplement, section 473.3999, is amended to read:

107.25 **473.3999 LIGHT RAIL TRANSIT CONSTRUCTION; COUNCIL AUTHORITY;**
107.26 **STAFF ASSISTANCE; PROJECT MANAGER QUALIFICATIONS.**

107.27 Subdivision 1. **Powers.** (a) The Metropolitan council may exercise the powers granted
107.28 in this chapter and in other applicable law, as necessary, to plan, design, acquire, construct,
107.29 and equip light rail transit facilities in the metropolitan area as defined in section 473.121,
107.30 subdivision 2.

107.31 Subd. 2. **Staff and project assistance required; Department of Transportation.** (b)

107.32 (a) Notwithstanding any cooperative agreement between the commissioner of transportation

108.1 and the ~~Metropolitan~~ council in section 473.3994, subdivision 1a, if the council is the
108.2 responsible authority, the commissioner of transportation must provide staff and project
108.3 assistance to the council for review and oversight of the project's development. ~~To the extent~~
108.4 ~~practicable,~~ The ~~Metropolitan~~ council must utilize the Department of Transportation staff
108.5 and project assistance for:

108.6 (1) the appropriate delivery method selection for the design, planning, acquisition,
108.7 construction, and equipping of light rail transit projects;

108.8 (2) risk assessment analysis and cost analysis in the planning, designing, and construction
108.9 of a light rail transit facility or a new light rail transit project, including but not limited to:

108.10 (i) a critical path schedule for the planning and design phases of a project developed
108.11 jointly by the council and the commissioner of transportation;

108.12 (ii) peer reviews or value engineering reviews at various milestones established in the
108.13 critical path schedule created under item (i); and

108.14 (iii) council participation in cost estimate reviews by third-party independent cost
108.15 estimators in conformance with Federal Transit Administration regulations and guidance;

108.16 (3) contractor and subcontractor schedule analysis and contractual requirements, including
108.17 but not limited to:

108.18 (i) development and review of requests for proposals and bid documents prior to
108.19 advertisement and solicitation;

108.20 (ii) review of bids submitted prior to the award of bids;

108.21 (iii) review of draft contractual language prior to the execution of project contracts;

108.22 (iv) review of change orders for major cost items exceeding \$500,000 and schedule
108.23 delays of more than 30 calendar days prior to the execution of a change order; and

108.24 (v) participation in any dispute resolution process that may arise to address competing
108.25 claims or disputes between a contractor and the council;

108.26 (4) light rail transit project cost management and budget analysis for the planning,
108.27 designing, and construction of a light rail transit facility or new light rail transit project,
108.28 including but not limited to:

108.29 (i) recommendations to address or manage cost overruns or discrepancies, funding
108.30 sources, contingency funding sources and availability, and the management of state or
108.31 county financial resources;

109.1 (ii) recommendations on appropriate contractual enforcement mechanisms and penalties
109.2 for any council agreement with a contractor for a light rail transit project; and

109.3 (iii) the development of future cost estimates and communication of projected cost
109.4 increases for a light rail transit project; and

109.5 (5) any other ~~technical~~ areas of expertise that the Department of Transportation may
109.6 offer.

109.7 (e) (b) The council must provide the commissioner of transportation all relevant
109.8 information required by this section.

109.9 (c) Staff from the Department of Transportation providing project assistance to the
109.10 council must report to the commissioner of transportation. Staff assistance from the
109.11 Department of Transportation must include at least one licensed professional engineer.

109.12 (d) If the commissioner of transportation provides the council with staff and project
109.13 assistance for the development of a light rail transit project as provided under this section,
109.14 the commissioner must submit and detail all recommendations made to the council to the
109.15 chairs and ranking minority members of the legislative committees with jurisdiction over
109.16 transportation policy and finance within 30 days of submitting its recommendations to the
109.17 council.

109.18 (e) The council must give strong consideration to utilizing input or recommendations
109.19 developed by the commissioner of transportation. If the council decides against utilizing
109.20 input or recommendations from the department, the council must reconcile significant
109.21 deviations to the extent practicable and that portion of the project cannot move forward
109.22 from the critical path schedule's milestone until the recommendation is reconciled. If the
109.23 council has sufficient reasoning to justify not utilizing input or recommendations from the
109.24 department, the council must, within 30 business days, provide written notice and
109.25 documentation of the decision to the department and the chairs and ranking minority members
109.26 of the legislative committees with jurisdiction over transportation policy and finance. The
109.27 notice and documentation must provide the reasons why the council is not utilizing the input
109.28 or recommendations provided by the department.

109.29 Subd. 3. **Project costs.** The project budget is responsible for costs incurred by the
109.30 commissioner of transportation for duties required in this section. The council must only
109.31 use direct appropriations in law or federal sources to pay its portion of light rail transit
109.32 capital construction costs.

110.1 Subd. 4. Project manager; qualifications. If the Metropolitan Council is the responsible
110.2 authority, the council must select a qualified project manager and lead project engineer with
110.3 at least ten years' transportation industry experience to lead the planning, design, acquisition,
110.4 construction, or equipping of a new light rail transit project.

110.5 EFFECTIVE DATE; APPLICATION. This section is effective the day following
110.6 final enactment. Subdivision 2 does not apply to the Southwest light rail transit (Green Line
110.7 Extension) project. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,
110.8 Ramsey, Scott, and Washington.

110.9 Sec. 108. Minnesota Statutes 2023 Supplement, section 473.4051, is amended by adding
110.10 a subdivision to read:

110.11 Subd. 4. Bus rapid transit project scope; infrastructure. (a) The council must design,
110.12 fully scope, and construct each arterial bus rapid transit project with the following elements:

110.13 (1) sidewalk curb ramps and pedestrian signals that meet current Americans with
110.14 Disabilities Act standards as of the time of engineering completion at the four intersection
110.15 quadrants of an intersection adjacent to a bus rapid transit station;

110.16 (2) transit pavement markings, as applicable; and

110.17 (3) traffic signal transit priority modifications, where feasible and reasonable, to improve
110.18 speed and efficiency of service.

110.19 (b) The requirements under paragraph (a), clause (1), include intersection infrastructure
110.20 that serves the bus rapid transit station from the opposite side of a street. The requirements
110.21 under paragraph (a), clause (1), exclude locations that are:

110.22 (1) compliant with current Americans with Disabilities Act standards as of the time of
110.23 engineering completion for the project; or

110.24 (2) otherwise included in a programmed and colocated roadway construction project.

110.25 (c) For bus rapid transit project costs resulting from the requirements under paragraph
110.26 (a), clause (1), the council must pay 50 percent of the costs and the unit of government with
110.27 jurisdiction over the road must pay 50 percent of the costs. The council must pay the project
110.28 costs resulting from the requirements under paragraph (a), clauses (2) and (3).

110.29 EFFECTIVE DATE; APPLICATION. This section is effective the day following
110.30 final enactment for projects that first commence construction on or after that date. This
110.31 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
110.32 Washington.

111.1 Sec. 109. Minnesota Statutes 2023 Supplement, section 473.412, subdivision 2, is amended
111.2 to read:

111.3 Subd. 2. **Standards established.** (a) ~~By October 1, 2023,~~ The Metropolitan Council
111.4 must adopt standards on cleanliness and repair of transit vehicles and stations. To the extent
111.5 practicable, the standards must address:

111.6 (1) cleaning requirements for transit stations and vehicles operated by the council;

111.7 (2) a strategy for discovering and removing vandalism, graffiti, or other defacement to
111.8 transit stations or vehicles operated by the council;

111.9 (3) a proposal for the timely repair of damage to transit stations and transit vehicle
111.10 fixtures, structures, or other property used for the purpose of supporting public transit; and

111.11 (4) any other cleanliness standards necessary to provide a quality ridership experience
111.12 for all transit users.

111.13 (b) ~~By February 1, 2024,~~ The Metropolitan Council must provide information on the
111.14 council's website on how the council solicits public feedback on cleanliness and rider
111.15 experience at transit stations and on transit vehicles. The council must post conspicuous
111.16 notice of the public feedback options at each light rail transit station and bus rapid transit
111.17 station operated by the council.

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

111.19 Sec. 110. Minnesota Statutes 2023 Supplement, section 473.412, subdivision 3, is amended
111.20 to read:

111.21 Subd. 3. **Report required; cleaning standards and expenditures.** (a) ~~By October 1,~~
111.22 ~~2023, and every two years~~ October 1, 2024, and every year thereafter, the Metropolitan
111.23 Council must report to the chairs and ranking minority members of the legislative committees
111.24 with jurisdiction over transit policy and finance on transit cleanliness and the ridership
111.25 experience.

111.26 (b) The ~~first~~ report ~~due~~ under paragraph (a) must provide information on the council's
111.27 ~~adopted~~ cleanliness standards required under subdivision 2, including whether the council
111.28 adopted new cleanliness standards or revisions to current cleanliness standards. ~~The first~~
111.29 ~~report must also provide information on how the council developed the cleanliness standards,~~
111.30 ~~the stakeholders it consulted in drafting the cleanliness standards, and the financial resources~~
111.31 ~~needed to implement the cleaning and repair standards.~~ ~~The first report must also identify~~
111.32 ~~the council's proposal for soliciting public feedback on cleanliness and rider experience at~~

112.1 ~~transit stations and on transit vehicles operated by the council.~~ A report prepared under this
112.2 subdivision must include information gathered from the required public feedback on
112.3 cleanliness and rider experience required in subdivision 2, paragraph (b). The council must
112.4 consider and recommend revisions to cleanliness standards based on the collection of public
112.5 feedback and must summarize feedback received by the council in the report.

112.6 (c) ~~For reports submitted on October 1, 2025, and every two years thereafter, the report~~
112.7 A report submitted under this subdivision must include:

112.8 (1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

112.9 (2) ~~a report on~~ the frequency, type, and location of repairs;

112.10 (3) ~~a report on~~ whether specific transit stations needed a higher proportion of cleaning
112.11 or repairs and detail the council's strategy to resolve identified and persistent concerns at
112.12 those locations;

112.13 (4) ~~a report on~~ recommendations to address workforce challenges for maintaining the
112.14 the implementation and maintenance of cleanliness and repair standards adopted by the
112.15 council, including whether the council maintained agreements with third-party services for
112.16 cleaning and repair;

112.17 (5) whether the council has adopted preventative measures against vandalism or graffiti;
112.18 and

112.19 (6) any recommendations for additions to the transit rider code of conduct ~~adopted by~~
112.20 ~~the council~~ under section 473.4065 or the transit rider investment program under section
112.21 473.4075.

112.22 (d) ~~The council must collect and summarize the public comments it receives and~~
112.23 ~~incorporate those comments into the report required under paragraph (c).~~

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

112.25 Sec. 111. Minnesota Statutes 2023 Supplement, section 473.4465, subdivision 4, is amended
112.26 to read:

112.27 **Subd. 4. Use of funds; metropolitan counties; reporting.** (a) A metropolitan county
112.28 must use revenue from the regional transportation sales and use tax under section 297A.9915
112.29 in conformance with the requirements under section 174.49, subdivision 6.

112.30 (b) By February 15 of each even-numbered year, a metropolitan county must submit a
112.31 report to the chairs and ranking minority members of the legislative committees with
112.32 jurisdiction over transportation policy and finance on the use of funds received under section

113.1 297A.9915. This report must be submitted in conjunction with the report required under
113.2 section 297A.993, subdivision 2a. At a minimum, the report must include:

113.3 (1) actual sales tax collections allocated to the county over the previous five calendar
113.4 years;

113.5 (2) an estimation of the total sales tax revenue that is estimated to be allocated to the
113.6 county in the current year and for the next ten calendar years; and

113.7 (3) for each of the previous five calendar years, the current calendar year, and for the
113.8 next ten calendar years:

113.9 (i) the amount of sales tax revenue expended or proposed to be expended for each of
113.10 the allowable uses under section 174.49, subdivision 6;

113.11 (ii) completed, current, planned, and eligible projects or programs for each category
113.12 under item (i); and

113.13 (iii) an estimated balance of unspent or undesignated regional transportation sales and
113.14 use tax revenue.

113.15 Sec. 112. Minnesota Statutes 2022, section 473.452, is amended to read:

113.16 **473.452 TRANSIT OPERATING RESERVES; REPORT.**

113.17 (a) By ~~February 1~~ December 15 each year, each replacement service provider under
113.18 section 473.388 must report to the council its projected total operating expenses for the
113.19 current ~~calendar~~ state fiscal year and its projected operating reserve fund balance as of the
113.20 previous ~~December~~ July 31.

113.21 (b) By ~~March 1~~ January 15 each year, the council must submit a report to the chairs and
113.22 ranking minority members of the legislative committees with jurisdiction over transportation
113.23 policy and finance. The report must include:

113.24 (1) the information from each provider received under paragraph (a); and

113.25 (2) the council's projected total operating expenses for the current ~~calendar~~ state fiscal
113.26 year and its projected operating reserve fund balance as of the previous ~~December~~ July 31.

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

114.1 Sec. 113. Minnesota Statutes 2022, section 480.15, is amended by adding a subdivision
114.2 to read:

114.3 Subd. 10d. **Uniform collections policies and procedures; limitations.** The uniform
114.4 collections policies and procedures under subdivision 10c must not allow collections of
114.5 court debt, as defined in subdivision 10c, or referral of court debt to the Department of
114.6 Revenue, that only arises from a single violation under section 169.06, subdivision 10, or
114.7 169.14, subdivision 13.

114.8 **EFFECTIVE DATE.** This section is effective August 1, 2025, and expires August 1,
114.9 2029.

114.10 Sec. 114. Laws 2023, chapter 68, article 4, section 108, is amended to read:

114.11 Sec. 108. **ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR**
114.12 **RAMSEY COUNTY.**

114.13 Notwithstanding Minnesota Statutes, ~~section~~ sections 168.33 and 171.061, and rules
114.14 adopted by the commissioner of public safety limiting sites for the office of deputy registrar
114.15 or driver's license agent based on either the distance to an existing deputy registrar or driver's
114.16 license agent office or the annual volume of transactions processed by any deputy registrar
114.17 or driver's license agent within Ramsey County before or after the proposed appointment,
114.18 the commissioner of public safety must appoint a new private deputy registrar of motor
114.19 vehicles and driver's license agent to operate a new full-service office of deputy registrar,
114.20 with full authority to function as a registration and motor vehicle tax collection bureau or
114.21 driver's license agent bureau, at or in the vicinity of the Hmong Village shopping center at
114.22 1001 Johnson Parkway in the city of St. Paul. The addition of a driver's license agent
114.23 establishes the location as a full-service office with full authority to function as a registration
114.24 and motor vehicle tax collection and driver's license bureau. All other provisions regarding
114.25 the appointment and operation of a deputy registrar of motor vehicles and driver's license
114.26 agent under Minnesota Statutes, ~~section~~ sections 168.33 and 171.061, and Minnesota Rules,
114.27 ~~chapter~~ chapters 7404 and 7406, apply to the office.

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

115.1 Sec. 115. Laws 2023, chapter 68, article 4, section 126, is amended to read:

115.2 Sec. 126. **LEGISLATIVE REPORT; SPEED SAFETY CAMERAS.**

115.3 (a) By ~~November 1, 2024~~ January 15, 2025, the commissioner of public safety must
115.4 submit a report to the chairs and ranking minority members of the legislative committees
115.5 with jurisdiction over transportation policy and finance that identifies a process and associated
115.6 policies for issuance of a mailed citation to the owner or lessee of a motor vehicle that a
115.7 speed safety camera system detects is operated in violation of a speed limit.

115.8 (b) The commissioner must convene a task force to assist in the development of the
115.9 report. The task force must include the Advisory Council on Traffic Safety under Minnesota
115.10 Statutes, section 4.076, a representative from the Minnesota County Attorneys Association,
115.11 a representative from the judicial branch, and a person with expertise in data privacy and
115.12 may include other members as the commissioner determines are necessary to develop the
115.13 report.

115.14 (c) At a minimum, the report must include consideration and analysis of:

115.15 (1) methods to identify the owner, operator, and any lessee of the motor vehicle;

115.16 (2) compliance with federal enforcement requirements related to holders of a commercial
115.17 driver's license;

115.18 (3) authority of individuals who are not peace officers to issue citations;

115.19 (4) authority of individuals who are not peace officers to issue citations electronically;

115.20 (5) judicial and court administrative capacity to process violations issued under the pilot
115.21 program authorized in Minnesota Statutes, section 169.147;

115.22 (6) the appropriate legal classification of citations issued under a camera-based traffic
115.23 enforcement system;

115.24 (7) data practices, including but not limited to concerns related to data privacy;

115.25 ~~(5)~~ (8) due process, an appeals process, the judicial system, and other legal issues;

115.26 ~~(6)~~ (9) technology options, constraints, and factors, including the implementation of
115.27 electronic citations; and

115.28 ~~(7)~~ (10) recommendations regarding implementation, including but not limited to any
115.29 legislative proposal and information on implementation costs of the pilot program authorized
115.30 in Minnesota Statutes, section 169.147.

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

116.1 Sec. 116. **TRAFFIC SAFETY CAMERA SYSTEMS; EVALUATION AND**
116.2 **REPORTING.**

116.3 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms and the
116.4 terms defined in Minnesota Statutes, section 169.147, subdivision 1, have the meanings
116.5 given.

116.6 (b) "Commissioner" means the commissioner of transportation.

116.7 (c) "Commissioners" means the commissioners of transportation and public safety.

116.8 (d) "Implementing authority" has the meaning given in Minnesota Statutes, section
116.9 169.147, subdivision 1, paragraph (e).

116.10 (e) "Pilot program" means the traffic safety camera system pilot project established in
116.11 Minnesota Statutes, section 169.147.

116.12 (f) "Traffic safety camera system" has the meaning given in Minnesota Statutes, section
116.13 169.011, subdivision 85a.

116.14 **Subd. 2. Independent evaluation; general requirements.** (a) The commissioner must
116.15 arrange for an independent evaluation of traffic safety camera systems that includes analysis
116.16 of the pilot program. By December 31, 2028, the commissioner must submit a copy of the
116.17 evaluation to the chairs and ranking minority members of the legislative committees with
116.18 jurisdiction over transportation policy and finance.

116.19 (b) The evaluation must be performed outside the Departments of Transportation and
116.20 Public Safety by an entity with qualifying experience in traffic safety research. The evaluation
116.21 must include any monitoring sites established by an implementing authority.

116.22 (c) The commissioner must establish an evaluation methodology that provides
116.23 standardized metrics and evaluation measures and enables valid statistical comparison across
116.24 monitoring sites.

116.25 (d) At a minimum, the evaluation must:

116.26 (1) analyze the effectiveness of traffic safety camera systems in lowering travel speeds,
116.27 reducing speed differentials, reducing violations of traffic-control signals, and meeting any
116.28 other measures identified in the evaluation methodology;

116.29 (2) perform statistical analyses of traffic speeds, crashes, injuries, fatalities, and other
116.30 measurable traffic incidents; and

116.31 (3) identify any changes in traffic congestion attributable to traffic safety camera systems.

117.1 Subd. 3. **Independent evaluation; implementing authorities.** (a) An implementing
117.2 authority under the pilot program must follow the evaluation methodology established under
117.3 subdivision 2.

117.4 (b) An implementing authority under the pilot program must provide information for
117.5 the evaluation under subdivision 2 as requested and include the following:

117.6 (1) the total number of warnings issued;

117.7 (2) the total number of citations issued;

117.8 (3) the number of people who opted for diversion under Minnesota Statutes, sections
117.9 169.06, subdivision 10, paragraph (b), and 169.14, subdivision 13, paragraph (b);

117.10 (4) gross and net revenue received;

117.11 (5) expenditures incurred;

117.12 (6) a description of how the net revenue generated by the program was used;

117.13 (7) total amount of any payments made to a contractor;

117.14 (8) the number of employees involved in the pilot program;

117.15 (9) the type of traffic safety camera system used;

117.16 (10) the location of each monitoring site;

117.17 (11) the activation start and stop dates of the traffic safety camera system at each
117.18 monitoring site;

117.19 (12) the number of citations issued, with a breakout by monitoring site;

117.20 (13) the number of instances in which a traffic enforcement agent reviewed recorded
117.21 video or images for a potential violation but did not issue a resulting citation; and

117.22 (14) details on traffic safety camera system inspection and maintenance activities.

117.23 Subd. 4. **Pilot program reporting.** (a) An implementing authority that operates a traffic
117.24 safety camera system in a calendar year must publish a report on the authority's website on
117.25 the implementation for that calendar year. The report is due by March 1 of the following
117.26 calendar year.

117.27 (b) At a minimum, the report must summarize the activities of the implementing authority
117.28 and provide the information required under subdivision 3, paragraph (b).

118.1 Subd. 5. **Legislative report.** By January 15, 2029, the commissioners must submit a
118.2 report on traffic safety camera systems to the members of the legislative committees with
118.3 jurisdiction over transportation policy and finance. At a minimum, the report must:

118.4 (1) provide a review of the pilot program;

118.5 (2) provide data on citations issued under the pilot program, with breakouts by year and
118.6 location;

118.7 (3) summarize the results of the independent evaluation under subdivision 2;

118.8 (4) evaluate any disparities in impacts under the pilot programs, including by income,
118.9 by race, and in communities that are historically underrepresented in transportation planning;

118.10 (5) identify fiscal impacts of implementation of traffic safety camera systems; and

118.11 (6) make any recommendations regarding ongoing traffic safety camera implementation,
118.12 including but not limited to any draft legislative proposal.

118.13 Sec. 117. **REPORT; WORK ZONE SAFETY PILOT PROJECT RESULTS.**

118.14 (a) By October 1, 2029, the commissioners of transportation and public safety must
118.15 submit a report on the results and findings of the work zone pilot project that utilized
118.16 camera-based speed enforcement to issue warnings as provided in Minnesota Statutes,
118.17 section 169.147, subdivision 17.

118.18 (b) At a minimum, the report must:

118.19 (1) provide a review of the work zone pilot project;

118.20 (2) provide data on warning notices issued by the pilot project, with breakouts by year,
118.21 location, and trunk highway type;

118.22 (3) evaluate any disparities in impacts under the work zone pilot project;

118.23 (4) make recommendations on the calibration, installation, enforcement, administration,
118.24 adjudication, and implementation of speed camera traffic enforcement in trunk highway
118.25 work zones, including any statutory or legislative changes needed; and

118.26 (5) make recommendations on how to integrate trunk highway work zone speed camera
118.27 enforcement into the commissioner's strategies, practices, and methods to reduce vehicle
118.28 speeds and enhance worker safety in work zones.

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

119.1 Sec. 118. ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM
119.2 BOARD.

119.3 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
119.4 the meanings given.

119.5 (b) "Antidisplacement community prosperity program" or "program" means the
119.6 antidisplacement community prosperity program established under section 119.

119.7 (c) "Blue Line light rail transit extension corridor" or "corridor" has the meaning given
119.8 in section 119.

119.9 (d) "Board" means the Antidisplacement Community Prosperity Program Board
119.10 established in this section.

119.11 Subd. 2. Creation. The Antidisplacement Community Prosperity Program Board is
119.12 established to implement the antidisplacement community prosperity program.

119.13 Subd. 3. Membership. Subject to modification as provided in the bylaws adopted under
119.14 subdivision 8, the board consists of the members of the Blue Line Extension
119.15 Anti-Displacement Working Group established by Hennepin County and the Metropolitan
119.16 Council, as specified in the Blue Line Extension Anti-Displacement Recommendations
119.17 report published in April 2023 by the Center for Urban and Regional Affairs at the University
119.18 of Minnesota.

119.19 Subd. 4. Chair; other officers. The chair of the Metropolitan Council, or a designee,
119.20 is responsible for chairing the first meeting of the board. The board must elect from among
119.21 its members a chair and vice-chair at the first meeting.

119.22 Subd. 5. Duties. (a) The board must establish an application process to review and
119.23 approve proposed expenditures for the antidisplacement community prosperity program.
119.24 An application for a proposed expenditure must receive approval from a majority of board
119.25 members. The board may request information on financial disclosures from any entity or
119.26 individual seeking funds under the program, including a complete independent financial
119.27 audit of the entity. The board must not approve an expenditure that would violate the standard
119.28 under subdivision 8, paragraph (a), clause (2).

119.29 (b) The application process must evaluate proposed expenditures to determine whether
119.30 the expenditure is for a qualifying purpose under section 119, subdivision 3, whether an
119.31 equal amount of funds have been secured from nonstate sources as required in section 119,
119.32 and whether the expenditure benefits the people along the Blue Line light rail transit extension
119.33 corridor.

120.1 (c) The Metropolitan Council and state and metropolitan agencies must cooperate with
120.2 the board and provide information on the Blue Line light rail transit extension project in a
120.3 timely manner to assist the board in conducting its business and reviewing applications for
120.4 program expenditures.

120.5 (d) The board must review and consult with the Minnesota Housing Finance Agency,
120.6 the Department of Employment and Economic Development, the Department of Labor and
120.7 Industry, and the Metropolitan Council on applications for prospective expenditures to
120.8 identify areas of need along the project corridor and ensure expenditures achieve the
120.9 qualifying purpose established in section 119, subdivision 3.

120.10 Subd. 6. **Expiration.** The Antidisplacement Community Prosperity Program Board
120.11 expires on June 30, 2030.

120.12 Subd. 7. **Administration.** By August 1, 2024, the board must be convened and meet a
120.13 minimum of three times. On or after January 1, 2025, the board must meet at least quarterly
120.14 to consider, review, and approve proposed expenditures.

120.15 Subd. 8. **Bylaws; requirements.** (a) The board must adopt bylaws related to board
120.16 governance. The bylaws must establish:

120.17 (1) procedures for board appointments and appointing authorities, membership, terms,
120.18 removal, and vacancies; and

120.19 (2) a standard and procedures for recusal and conflicts of interest.

120.20 (b) Appointments to the board must not include a member of the legislature.

120.21 (c) The board may adopt procedures to carry out the requirements of the program and
120.22 as needed to review, approve, and facilitate applications for eligible program expenditures
120.23 under section 119, subdivision 3.

120.24 Subd. 9. **Compensation.** Board member compensation and reimbursement for expenses
120.25 are governed by Minnesota Statutes, section 15.0575, subdivision 3.

120.26 Subd. 10. **Administrative support; staff.** Hennepin County must provide meeting space,
120.27 administrative support, and staff support for the board. The board must hold its meetings
120.28 within one mile of the Blue Line light rail transit extension project corridor.

120.29 Subd. 11. **Open meeting law.** Meetings of the board are subject to Minnesota Statutes,
120.30 chapter 13D.

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

121.1 Sec. 119. **BLUE LINE LIGHT RAIL TRANSIT EXTENSION**

121.2 **ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM.**

121.3 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
121.4 the meanings given.

121.5 (b) "Antidisplacement community prosperity program" or "program" means the program
121.6 established under subdivision 2.

121.7 (c) "Antidisplacement community prosperity program money" or "program money"
121.8 means the money allocated to the program from the state.

121.9 (d) "Blue Line light rail transit extension corridor" or "corridor" means the neighborhoods
121.10 and communities within one mile of the route selected for the Blue Line light rail transit
121.11 extension project and the neighborhoods and communities within one mile of the former
121.12 Blue Line light rail transit extension project route.

121.13 Subd. 2. Establishment. The antidisplacement community prosperity program is
121.14 established to preserve and enhance affordable housing, small business support, job training
121.15 and placement, and economic vitality and to benefit the people and sense of community
121.16 along the Blue Line light rail transit extension corridor. Proposed program expenditures are
121.17 reviewed and approved by the Antidisplacement Community Prosperity Program Board
121.18 under section 118.

121.19 Subd. 3. Qualifying purposes. Program money must only be expended for the following
121.20 purposes:

121.21 (1) affordable housing to support:

121.22 (i) existing residents staying in place along the project corridor; and

121.23 (ii) development, preservation, and access to safe affordable housing and house choice;

121.24 (2) small business and community ownership support to:

121.25 (i) incentivize community institutions, businesses, and community members to own
121.26 property along the corridor and preserve cultural heritage;

121.27 (ii) connect business owners, community institutions, and community members in the
121.28 corridor to other commercial nodes;

121.29 (iii) improve the business climate before, during, and after construction in the corridor;

121.30 (iv) prioritize the development of spaces for small businesses;

121.31 (v) support opportunities for existing businesses to stay in place and feel supported; and

122.1 (vi) create opportunities for further community ownership in the corridor while preserving
122.2 existing levels of ownership;

122.3 (3) public space infrastructure enhancements to:

122.4 (i) improve infrastructure around the project and corridor;

122.5 (ii) enhance community connections to the corridor; and

122.6 (iii) preserve cultural heritage in the corridor; and

122.7 (4) job training and placement to increase corridor resident participation in the Blue
122.8 Line light rail transit extension project and program initiatives.

122.9 Subd. 4. **Program governance.** Expenditures funded under this section must be reviewed
122.10 and approved by the Antidisplacement Community Prosperity Program Board established
122.11 in section 118. The board's review must determine whether a prospective expenditure is for
122.12 a qualifying purpose as provided in subdivision 3. The board must not approve an expenditure
122.13 for any purpose unless the purpose has received an equal amount of funding from nonstate
122.14 sources, including federal, local, Metropolitan Council, or philanthropic funding. The board
122.15 is responsible for administering the program expenditure to the approved entity or individual.

122.16 Subd. 5. **Report.** By February 1 of each year, the Antidisplacement Community
122.17 Prosperity Program Board must submit a report to the chairs and ranking minority members
122.18 of the legislative committees with jurisdiction over transportation policy and finance. The
122.19 report must include a complete review and summary of antidisplacement community
122.20 programming, including:

122.21 (1) a detailed fiscal review of all expenditures, including a report on expenditures not
122.22 approved by the board;

122.23 (2) the criteria for determining whether a prospective expenditure is for a qualifying
122.24 purpose, including a detailed analysis of the decision-making process in applying the factors
122.25 set forth in subdivision 3;

122.26 (3) a description of programs or activities funded with expenditures approved by the
122.27 board, including any measurable outcomes achieved as a result of the funding;

122.28 (4) the source and amount of money collected and distributed by the board;

122.29 (5) an explanation of administrative expenses and staffing costs related to the board's
122.30 administration of the program, including identifying each board member's role and
122.31 responsibility;

122.32 (6) detailed financial information of nonstate funding received by the board;

123.1 (7) a detailed financial review of instances when the board required a complete,
123.2 independent financial audit to the extent allowed under law; and

123.3 (8) documentation of any identified misuse of expenditures or expenditures not deemed
123.4 to be a qualified purpose under the criteria of subdivision 3.

123.5 Subd. 6. **Expiration.** The antidisplacement community prosperity program expires on
123.6 June 30, 2030.

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

123.8 Sec. 120. **COMMUNITY ROADSIDE LANDSCAPE PARTNERSHIPS.**

123.9 Subject to available funds, the commissioner of transportation must assess and undertake
123.10 methods to improve and expand the Department of Transportation's community roadside
123.11 landscape partnership program, including:

123.12 (1) identifying and evaluating locations for partnership opportunities throughout the
123.13 state where there is high traffic volume and minimal existing vegetation coverage in the
123.14 form of trees or large shrubs;

123.15 (2) performing outreach and engagement about the program with eligible community
123.16 partners;

123.17 (3) prioritizing roadsides where vegetation could reduce neighborhood noise impacts or
123.18 improve aesthetics for neighborhoods that border interstate highways without regard to
123.19 whether there are existing noise walls; and

123.20 (4) analyzing methods to include cost sharing between the department and participating
123.21 community partners for ongoing landscape maintenance.

123.22 Sec. 121. **MINNESOTA ADVISORY COUNCIL ON INFRASTRUCTURE**
123.23 **IMPLEMENTATION ACTIVITIES.**

123.24 (a) Appointing authorities under Minnesota Statutes, section 16B.357, subdivision 2,
123.25 must make initial appointments by May 1, 2025.

123.26 (b) By May 1, 2025, the commissioner of administration must hire an executive director
123.27 as provided under Minnesota Statutes, section 16B.359.

123.28 (c) Following the appointments under paragraph (a) and hiring an executive director
123.29 under paragraph (b), the Minnesota Advisory Council on Infrastructure established under
123.30 Minnesota Statutes, section 16B.357, must undertake community engagement efforts
123.31 throughout the state that include hearings to obtain comments and information related to

124.1 providing for effective and efficient management of infrastructure and preserving and
124.2 extending the longevity of Minnesota's public and privately owned infrastructure.

124.3 Sec. 122. **PUBLIC EDUCATION CAMPAIGN; MOTORCYCLE OPERATIONS.**

124.4 The commissioner of public safety must implement a statewide public education campaign
124.5 to alert drivers and the public on how motorcycles may safely overtake and pass a vehicle
124.6 within the same lane or between parallel lanes. The information must be consistent with the
124.7 requirements of Minnesota Statutes, section 169.974, subdivision 5.

124.8 Sec. 123. **DRIVER AND VEHICLE SERVICES; MATERIALS IN A LANGUAGE**
124.9 **OTHER THAN ENGLISH.**

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

124.12 (b) "Commissioner" means the commissioner of public safety.

124.13 (c) "Deputy registrar" means a public or private deputy registrar appointed by the
124.14 commissioner under Minnesota Statutes, section 168.33.

124.15 (d) "Driver's license agent" means a public or private driver's license agent appointed
124.16 by the commissioner under Minnesota Statutes, section 171.061.

124.17 (e) "Equivalent materials" means written materials such as forms, applications,
124.18 questionnaires, letters, or notices that are used to ask or order a person to provide information
124.19 or to give a person information on provisions relevant to a person's rights, duties, or privileges
124.20 under Minnesota Statutes, chapters 168, 168A, and 171, offered in a qualifying language.

124.21 (f) "Qualifying language" means a language not in English and must include Spanish,
124.22 Hmong, Somali, Karen, Russian, Vietnamese, and any other language used by significant
124.23 populations within Minnesota as determined in subdivision 2.

124.24 (g) "Substantial number" means 20 percent of the total number of transactions or office
124.25 visits at a given deputy registrar or driver's license agent location.

124.26 Subd. 2. **Offering of translated materials required.** (a) The commissioner must produce
124.27 equivalent materials for distribution and use by a deputy registrar or driver's license agent
124.28 to a non-English speaking person seeking the service of a deputy registrar or driver's license
124.29 agent. The commissioner must translate materials in English into a qualifying language and
124.30 prioritize translation of material that is distributed most frequently to the public.

125.1 (b) The commissioner, in consultation with the commissioner of administration and the
125.2 organizations specified in paragraph (c), must determine whether a location of an appointed
125.3 deputy registrar or driver's license agent serves a substantial number of non-English speaking
125.4 people and whether the non-English speaking population has access to equivalent materials
125.5 in a qualifying language. If the commissioner determines a location serves a substantial
125.6 number of non-English speaking people, the commissioner must notify the location and
125.7 provide the equivalent materials in all qualifying languages to the deputy registrar or driver's
125.8 license agent free of charge. If the commissioner determines a location serves a substantial
125.9 number of non-English speaking people but the language spoken is not a qualifying language,
125.10 the commissioner must produce equivalent materials for distribution and use by the location
125.11 in the nonqualifying language within 30 days of its determination.

125.12 (c) The commissioner must consult with the Minnesota Council on Latino Affairs, the
125.13 Minnesota Council on Asian Pacific Minnesotans, the Council for Minnesotans of African
125.14 Heritage, and other organizations representing other non-English speaking people on the
125.15 extent of services offered by a deputy registrar or driver's license agent location and whether
125.16 there is need for equivalent materials at that location. The commissioner must periodically
125.17 consult with the organizations specified in this paragraph to determine whether:

125.18 (1) equivalent materials are required in new, nonqualifying additional languages spoken
125.19 by populations within Minnesota; and

125.20 (2) existing deputy registrar or driver's license agent locations are meeting the needs of
125.21 non-English speaking populations in qualifying and nonqualifying languages.

125.22 (d) If a non-English speaking person seeks the services of a deputy registrar or driver's
125.23 license agent but the language spoken by the person is not determined to be a qualifying
125.24 language, the deputy registrar or driver's license agent must determine whether the
125.25 Department of Public Safety has produced those materials in the language spoken by the
125.26 person. If the materials are not yet available, the Division of Driver and Vehicle Services
125.27 must be notified and provide the equivalent materials in the new language within 30 days.
125.28 The equivalent materials must be provided free of charge to the requester.

125.29 (e) If the commissioner determines that equivalent materials are required in a new
125.30 language, the commissioner must notify the organizations specified in paragraph (c) and
125.31 provide notice to deputy registrars and driver's license agents of the availability of equivalent
125.32 materials. The commissioner, in consultation with the commissioner of administration, must
125.33 establish administrative support procedures for assisting deputy registrars and driver's license
125.34 agents with requests for equivalent materials in a qualifying or nonqualifying language.

126.1 Subd. 3. **Report required.** By February 1, 2026, the commissioner must submit a report
126.2 to the chairs and ranking minority members of the legislative committees with jurisdiction
126.3 over transportation policy and finance. The report must detail the efforts of the Division of
126.4 Driver and Vehicle Services to implement the requirements of this section and must include
126.5 the following:

126.6 (1) the locations of deputy registrars and driver's license agents who serve a substantial
126.7 number of non-English speaking people on a yearly basis;

126.8 (2) the different languages requested at locations serving a substantial number of
126.9 non-English speaking people;

126.10 (3) how many requests for equivalent materials in languages other than English were
126.11 made but not at locations that serve a substantial number of non-English speaking people
126.12 on a yearly basis;

126.13 (4) the expenditures used on producing equivalent materials in languages other than
126.14 English;

126.15 (5) any recommended legislative changes needed to produce equivalent materials in
126.16 languages other than English statewide;

126.17 (6) any information or feedback from deputy registrars and driver's license agents; and

126.18 (7) any information or feedback from persons who requested equivalent materials under
126.19 this section.

126.20 **EFFECTIVE DATE.** This section is effective October 1, 2024.

126.21 Sec. 124. **STUDY; DYNAMIC TRANSPORTATION OPTIONS; GREATER**
126.22 **MINNESOTA TRANSIT PLAN; REPORT.**

126.23 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
126.24 meanings given:

126.25 (1) "commissioner" means the commissioner of transportation;

126.26 (2) "dynamic transportation options" includes but is not limited to nonfixed route options,
126.27 prearranged and dial-a-ride options arranged via telephone, digital application, or website;
126.28 demand response microtransit service for last-mile connection; and private transportation
126.29 companies, including but not limited to transportation network companies or taxi companies;

126.30 (3) "nonmetropolitan county" means any Minnesota county other than those under
126.31 Minnesota Statutes, section 473.121, subdivision 4; and

127.1 (4) "wheelchair accessible vehicle" means a vehicle equipped with a ramp or lift capable
127.2 of transporting nonfolding motorized wheelchairs, mobility scooters, or other mobility
127.3 devices.

127.4 Subd. 2. **Study required; pilot program proposal.** (a) The commissioner must study,
127.5 in collaboration with identified stakeholders in subdivision 3, increasing access to transit
127.6 and transportation options, including ridesharing or other dynamic transportation options
127.7 in rural, nonmetropolitan areas. The report must identify existing gaps in transportation
127.8 service in greater Minnesota. The commissioner may include the results of the report required
127.9 under this section in the 2025 Greater Minnesota transit investment plan provided in
127.10 Minnesota Statutes, section 174.24, subdivision 1a.

127.11 (b) The commissioner must outline and make recommendations on establishing a
127.12 proposed rural dynamic transportation options pilot program in coordination with a rural
127.13 transportation coordinating council. The proposed pilot program must attempt to increase
127.14 service in the rural transportation coordinating council's area by identifying gaps in service
127.15 and propose options to increase mobility, including but not limited to the use of transportation
127.16 network companies or taxis with access to wheelchair accessible vehicles. The proposed
127.17 pilot project plan must compare the regional transportation coordinating council's current
127.18 service area versus its proposed new service area, the cost differential, and the anticipated
127.19 new users of the pilot program. The proposed pilot project plan must include a timeline for
127.20 deployment and what resources may be needed to implement the pilot for at least two years.

127.21 Subd. 3. **Stakeholders.** (a) The commissioner must develop the study in consultation
127.22 with:

127.23 (1) one representative from the Minnesota Council on Disability;

127.24 (2) two representatives, who must be jointly selected by the American Council of the
127.25 Blind of Minnesota, the National Federation of the Blind of Minnesota, and the Minnesota
127.26 DeafBlind Association;

127.27 (3) one representative from a transportation network company, as defined in Minnesota
127.28 Statutes, section 65B.472, subdivision 1;

127.29 (4) one representative from a taxicab company;

127.30 (5) one representative with familiarity and experience in transit vehicle dispatching
127.31 services and route connection expertise;

127.32 (6) the executive director of the Minnesota Council on Transportation Access or a
127.33 designee;

128.1 (7) two representatives from a Minnesota regional transportation coordination council,
128.2 one of whom must be a volunteer driver who transports persons or goods on behalf of a
128.3 nonprofit organization or governmental unit using their own private passenger vehicle or a
128.4 volunteer driver coordinator;

128.5 (8) one county commissioner from a nonmetropolitan county;

128.6 (9) a private transit or transportation services provider;

128.7 (10) one representative from a transit provider who provides transportation services in
128.8 a small urban area and receives funds under United States Code, title 49, section 5307; and

128.9 (11) one representative from a transit provider who provides transportation services in
128.10 a rural area and receives funds under United States Code, title 49, section 5311.

128.11 (b) The commissioner may convene an in-person meeting of stakeholders to develop
128.12 the report's contents and recommendations. The commissioner is responsible for providing
128.13 accessible meeting space and administrative and technical support for any stakeholder
128.14 meeting to develop the report. Public members of the working group serve without
128.15 compensation or payment of expenses.

128.16 (c) If the groups specified in paragraph (a), clause (2), are unable to select a member to
128.17 participate in the development of the report, the commissioner may appoint two members
128.18 of the public who:

128.19 (1) are blind, partially blind, or deafblind; and

128.20 (2) possess relevant experience in transportation or transit policy or as a rider of special
128.21 transportation services.

128.22 Subd. 4. **Duties.** At a minimum, the commissioner and the stakeholders provided in
128.23 subdivision 3 must identify and analyze:

128.24 (1) inefficiencies in route connections and demand response;

128.25 (2) improvements in coordination across different public, private, and individual sources
128.26 of transportation;

128.27 (3) existing gaps in service in Greater Minnesota, including but not limited to:

128.28 (i) crossing county lines;

128.29 (ii) collaboration between counties;

128.30 (iii) resolving local funding share issues; and

128.31 (iv) vehicle availability, operating funds, staffing, and other capital issues;

129.1 (4) improvements in dispatch and service time for public and private service, including
129.2 an analysis of digital and voice technology commercially available to transportation
129.3 providers;

129.4 (5) areas of coordination to maximize the availability and use of vehicles for ambulatory
129.5 people and maximizing the number of wheelchair-accessible vehicles in the program;

129.6 (6) the impact of Federal Transit Administration rules on mobility service improvements;

129.7 (7) the impact of Medicare services on transportation availability and options;

129.8 (8) nonemergency medical transportation issues;

129.9 (9) the impact of the commissioner's shared mobility work with the Moving Greater
129.10 Minnesota Forward program; and

129.11 (10) rural and small urban transportation funding sources and their limitations for use
129.12 of each relevant source.

129.13 Subd. 5. **Report.** By February 15, 2025, the commissioner of transportation must report
129.14 the results of the study to the chairs and ranking minority members of the legislative
129.15 committees with jurisdiction over transportation policy and finance.

129.16 Subd. 6. **Expiration.** The requirement for collaboration between the stakeholders and
129.17 the commissioner expires on May 15, 2025, or upon submission of the report required under
129.18 subdivision 5, whichever is earlier.

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

129.20 Sec. 125. **STUDY; METRO MOBILITY ENHANCEMENTS; REPORT.**

129.21 (a) The commissioner of transportation must, in consultation with the chair of the
129.22 Metropolitan Council, perform a Metro Mobility enhancement and service study and develop
129.23 recommendations to improve the efficiency, effectiveness, reliability, dignity, and experience
129.24 of riders of the special transportation service under Minnesota Statutes, section 473.386.

129.25 (b) The study must include:

129.26 (1) an evaluation of the Metropolitan Council's efforts to deliver improvements in the
129.27 reliability, effectiveness, and efficiency of services as required by state and federal law,
129.28 including workforce and procurement efforts to meet the demand for Metro Mobility services;

129.29 (2) an analysis of the extent to which Metro Mobility can fully meet demand for its
129.30 services in both the federally defined and state-defined services areas, including a

130.1 comprehensive examination of the Metropolitan Council's on-demand taxi alternative for
130.2 Metro Mobility-certified riders and Metro Move services;

130.3 (3) an evaluation of whether Metro Mobility met performance goals for the fulfillment
130.4 of ride requests in the state-mandated service area under Minnesota Statutes, section 473.386,
130.5 subdivision 1, paragraph (a);

130.6 (4) an analysis of whether state service requirements in law should be amended to prohibit
130.7 or restrict the denial of ride requests in the state-mandated service area and whether such a
130.8 requirement in service can be met with existing resources;

130.9 (5) suggested improvements to the Metropolitan Council's oversight and management
130.10 of its reservation and dispatch structure and a detailed analysis and recommendations on a
130.11 Metropolitan Council-operated centralized reservation system;

130.12 (6) a comprehensive analysis of the Metropolitan Council's oversight and management
130.13 of transit providers contracted to provide rides for Metro Mobility, including services plans,
130.14 payment and bonus structure, and performance standards;

130.15 (7) recommendations on the adequacy of the Metro Mobility complaints process and an
130.16 evaluation of whether the Metropolitan Council receives all rider concerns and whether
130.17 concerns are addressed appropriately;

130.18 (8) an evaluation of the Metro Mobility enhancement pilot program instituted under
130.19 Laws 2023, chapter 68, article 4, section 121;

130.20 (9) an evaluation and assessment of how to implement the use of transportation network
130.21 companies or taxi services to provide an enhanced service option in which riders may pay
130.22 a higher fare than other users of Metro Mobility services;

130.23 (10) an evaluation of the feasibility of nonsubsidized, subsidized, and tiered ride services
130.24 handled by a dispatching service provider; and

130.25 (11) an analysis of and recommendations for comprehensive improvements in route
130.26 coordination, call sequencing and customer service, integration with transportation network
130.27 company applications, and cataloging rides for maximum efficiency and driver compensation.

130.28 (c) The Metropolitan Council must cooperate with the Department of Transportation
130.29 and provide information requested in a timely fashion to implement and conduct the study.

130.30 (d) The commissioner must consult with interested parties and stakeholders in conducting
130.31 the service study and report, including representatives from the Minnesota Council on
130.32 Disability, American Council of the Blind of Minnesota, the Minnesota DeafBlind

131.1 Association, the National Federation of the Blind's Minnesota chapter, metro-area private
131.2 transportation companies, identified riders of Metro Mobility, transit providers, Metro
131.3 Mobility drivers, the Board on Aging, the Department of Human Services, and any other
131.4 interested party with experience in providing mobility services for disabled persons.

131.5 (e) By February 15, 2026, the commissioner must submit the report and findings to the
131.6 chairs and ranking minority members of the legislative committees with jurisdiction over
131.7 transportation policy and finance.

131.8 **Sec. 126. STUDY; HIGHWAY DESIGNATION REVIEW COMMITTEE.**

131.9 (a) By December 15, 2024, the commissioner of transportation must conduct a study on
131.10 the establishment of a standing committee to evaluate and authorize designations of highways
131.11 and bridges on the trunk highway system.

131.12 (b) At a minimum, the study required in paragraph (a) must:

131.13 (1) evaluate the feasibility and effectiveness of establishing a standing committee with
131.14 authority to review proposals for designation of memorial highways and bridges on the
131.15 trunk highway system and approve a designation without enactment of a law that specifies
131.16 the designation in the manner under Minnesota Statutes, section 161.14;

131.17 (2) propose criteria for a standing committee to evaluate each designation proposal, with
131.18 consideration of public interest, community support, and the locations of existing
131.19 designations;

131.20 (3) examine whether other states have adopted similar review committees and identify
131.21 any best practices or other considerations;

131.22 (4) evaluate the potential costs or benefits to authorizing establishment of designations
131.23 as provided under clause (1);

131.24 (5) assess the required resources, staffing, and administrative support needed to establish
131.25 and maintain the standing committee; and

131.26 (6) recommend draft legislation.

131.27 (c) The commissioner must submit the results of the study to the chairs and ranking
131.28 minority members of the legislative committees with jurisdiction over transportation policy
131.29 and finance.

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

132.1 **Sec. 127. STUDY; ELECTRIC-ASSISTED BICYCLE YOUTH OPERATION.**

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

132.4 (b) "Active transportation advisory committee" means the committee established in
132.5 Minnesota Statutes, section 174.375.

132.6 (c) "Advisory Council on Traffic Safety" means the advisory council established in
132.7 Minnesota Statutes, section 4.076.

132.8 (d) "Commissioners" means the commissioner of public safety and the commissioner
132.9 of transportation.

132.10 (e) "Electric-assisted bicycle" has the meaning given in Minnesota Statutes, section
132.11 169.011, subdivision 27.

132.12 **Subd. 2. Electric-assisted bicycles study.** (a) The commissioners must conduct a study
132.13 and develop recommendations on the operation of electric-assisted bicycles by persons
132.14 under the age of 18 to increase the safety of riders, other cyclists, and all other users of
132.15 active transportation infrastructure. The commissioners must conduct the study jointly with
132.16 the active transportation advisory committee and the Advisory Council on Traffic Safety.

132.17 (b) The study required under paragraph (a) must:

132.18 (1) identify challenges to the safe operation of electric-assisted bicycles by those under
132.19 the age of 18;

132.20 (2) evaluate existing legal authority for strategies, practices, and methods to reduce the
132.21 availability of modifications to the electric motor of electric-assisted bicycles;

132.22 (3) make recommendations on whether to change state law to improve electric-assisted
132.23 bicycle safety on roads, trails, and other areas where safe operation of electric-assisted
132.24 bicycles is needed; and

132.25 (4) propose educational and public awareness campaigns to educate the public about
132.26 electric-assisted bicycles, promote their safe operation, and raise awareness of their unique
132.27 characteristics when operating on roadways.

132.28 (c) In conducting the study with the Advisory Council on Traffic Safety and the active
132.29 transportation advisory committee, the commissioners must consult with interested
132.30 stakeholders, including but not limited to:

132.31 (1) active transportation and bicycling advocates;

- 133.1 (2) local elected officials;
- 133.2 (3) retailers and manufacturers of electric-assisted bicycles;
- 133.3 (4) the Department of Natural Resources;
- 133.4 (5) the Department of Commerce;
- 133.5 (6) E-12 educators with experience in active transportation safety training;
- 133.6 (7) medical professionals and emergency medical technicians;
- 133.7 (8) the State Patrol and local law enforcement; and
- 133.8 (9) consumer protection advocates.
- 133.9 Subd. 3. **Report.** By February 1, 2026, the commissioners must submit the study
- 133.10 conducted under this section to the chairs and ranking minority members of the legislative
- 133.11 committees with jurisdiction over transportation policy and finance.
- 133.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 133.13 Sec. 128. **STUDY; DEPUTY REGISTRAR AND DRIVER'S LICENSE AGENT**
- 133.14 **LOCATIONS COMPETITIVE BIDDING.**
- 133.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
- 133.16 the meanings given.
- 133.17 (b) "Commissioner" means the commissioner of public safety.
- 133.18 (c) "Deputy registrar" means a public or private deputy registrar appointed by the
- 133.19 commissioner under Minnesota Statutes, section 168.33.
- 133.20 (d) "Driver's license agent" means a public or private driver's license agent appointed
- 133.21 by the commissioner under Minnesota Statutes, section 171.061.
- 133.22 Subd. 2. **Study required.** The commissioner must conduct a driver's license agent and
- 133.23 deputy registrar open bidding process study. The study must evaluate and analyze the
- 133.24 appointment process for a replacement deputy registrar or driver's license agent when an
- 133.25 appointed deputy registrar or driver's license agent closes an approved office location. At
- 133.26 a minimum, the study must evaluate the requirements established in Minnesota Statutes,
- 133.27 sections 168.33, subdivision 8b, and 171.061, subdivision 5a, and must include:
- 133.28 (1) the commissioner's proposal to establish a competitive bidding process to appoint a
- 133.29 replacement deputy registrar or driver's license agent at an existing approved office location
- 133.30 or approved replacement location;

134.1 (2) recommended legislation to establish, implement, administer, and enforce a
134.2 competitive bidding process and its requirements in statute;

134.3 (3) an analysis of how the competitive bidding process would interact with the
134.4 commissioner's existing rules on deputy registrar and driver's license agent office locations
134.5 and propose recommendations to reconcile any issues;

134.6 (4) the effect of a competitive bidding process on service outcomes, financial
134.7 sustainability, and needed financial assistance for deputy registrars and driver's license
134.8 agents;

134.9 (5) how a competitive bidding process would initiate business development for persons
134.10 who are seeking appointment as a deputy registrar or driver's license agent;

134.11 (6) the expected fiscal impact for creating and administering a competitive bidding
134.12 process;

134.13 (7) an evaluation and recommendations on the impact of implementing a competitive
134.14 bidding process on existing deputy registrar and driver's license agent locations; and

134.15 (8) feedback solicited from existing deputy registrars and driver's license agents on the
134.16 commissioner's proposal.

134.17 Subd. 3. **Report.** By February 1, 2025, the commissioner must complete the study and
134.18 report the results of the study to the chairs and ranking minority members of the legislative
134.19 committees with jurisdiction over transportation policy and finance. The report must include
134.20 proposed legislation to establish and implement the competitive bidding process required
134.21 in Minnesota Statutes, sections 168.33, subdivision 8b, and 171.061, subdivision 5a.

134.22 Sec. 129. **STUDY; WAYSIDE DETECTORS.**

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

134.24 (1) "commissioner" means the commissioner of transportation; and

134.25 (2) "wayside detector" or "wayside detector system" means one or more electronic
134.26 devices that:

134.27 (i) perform automated scanning of passing trains, rolling stock, and on-track equipment
134.28 to detect defects or precursors to defects in equipment or component parts; and

134.29 (ii) provide notification to individuals of a defect or precursor to a defect.

134.30 (b) The commissioner must conduct a comprehensive study on wayside detector systems
134.31 and other rail inspection technologies. The commissioner must engage with the governor's

135.1 Council on Freight Rail under Executive Order 24-02 to consider and review issues related
135.2 to wayside detectors, including analyzing existing federal regulations and guidance, incidents
135.3 and performance data, safety complaints, and best practices.

135.4 (c) The study must:

135.5 (1) identify current practices for defect notification to train crews;

135.6 (2) identify current practices for wayside detector systems or other inspection technology
135.7 deployment and maintenance;

135.8 (3) analyze deployed and emerging wayside detector system technology, including
135.9 known detector types and quantities and may include but is not limited to the following
135.10 inspection technologies:

135.11 (i) acoustic bearing detectors;

135.12 (ii) hot box detectors;

135.13 (iii) wheel tread inspection detectors;

135.14 (iv) wheel impact load detectors;

135.15 (v) wheel temperature detectors;

135.16 (vi) wheel profile detectors; and

135.17 (vii) machine vision systems;

135.18 (4) analyze wayside detector systems' impacts on railroad safety and identify accidents
135.19 and incident trends of rolling stock or other conditions monitored by wayside detectors;

135.20 (5) estimate costs of requiring wayside detector systems for Class II and Class III railroads
135.21 and rail carriers and identify potential state funding mechanisms to institute the requirements;

135.22 (6) include a federal preemption analysis of mandating wayside detector systems under
135.23 state law that includes an analysis and examination of federal law, case law, and federal
135.24 guidance;

135.25 (7) analyze the costs and impacts, if any, on the transport of goods on certain Minnesota
135.26 industries and sectors, including agriculture, taconite mining, manufacturing, timber, retail,
135.27 and automotive, if implementation of a wayside detector system is required in Minnesota;
135.28 and

135.29 (8) review current and anticipated Federal Railroad Administration efforts to regulate
135.30 wayside detector systems, including guidance from the federal Railroad Safety Advisory
135.31 Committee on wayside detectors.

136.1 (d) By January 15, 2026, the commissioner must submit a joint report with the governor's
136.2 Council on Freight Rail on the study to the chairs and ranking minority members of the
136.3 legislative committees with jurisdiction over transportation, commerce, and civil law policy
136.4 and finance.

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

136.6 **Sec. 130. STUDY; COMMERCIAL DRIVER WORKFORCE.**

136.7 (a) The commissioners of public safety and transportation must jointly conduct a study
136.8 to address commercial driver shortages in transportation and transit sectors and propose
136.9 recommendations to address the challenges posed by driver shortages and the attrition rate
136.10 of commercial vehicle drivers in Minnesota. The study must comprehensively examine
136.11 challenges in test access, workforce development, driver compensation and retention, training
136.12 and certification offered by postsecondary institutions, and how each of those challenges
136.13 may be addressed by the legislature or other state regulatory action.

136.14 (b) In conducting the study, the commissioners must consult with stakeholders involved
136.15 in the training, certification, licensing, development, and education of commercial drivers,
136.16 including but not limited to representatives from trucking companies, freight and logistics
136.17 companies, transit and bus operators, labor unions representing commercial motor vehicle
136.18 drivers, public and private commercial driver's license testing providers and behind-the-wheel
136.19 instructors, or any other entity that may assist the commissioners in conducting the study.
136.20 Stakeholders must assist the commissioners to identify key issues or policies that warrant
136.21 further examination, address or clarify competing claims across industries, provide analysis
136.22 on the reasons behind an operator shortage in Minnesota, and identify ways to increase
136.23 driver access, participation, and retention in commercial driving operations.

136.24 (c) The commissioners must also consult with the commissioners of labor and industry,
136.25 commerce, and employment and economic development; Metro Transit; the Center for
136.26 Transportation Studies at the University of Minnesota; and the Board of Trustees of the
136.27 State Colleges and Universities of Minnesota in conducting the study and developing the
136.28 report to the legislature.

136.29 (d) The commissioners must convene an initial meeting with stakeholders and
136.30 representatives from the agencies specified in paragraph (c) by July 15, 2024, to prepare
136.31 for the study, identify areas of examination, and establish a solicitation process for public
136.32 comment on the report. The public notification process required under this paragraph must
136.33 attempt to solicit participation from the public on commercial driver shortage and workforce

137.1 issues and include those comments in the report required under paragraph (f). The
137.2 commissioners must convene at least six meetings before publication of the report.

137.3 (e) The commissioner of transportation is responsible for providing meeting space and
137.4 administrative services for meetings with stakeholders in developing the report required
137.5 under this section. Public members of the working group serve without compensation or
137.6 payment of expenses. The commissioner of transportation must host the public notification,
137.7 participation, and comment requirements under paragraph (d) on its website and use the
137.8 information in preparing the study.

137.9 (f) By February 15, 2025, the commissioners must submit the results of the study,
137.10 stakeholder and public comments, and recommended legislative changes to the chairs and
137.11 ranking minority members of the legislative committees with jurisdiction over transportation
137.12 policy and finance.

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

137.14 Sec. 131. **STUDY; SPECIAL LICENSE PLATE REVIEW COMMITTEE.**

137.15 (a) By February 15, 2025, the commissioner of public safety must conduct a
137.16 comprehensive study on the establishment of a standing committee in the Division of Driver
137.17 and Vehicle Services to review and approve proposals for special license plates. The study
137.18 must also evaluate potential improvements to the current statutory and legislative process
137.19 for approving specialty license plates, including removal and delegation of legislative
137.20 authority in the approval of new special license plates.

137.21 (b) The study required in paragraph (a) must:

137.22 (1) evaluate the feasibility and effectiveness of establishing a standing committee tasked
137.23 with reviewing and approving proposals for special license plates;

137.24 (2) propose criteria for a standing committee to evaluate each special license plate
137.25 proposal based on criteria such as public interest, community support, relevance to the
137.26 purpose of special license plates, and potential revenue generation;

137.27 (3) assess the current statutory process for approving special license plates, including
137.28 Minnesota Statutes, section 168.1293, and include suggested improvements to the statutory
137.29 language to improve transparency, accountability, and public input in the special license
137.30 plate process;

137.31 (4) analyze the roles and responsibilities of relevant stakeholders, including the legislature,
137.32 the Department of Public Safety, community organizations, or other interested parties

138.1 involved in the current approval, creation, and distribution of special license plates in
138.2 Minnesota;

138.3 (5) examine other states that have adopted similar review committees for special license
138.4 plates;

138.5 (6) evaluate the potential costs or benefits to removing legislative authority to approve
138.6 special license plates, including a detailed analysis of fiscal considerations;

138.7 (7) evaluate whether the creation of a standing committee for review of special license
138.8 plates would have any impact on rules currently adopted and enforced by the commissioner,
138.9 including Minnesota Rules, part 7403.0500;

138.10 (8) evaluate whether the standing committee should be responsible for monitoring the
138.11 implementation and usage of approved special license plates and recommend any necessary
138.12 modifications or discontinuations to existing special license plates;

138.13 (9) assess the required resources, staffing, and administrative support needed to establish
138.14 and maintain the standing committee; and

138.15 (10) provide any other recommendations to the potential improvement to the special
138.16 license plate process, including design, implementation, and public engagement.

138.17 (c) The commissioner must submit the results of the study to the chairs and ranking
138.18 minority members of the legislative committees with jurisdiction over transportation policy
138.19 and finance.

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

138.21 Sec. 132. **REVISOR INSTRUCTION.**

138.22 (a) The revisor of statutes must recodify Minnesota Statutes, section 169.21, subdivision
138.23 6, as Minnesota Statutes, section 171.0701, subdivision 1b. The revisor must correct any
138.24 cross-references made necessary by this recodification.

138.25 (b) The revisor of statutes must recodify Minnesota Statutes, section 473.3927,
138.26 subdivision 1, as Minnesota Statutes, section 473.3927, subdivision 1b. The revisor must
138.27 correct any cross-references made necessary by this recodification.

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

138.29 Sec. 133. **REPEALER.**

138.30 Minnesota Statutes 2022, section 168.1297, is repealed.

ARTICLE 4

LABOR APPROPRIATIONS

Section 1. APPROPRIATIONS.

The sums shown in the columns under "Appropriations" are added to the appropriations in Laws 2023, chapter 53, or other law to the specified agency. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

APPROPRIATIONS

Available for the Year

Ending June 30

2024

2025

Sec. 2. <u>DEPARTMENT OF HEALTH</u>	\$	<u>-0-</u>	\$	<u>174,000</u>
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\$174,000 the second year is for technical assistance for rulemaking for acceptable blood lead levels for workers. This is a onetime appropriation and is available until June 30, 2026.

Sec. 3. <u>DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT</u>	\$	<u>-0-</u>	\$	<u>9,651,000</u>
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(a) \$9,000,000 the second year is for a grant to Tending the Soil, to design, redesign, renovate, construct, furnish, and equip the Rise Up Center, a building located in Minneapolis, that will house a workforce development and job training center, administrative offices, and a public gathering space. This is a onetime appropriation and is available until June 30, 2029. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner may use up to one percent of this appropriation for administrative costs.

140.1 (b) \$651,000 the second year is for
 140.2 implementation of the broadband provisions
 140.3 in article 13.

140.4 Sec. 4. **PUBLIC UTILITIES COMMISSION** \$ -0- \$ **39,000**

140.5 \$39,000 the second year is for investigation
 140.6 and enforcement of conduct by or on behalf
 140.7 of telecommunications carriers, telephone
 140.8 companies, or cable communications system
 140.9 providers that impacts public utility or
 140.10 cooperative electric association infrastructure.

140.11 Sec. 5. **DEPARTMENT OF REVENUE** \$ -0- \$ **143,000**

140.12 \$143,000 the second year is for the disclosure
 140.13 and records management unit to work on
 140.14 agency-to-agency data-sharing agreements
 140.15 related to worker misclassification. This is a
 140.16 onetime appropriation.

140.17 Sec. 6. **ATTORNEY GENERAL** \$ -0- \$ **49,000**

140.18 \$49,000 the second year is to represent the
 140.19 Department of Labor and Industry in contested
 140.20 case hearings related to worker
 140.21 misclassification. This appropriation is
 140.22 available until June 30, 2026. The base for this
 140.23 appropriation is \$98,000 in fiscal year 2027
 140.24 and each year thereafter.

140.25 Sec. 7. Laws 2023, chapter 53, article 14, section 1, is amended to read:

140.26 Section 1. **EARNED SICK AND SAFE TIME APPROPRIATIONS.**

140.27 (a) \$1,445,000 in fiscal year 2024 and ~~\$2,209,000~~ \$1,899,000 in fiscal year 2025 are
 140.28 appropriated from the general fund to the commissioner of labor and industry for enforcement
 140.29 and other duties regarding earned sick and safe time under Minnesota Statutes, sections
 140.30 181.9445 to 181.9448, and chapter 177. ~~The base for this appropriation is \$1,899,000 for~~
 140.31 ~~fiscal year 2026 and each year thereafter.~~

141.1 (b) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from
 141.2 the general fund to the commissioner of labor and industry for grants to community
 141.3 organizations under Minnesota Statutes, section 177.50, subdivision 4. This is a onetime
 141.4 appropriation.

141.5 (c) \$310,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
 141.6 of labor and industry for rulemaking related to earned sick and safe time under Minnesota
 141.7 Statutes, sections 181.9445 to 181.9448, and chapter 177. This is a onetime appropriation
 141.8 and is available until June 30, 2027.

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

141.10 Sec. 8. Laws 2023, chapter 53, article 19, section 2, subdivision 1, is amended to read:

141.11			44,044,000
141.12	Subdivision 1. Total Appropriation	\$ 47,710,000	<u>45,017,000</u>

141.13	Appropriations by Fund		
141.14		2024	2025
141.15			4,889,000
141.16	General	7,200,000	<u>5,522,000</u>
141.17	Workers'		32,390,000
141.18	Compensation	30,599,000	<u>32,669,000</u>
141.19	Workforce		6,765,000
141.20	Development	9,911,000	<u>6,826,000</u>

141.21 The amounts that may be spent for each
 141.22 purpose are specified in the following
 141.23 subdivisions. The general fund base for this
 141.24 appropriation is ~~\$4,936,000~~ \$5,150,000 in
 141.25 fiscal year 2026 and ~~\$4,958,000~~ \$5,169,000
 141.26 in fiscal year 2027 and each year thereafter.

141.27 The workers compensation fund base is
 141.28 ~~\$32,749,000~~ \$32,892,000 in fiscal year 2026
 141.29 and \$32,458,000 in fiscal year 2027 and each
 141.30 year thereafter. The workforce development
 141.31 fund base is ~~\$6,765,000~~ \$6,826,000 in fiscal
 141.32 year 2026 and each year thereafter.

141.33 Sec. 9. Laws 2023, chapter 53, article 19, section 2, subdivision 3, is amended to read:

141.34			6,270,000
141.35	Subd. 3. Labor Standards	6,520,000	<u>6,964,000</u>

142.1	Appropriations by Fund		
142.2			4,635,000
142.3	General	4,957,000	<u>5,268,000</u>
142.4	Workforce		1,635,000
142.5	Development	1,563,000	<u>1,696,000</u>

142.6 The general fund base for this appropriation
 142.7 is ~~\$4,682,000~~ \$4,896,000 in fiscal year 2026
 142.8 and ~~\$4,704,000~~ \$4,915,000 in fiscal year 2027
 142.9 and each year thereafter.

142.10 (a) \$2,046,000 each year is for wage theft
 142.11 prevention.

142.12 (b) \$1,563,000 the first year and ~~\$1,635,000~~
 142.13 \$1,696,000 the second year are from the
 142.14 workforce development fund for prevailing
 142.15 wage enforcement.

142.16 (c) \$134,000 the first year and \$134,000 the
 142.17 second year are for outreach and enforcement
 142.18 efforts related to changes to the nursing
 142.19 mothers, lactating employees, and pregnancy
 142.20 accommodations law.

142.21 (d) \$661,000 the first year and \$357,000 the
 142.22 second year are to perform work for the
 142.23 Nursing Home Workforce Standards Board.
 142.24 The base for this appropriation is \$404,000 in
 142.25 fiscal year 2026 and \$357,000 in fiscal year
 142.26 2027.

142.27 (e) \$225,000 the first year and \$169,000 the
 142.28 second year are for the purposes of the Safe
 142.29 Workplaces for Meat and Poultry Processing
 142.30 Workers Act.

142.31 (f) \$27,000 the first year is for the creation
 142.32 and distribution of a veterans' benefits and
 142.33 services poster under Minnesota Statutes,
 142.34 section 181.536.

143.1 (g) \$141,000 the second year is to inform and
 143.2 educate employers relating to Minnesota
 143.3 Statutes, section 181.960.

143.4 (h) \$56,000 the second year is for education
 143.5 and training related to employee
 143.6 misclassification. The base for this
 143.7 appropriation is \$70,000 in fiscal year 2026
 143.8 and each fiscal year thereafter.

143.9 (i) From the general fund appropriation for
 143.10 this purpose, \$436,000 in the second year is
 143.11 available through June 30, 2027.

143.12 Sec. 10. Laws 2023, chapter 53, article 19, section 2, subdivision 5, is amended to read:

143.13			<u>7,559,000</u>
143.14	Subd. 5. Workplace Safety	8,644,000	<u>7,838,000</u>

143.15	Appropriations by Fund		
143.16	General	2,000,000	-0-
143.17	Workers'		<u>7,559,000</u>
143.18	Compensation	6,644,000	<u>7,838,000</u>

143.19 The workers compensation fund base for this
 143.20 appropriation is ~~\$7,918,000~~ \$8,061,000 in
 143.21 fiscal year 2026 and \$7,627,000 in fiscal year
 143.22 2027 and each year thereafter.

143.23 \$2,000,000 the first year is for the ergonomics
 143.24 safety grant program. This appropriation is
 143.25 available until June 30, 2026. This is a onetime
 143.26 appropriation.

143.27 Sec. 11. Laws 2023, chapter 53, article 19, section 4, is amended to read:

143.28	Sec. 4. BUREAU OF MEDIATION SERVICES	\$ 3,707,000	\$ 3,789,000
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143.29 ~~(a)~~ \$750,000 each year is for purposes of the
 143.30 Public Employment Relations Board under
 143.31 Minnesota Statutes, section 179A.041.

144.1 ~~(b) \$68,000 each year is for grants to area~~
144.2 ~~labor management committees. Grants may~~
144.3 ~~be awarded for a 12-month period beginning~~
144.4 ~~July 1 each year. Any unencumbered balance~~
144.5 ~~remaining at the end of the first year does not~~
144.6 ~~cancel but is available for the second year.~~

144.7 ~~(c) \$47,000 each year is for rulemaking,~~
144.8 ~~staffing, and other costs associated with peace~~
144.9 ~~officer grievance procedures.~~

144.10 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

144.11 **ARTICLE 5**
144.12 **COMBATIVE SPORTS**

144.13 Section 1. Minnesota Statutes 2023 Supplement, section 341.25, is amended to read:

144.14 **341.25 RULES.**

144.15 (a) The commissioner may adopt rules that include standards for the physical examination
144.16 and condition of combatants and referees.

144.17 (b) The commissioner may adopt other rules necessary to carry out the purposes of this
144.18 chapter, including, but not limited to, the conduct of all combative sport contests and their
144.19 manner, supervision, time, and place.

144.20 (c) The most recent version of the Unified Rules of Mixed Martial Arts, as promulgated
144.21 by the Association of Boxing Commissions, is incorporated by reference and made a part
144.22 of this chapter except as qualified by this chapter and Minnesota Rules, chapter 2202. In
144.23 the event of a conflict between this chapter and the Unified Rules, this chapter must govern.

144.24 (d) The most recent version of the Unified Rules of Boxing, as promulgated by the
144.25 Association of Boxing Commissions, is incorporated by reference and made a part of this
144.26 chapter except as qualified by this chapter and Minnesota Rules, chapter 2201. In the event
144.27 of a conflict between this chapter and the Unified Rules, this chapter must govern.

144.28 (e) The most recent version of the Unified Rules of Kickboxing and Unified Rules of
144.29 Muay Thai, as promulgated by the Association of Boxing Commissions, is are incorporated
144.30 by reference and made a part of this chapter except as qualified by this chapter and any
144.31 applicable Minnesota Rules. In the event of a conflict between this chapter and ~~the Unified~~
144.32 Rules those rules, this chapter must govern. If a promoter seeks to hold a kickboxing event

145.1 governed by a different set of kickboxing rules, the promoter must send the commissioner
145.2 a copy of the rules under which the proposed bouts will be conducted at least 45 days before
145.3 the event. The commissioner may approve or deny the use of the alternative rules at the
145.4 commissioner's discretion. If the alternative rules are approved for an event, this chapter
145.5 and any applicable Minnesota Rules, except of those incorporating the Unified Rules of
145.6 Kickboxing and Unified Rules of Muay Thai, must govern if there is a conflict between the
145.7 rules and Minnesota law.

145.8 Sec. 2. Minnesota Statutes 2023 Supplement, section 341.28, subdivision 5, is amended
145.9 to read:

145.10 Subd. 5. **Regulatory authority; martial arts and amateur boxing.** (a) Unless this
145.11 chapter specifically states otherwise, contests or exhibitions for martial arts and amateur
145.12 boxing are exempt from the requirements of this chapter and officials at these events are
145.13 not required to be licensed under this chapter.

145.14 (b) Martial arts and amateur boxing contests, unless subject to the exceptions set forth
145.15 in subdivision 6 or 7, must be regulated by a nationally recognized organization approved
145.16 by the commissioner. The organization must have a set of written standards, procedures, or
145.17 rules used to sanction the combative sports it oversees.

145.18 (c) Any regulatory body overseeing a martial arts or amateur boxing event must submit
145.19 bout results to the commissioner within 72 hours after the event. If the regulatory body
145.20 issues suspensions, the regulatory body must submit to the commissioner a list of any
145.21 suspensions resulting from the event within 72 hours after the event. Regulatory bodies that
145.22 oversee combative sports or martial arts contests under subdivision 6 or 7 are not subject
145.23 to this paragraph.

145.24 Sec. 3. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
145.25 read:

145.26 Subd. 7. **Regulatory authority; youth competition.** Combative sports or martial arts
145.27 contests between individuals under the age of 18 years are exempt from the requirements
145.28 of this chapter and officials at these events are not required to be licensed under this chapter.
145.29 A contest under this subdivision must be regulated by (1) a widely recognized organization
145.30 that regularly oversees youth competition, or (2) a local government.

146.1 Sec. 4. Minnesota Statutes 2022, section 341.29, is amended to read:

146.2 **341.29 JURISDICTION OF COMMISSIONER.**

146.3 The commissioner shall:

146.4 (1) have sole direction, supervision, regulation, control, and jurisdiction over all
146.5 combative sport contests that are held within this state unless a contest is exempt from the
146.6 application of this chapter under federal law;

146.7 (2) have sole control, authority, and jurisdiction over all licenses required by this chapter;

146.8 (3) grant a license to an applicant if, in the judgment of the commissioner, the financial
146.9 responsibility, experience, character, and general fitness of the applicant are consistent with
146.10 the public interest, ~~convenience, or necessity~~ and in the best interests of combative sports
146.11 and conforms with this chapter and the commissioner's rules;

146.12 (4) deny, suspend, or revoke a license using the enforcement provisions of section
146.13 326B.082, except that the licensing reapplication time frames remain within the sole
146.14 discretion of the commissioner; and

146.15 (5) serve final nonlicensing orders in performing the duties of this chapter which are
146.16 subject to the contested case procedures provided in sections 14.57 to 14.69.

146.17 Sec. 5. Minnesota Statutes 2023 Supplement, section 341.30, subdivision 4, is amended
146.18 to read:

146.19 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a promoter's
146.20 license to an individual, corporation, or other business entity, the applicant shall complete
146.21 a licensing application on the Office of Combative Sports website or on forms prescribed
146.22 by the commissioner and shall:

146.23 (1) show on the licensing application the owner or owners of the applicant entity and
146.24 the percentage of interest held by each owner holding a 25 percent or more interest in the
146.25 applicant;

146.26 (2) provide the commissioner with a copy of the latest financial statement of the applicant;

146.27 (3) provide proof, where applicable, of authorization to do business in the state of
146.28 Minnesota; and

146.29 (4) deposit with the commissioner a surety bond in an amount set by the commissioner,
146.30 which must not be less than \$10,000. The bond shall be executed in favor of this state and

147.1 shall be conditioned on the faithful performance by the promoter of the promoter's obligations
147.2 under this chapter and the rules adopted under it.

147.3 (b) Before the commissioner issues a license to a combatant, the applicant shall:

147.4 (1) submit to the commissioner the results of current medical examinations on forms
147.5 prescribed by the commissioner that state that the combatant is cleared to participate in a
147.6 combative sport contest. The applicant must undergo and submit the results of the following
147.7 medical examinations, which do not exempt a combatant from the requirements in section
147.8 341.33:

147.9 (i) a physical examination performed by a licensed medical doctor, doctor of osteopathic
147.10 medicine, advance practice nurse practitioner, or a physician assistant. Physical examinations
147.11 are valid for one year from the date of the exam;

147.12 (ii) an ophthalmological examination performed by an ophthalmologist or optometrist
147.13 that includes dilation designed to detect any retinal defects or other damage or a condition
147.14 of the eye that could be aggravated by combative sports. Ophthalmological examinations
147.15 are valid for one year from the date of the exam;

147.16 (iii) blood work results for HBsAg (Hepatitis B surface antigen), HCV (Hepatitis C
147.17 antibody), and HIV. Blood work results are good for one year from the date blood was
147.18 drawn. The commissioner shall not issue a license to an applicant submitting positive test
147.19 results for HBsAg, HCV, or HIV; and

147.20 (iv) other appropriate neurological or physical examinations before any contest, if the
147.21 commissioner determines that the examination is desirable to protect the health of the
147.22 combatant;

147.23 (2) complete a licensing application on the Office of Combative Sports website or on
147.24 forms prescribed by the commissioner; and

147.25 (3) provide proof that the applicant is 18 years of age. Acceptable proof is a photo driver's
147.26 license, state photo identification card, passport, or birth certificate combined with additional
147.27 photo identification.

147.28 (c) Before the commissioner issues an amateur combatant license to an individual, the
147.29 applicant must submit proof of qualifications that includes at a minimum: (1) an applicant's
147.30 prior bout history and evidence showing that the applicant has completed at least six months
147.31 of training in a combative sport; or (2) a letter of recommendation from a coach or trainer.

147.32 (d) Before the commissioner issues a professional combatant license to an individual,
147.33 the applicant must submit proof of qualifications that includes an applicant's prior bout

148.1 history showing the applicant has competed in at least four sanctioned combative sports
148.2 contests. If the applicant has not competed in at least four sanctioned combative sports
148.3 contests, the commissioner may still grant the applicant a license if the applicant provides
148.4 evidence demonstrating that the applicant has sufficient skills and experience in combative
148.5 sports or martial arts to compete as a professional combatant.

148.6 ~~(e)~~ (e) Before the commissioner issues a license to a referee, judge, or timekeeper, the
148.7 applicant must submit proof of qualifications that may include certified training from the
148.8 Association of Boxing Commissions, licensure with other regulatory bodies, professional
148.9 references, or a log of bouts worked.

148.10 ~~(d)~~ (f) Before the commissioner issues a license to a ringside physician, the applicant
148.11 must submit proof that they are licensed to practice medicine in the state of Minnesota and
148.12 in good standing.

148.13 Sec. 6. Minnesota Statutes 2023 Supplement, section 341.321, is amended to read:

148.14 **341.321 FEE SCHEDULE.**

148.15 (a) The fee schedule for professional and amateur licenses issued by the commissioner
148.16 is as follows:

148.17 (1) referees, \$25;

148.18 (2) promoters, \$700;

148.19 (3) judges and knockdown judges, \$25;

148.20 (4) trainers and seconds, \$40;

148.21 (5) timekeepers, \$25;

148.22 (6) professional combatants, \$70;

148.23 (7) amateur combatants, \$35; and

148.24 (8) ringside physicians, \$25.

148.25 All license fees shall be paid no later than the weigh-in prior to the contest. No license may
148.26 be issued until all prelicensure requirements in section 341.30 are satisfied and fees are
148.27 paid.

148.28 (b) A promoter or event organizer of an event regulated by the Department of Labor and
148.29 Industry must pay, per event, a combative sport contest fee of ~~0~~ .

149.1 (c) If the promoter sells tickets for the event, the event fee is \$1,500 per event or four
149.2 percent of the gross ticket sales, whichever is greater. The fee must be paid as follows:

149.3 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

149.4 (2) \$1,000 at the weigh-in prior to the contest;

149.5 (3) if four percent of the gross ticket sales is greater than \$1,500, the balance is due to
149.6 the commissioner within 14 days of the completed contest; and

149.7 (4) the value of all complimentary tickets distributed for an event, to the extent they
149.8 exceed five percent of total event attendance, counts toward gross tickets sales for the
149.9 purposes of determining a combative sports contest fee. For purposes of this clause, the
149.10 lowest advertised ticket price shall be used to calculate the value of complimentary tickets.

149.11 (d) If the promoter does not sell tickets and receives only a flat payment from a venue
149.12 to administer the event, the event fee is \$1,500 per event or four percent of the flat payment,
149.13 whichever is greater. The fee must be paid as follows:

149.14 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

149.15 (2) \$1,000 at the weigh-in prior to the contest; and

149.16 (3) if four percent of the flat payment is greater than \$1,500, the balance is due to the
149.17 commissioner within 14 days of the completed contest.

149.18 ~~(e)~~ (e) All fees and penalties collected by the commissioner must be deposited in the
149.19 commissioner account in the special revenue fund.

149.20 Sec. 7. Minnesota Statutes 2023 Supplement, section 341.33, is amended by adding a
149.21 subdivision to read:

149.22 Subd. 3. **Medical records.** The commissioner may, if the commissioner determines that
149.23 doing so would be desirable to protect the health of a combatant, provide the combatant's
149.24 medical information collected under this chapter to the physician conducting a prebout exam
149.25 under this section or to the ringside physician or physicians assigned to the combatant's
149.26 combative sports contest.

149.27 Sec. 8. [341.352] DATA PRIVACY.

149.28 All health records collected, created, or maintained under this chapter are private data
149.29 on individuals, as defined in section 13.02, subdivision 12.

150.1 Sec. 9. Minnesota Statutes 2023 Supplement, section 341.355, is amended to read:

150.2 **341.355 CIVIL PENALTIES.**

150.3 When the commissioner finds that a person has violated one or more provisions of any
150.4 statute, rule, or order that the commissioner is empowered to regulate, enforce, or issue, the
150.5 commissioner may impose, for each violation, a civil penalty of up to \$10,000 for each
150.6 violation, or a civil penalty that deprives the person of any economic advantage gained by
150.7 the violation, or both. The commissioner may also impose these penalties against a person
150.8 who has violated section 341.28, subdivision 5, paragraph (b) or (c), or subdivision 7.

150.9 **ARTICLE 6**

150.10 **CONSTRUCTION CODES AND LICENSING**

150.11 Section 1. Minnesota Statutes 2023 Supplement, section 326B.106, subdivision 1, is
150.12 amended to read:

150.13 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections
150.14 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
150.15 Construction Codes Advisory Council establish a code of standards for the construction,
150.16 reconstruction, alteration, and repair of buildings, governing matters of structural materials,
150.17 design and construction, fire protection, health, sanitation, and safety, including design and
150.18 construction standards regarding heat loss control, illumination, and climate control. The
150.19 code must also include duties and responsibilities for code administration, including
150.20 procedures for administrative action, penalties, and suspension and revocation of certification.
150.21 The code must conform insofar as practicable to model building codes generally accepted
150.22 and in use throughout the United States, including a code for building conservation. In the
150.23 preparation of the code, consideration must be given to the existing statewide specialty
150.24 codes presently in use in the state. Model codes with necessary modifications and statewide
150.25 specialty codes may be adopted by reference. The code must be based on the application
150.26 of scientific principles, approved tests, and professional judgment. To the extent possible,
150.27 the code must be adopted in terms of desired results instead of the means of achieving those
150.28 results, avoiding wherever possible the incorporation of specifications of particular methods
150.29 or materials. To that end the code must encourage the use of new methods and new materials.
150.30 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall
150.31 administer and enforce the provisions of those sections.

150.32 (b) The commissioner shall develop rules addressing the plan review fee assessed to
150.33 similar buildings without significant modifications including provisions for use of building
150.34 systems as specified in the industrial/modular program specified in section 326B.194.

151.1 Additional plan review fees associated with similar plans must be based on costs
151.2 commensurate with the direct and indirect costs of the service.

151.3 (c) Beginning with the 2018 edition of the model building codes and every six years
151.4 thereafter, the commissioner shall review the new model building codes and adopt the model
151.5 codes as amended for use in Minnesota, within two years of the published edition date. The
151.6 commissioner may adopt amendments to the building codes prior to the adoption of the
151.7 new building codes to advance construction methods, technology, or materials, or, where
151.8 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
151.9 or the use of a building.

151.10 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
151.11 residential energy code and the new model commercial energy code in accordance with
151.12 federal law for which the United States Department of Energy has issued an affirmative
151.13 determination in compliance with United States Code, title 42, section 6833. The
151.14 commissioner may adopt amendments prior to adoption of the new energy codes, as amended
151.15 for use in Minnesota, to advance construction methods, technology, or materials, or, where
151.16 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
151.17 or use of a building.

151.18 (e) Beginning in 2024, the commissioner shall act on the new model commercial energy
151.19 code by adopting each new published edition of ASHRAE 90.1 or a more efficient standard.
151.20 The commercial energy code in effect in 2036 and thereafter must achieve an 80 percent
151.21 reduction in annual net energy consumption or greater, using the ASHRAE 90.1-2004 as a
151.22 baseline. The commissioner shall adopt commercial energy codes from 2024 to 2036 that
151.23 incrementally move toward achieving the 80 percent reduction in annual net energy
151.24 consumption. By January 15 of the year following each new code adoption, the commissioner
151.25 shall make a report on progress under this section to the legislative committees with
151.26 jurisdiction over the energy code.

151.27 (f) Nothing in this section shall be interpreted to limit the ability of a public utility to
151.28 offer code support programs, or to claim energy savings resulting from such programs,
151.29 through its energy conservation and optimization plans approved by the commissioner of
151.30 commerce under section 216B.241 or an energy conservation and optimization plan filed
151.31 by a consumer-owned utility under section 216B.2403.

151.32 (g) Beginning in 2026, the commissioner shall act on the new model residential energy
151.33 code by adopting each new published edition of the International Energy Conservation Code
151.34 or a more efficient standard. The residential energy code in effect in 2038 and thereafter

152.1 must achieve a 70 percent reduction in annual net energy consumption or greater, using the
152.2 2006 International Energy Conservation Code State Level Residential Codes Energy Use
152.3 Index for Minnesota, as published by the United States Department of Energy's Building
152.4 Energy Codes Program, as a baseline. The commissioner shall adopt residential energy
152.5 codes from 2026 to 2038 that incrementally move toward achieving the 70 percent reduction
152.6 in annual net energy consumption. By January 15 of the year following each new code
152.7 adoption, the commissioner shall submit a report on progress under this section to the
152.8 legislative committees with jurisdiction over the energy code.

152.9 Sec. 2. Minnesota Statutes 2022, section 326B.89, subdivision 5, is amended to read:

152.10 Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the
152.11 fund to an owner or a lessee in an amount greater than ~~\$75,000~~ \$100,000 per licensee. The
152.12 commissioner shall not pay compensation from the fund to owners and lessees in an amount
152.13 that totals more than \$550,000 per licensee. The commissioner shall only pay compensation
152.14 from the fund for a final judgment that is based on a contract directly between the licensee
152.15 and the homeowner or lessee that was entered into prior to the cause of action and that
152.16 requires licensure as a residential building contractor or residential remodeler.

152.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

152.18 **ARTICLE 7**

152.19 **BUREAU OF MEDIATION SERVICES**

152.20 Section 1. Minnesota Statutes 2022, section 626.892, subdivision 10, is amended to read:

152.21 Subd. 10. **Training.** (a) A person appointed to the arbitrator roster under this section
152.22 must complete training as required by the commissioner during the person's appointment.
152.23 At a minimum, an initial training must include:

152.24 (1) at least six hours on the topics of cultural competency, racism, implicit bias, and
152.25 recognizing and valuing community diversity and cultural differences; and

152.26 (2) at least six hours on topics related to the daily experience of peace officers, which
152.27 may include ride-alongs with on-duty officers or other activities that provide exposure to
152.28 the environments, choices, and judgments required of officers in the field.

152.29 (b) The commissioner may adopt rules establishing training requirements consistent
152.30 with this subdivision.

152.31 ~~(b) An arbitrator appointed to the roster of arbitrators in 2020 must complete the required~~
152.32 ~~initial training by July 1, 2021.~~ (c) An arbitrator appointed to the roster of arbitrators after

153.1 2020 must complete the required initial training within six months of the arbitrator's
153.2 appointment.

153.3 ~~(e)~~ (d) The Bureau of Mediation Services must pay for all costs associated with the
153.4 required training must be borne by the arbitrator.

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

153.6 Sec. 2. **REPEALER.**

153.7 (a) Minnesota Statutes 2022, sections 179.81; 179.82; 179.83, subdivision 1; 179.84,
153.8 subdivision 1; and 179.85, are repealed.

153.9 (b) Minnesota Rules, parts 5520.0100; 5520.0110; 5520.0120, subparts 1, 2, 3, 4, 5, 6,
153.10 and 7; 5520.0200; 5520.0250, subparts 1, 2, and 4; 5520.0300; 5520.0500, subparts 1, 2,
153.11 3, 4, 5, and 6; 5520.0520; 5520.0540; 5520.0560; 5520.0600; 5520.0620; 5520.0700;
153.12 5520.0710; and 5520.0800, are repealed.

153.13 **ARTICLE 8**

153.14 **PUBLIC EMPLOYEE LABOR RELATIONS (PELRA)**

153.15 Section 1. Minnesota Statutes 2023 Supplement, section 13.43, subdivision 6, is amended
153.16 to read:

153.17 **Subd. 6. Access by labor organizations, Bureau of Mediation Services, Public**
153.18 **Employment Relations Board.** (a) Notwithstanding classification by any other provision
153.19 of this chapter upon request from an exclusive representative, personnel data must be
153.20 disseminated to labor organizations and the Public Employment Relations Board to the
153.21 extent necessary to conduct elections, investigate and process grievances, and implement
153.22 the provisions of chapters 179 and 179A.

153.23 (b) Personnel data shall be disseminated to labor organizations, the Public Employment
153.24 Relations Board, and the Bureau of Mediation Services to the extent the dissemination is
153.25 ordered or authorized by the commissioner of the Bureau of Mediation Services or the
153.26 Public Employment Relations Board or its employees or agents. Employee Social Security
153.27 numbers are not necessary to implement the provisions of chapters 179 and 179A.

153.28 ~~(b)~~ (c) Personnel data described under section 179A.07, subdivision 8, must be
153.29 disseminated to an exclusive representative under the terms of that subdivision.

154.1 ~~(e)~~ (d) An employer who disseminates personnel data to a labor organization pursuant
154.2 to this subdivision shall not be subject to liability under section 13.08. Nothing in this
154.3 paragraph shall impair or limit any remedies available under section 325E.61.

154.4 ~~(d)~~ (e) The home addresses, nonemployer issued phone numbers and email addresses,
154.5 dates of birth, and emails or other communications between exclusive representatives and
154.6 their members, prospective members, and nonmembers are private data on individuals.

154.7 Sec. 2. Minnesota Statutes 2023 Supplement, section 179A.03, subdivision 14, is amended
154.8 to read:

154.9 Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means
154.10 any person appointed or employed by a public employer except:

154.11 (1) elected public officials;

154.12 (2) election officers;

154.13 (3) commissioned or enlisted personnel of the Minnesota National Guard;

154.14 (4) emergency employees who are employed for emergency work caused by natural
154.15 disaster;

154.16 (5) part-time employees whose service does not exceed the lesser of 14 hours per week
154.17 or 35 percent of the normal work week in the employee's appropriate unit;

154.18 (6) employees, other than those working in a school as a paraprofessional or other
154.19 noninstructional position, whose positions are basically temporary or seasonal in character
154.20 and: (i) are not for more than 67 working days in any calendar year; (ii) are not working for
154.21 a Minnesota school district or charter school; or (iii) are not for more than 100 working
154.22 days in any calendar year and the employees are.

154.23 (7) full-time students under the age of 22, ~~are full-time students~~ enrolled in a nonprofit
154.24 or public educational institution prior to being hired by the employer, excluding employment
154.25 by the Board of Regents of the University of Minnesota, whose positions are temporary or
154.26 seasonal in character and are not for more than 100 working days in any calendar year, and
154.27 who have indicated, either in an application for employment or by being enrolled at an
154.28 educational institution for the next academic year or term, an intention to continue as students
154.29 during or after their temporary employment;

154.30 ~~(7)~~ (8) employees providing services for not more than two consecutive quarters to the
154.31 Board of Trustees of the Minnesota State Colleges and Universities under the terms of a
154.32 professional or technical services contract as defined in section 16C.08, subdivision 1;

155.1 ~~(8)~~ (9) employees of charitable hospitals as defined by section 179.35, subdivision 3,
155.2 except that employees of charitable hospitals as defined by section 179.35, subdivision 3,
155.3 are public employees for purposes of sections 179A.051, 179A.052, and 179A.13;

155.4 ~~(9)~~ (10) full-time undergraduate students employed by the school, excluding employment
155.5 by the Board of Regents of the University of Minnesota, which they attend under a
155.6 work-study program or in connection with the receipt of financial aid, irrespective of number
155.7 of hours of service per week;

155.8 ~~(10)~~ (11) an individual who is employed for less than 300 hours in a fiscal year as an
155.9 instructor in an adult vocational education program;

155.10 ~~(11)~~ (12) with respect to court employees:

155.11 (i) personal secretaries to judges;

155.12 (ii) law clerks;

155.13 (iii) managerial employees;

155.14 (iv) confidential employees; and

155.15 (v) supervisory employees; or

155.16 ~~(12)~~ (13) with respect to employees of Hennepin Healthcare System, Inc., managerial,
155.17 supervisory, and confidential employees.

155.18 (b) The following individuals are public employees regardless of the exclusions of
155.19 paragraph (a), clauses (5) to ~~(7)~~ (8) and (10):

155.20 (1) an employee hired by a school district or the Board of Trustees of the Minnesota
155.21 State Colleges and Universities except at the university established in the Twin Cities
155.22 metropolitan area under section 136F.10 or for community services or community education
155.23 instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member
155.24 who is a public employee, where the replacement employee is employed more than 30
155.25 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching
155.26 position created due to increased enrollment, curriculum expansion, courses which are a
155.27 part of the curriculum whether offered annually or not, or other appropriate reasons;

155.28 (2) an employee hired for a position under paragraph (a), clause (6), ~~item (i)~~, if that same
155.29 position has already been filled under paragraph (a), clause (6), ~~item (i)~~, in the same calendar
155.30 year and the cumulative number of days worked in that same position by all employees
155.31 exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position"

156.1 includes a substantially equivalent position if it is not the same position solely due to a
156.2 change in the classification or title of the position;

156.3 (3) an early childhood family education teacher employed by a school district; ~~and~~

156.4 (4) an individual hired by the Board of Trustees of the Minnesota State Colleges and
156.5 Universities or the University of Minnesota as the instructor of record to teach (i) one class
156.6 for more than three credits in a fiscal year, or (ii) two or more credit-bearing classes in a
156.7 fiscal year; and

156.8 (5) an individual who: (i) is paid by the Board of Regents of the University of Minnesota
156.9 for work performed at the direction of the university or any of its employees or contractors;
156.10 and (ii) is enrolled in three or more university credit-bearing classes or one semester as a
156.11 full-time student or postdoctoral fellow during the fiscal year in which the work is performed.
156.12 For purposes of this section, work paid by the university includes but is not limited to work
156.13 that is required as a condition of receiving a stipend or tuition benefit, whether or not the
156.14 individual also receives educational benefit from performing that work. Individuals who
156.15 perform supervisory functions in regard to any individuals who are employees under this
156.16 clause are not considered supervisory employees for the purpose of section 179A.06,
156.17 subdivision 2.

156.18 Sec. 3. Minnesota Statutes 2023 Supplement, section 179A.03, subdivision 18, is amended
156.19 to read:

156.20 Subd. 18. **Teacher.** "Teacher" means any public employee other than a superintendent
156.21 or assistant superintendent, principal, assistant principal, or a supervisory or confidential
156.22 employee, employed by a school district:

156.23 (1) in a position for which the person must be licensed by the Professional Educator
156.24 Licensing and Standards Board or the commissioner of education;

156.25 (2) in a position as a physical therapist, occupational therapist, art therapist, music
156.26 therapist, or audiologist; or

156.27 (3) in a position creating and delivering instruction to children in a preschool, school
156.28 readiness, school readiness plus, or prekindergarten program or other school district or
156.29 charter school-based early education program, except that ~~an employee~~ employees in a
156.30 bargaining unit certified before January 1, 2023, may remain in a bargaining unit that does
156.31 not include teachers unless an exclusive representative files a petition for a unit clarification
156.32 on the status of a preschool, school readiness, school readiness plus, or prekindergarten

157.1 program or other school district or charter school-based early education program position
157.2 ~~or to transfer exclusive representative status.~~

157.3 Sec. 4. Minnesota Statutes 2022, section 179A.041, subdivision 2, is amended to read:

157.4 Subd. 2. **Alternate members.** (a) The appointing authorities shall appoint alternate
157.5 members to serve ~~only~~ in the ~~ease~~ event of a member having a conflict of interest or being
157.6 unavailable for a meeting under subdivision 9, as follows:

157.7 (1) one alternate, appointed by the governor, who is an officer or employee of an exclusive
157.8 representative of public employees, to serve as an alternate to the member appointed by the
157.9 governor who is an officer or employee of an exclusive representative of public employees.
157.10 This alternate must not be an officer or employee of the same exclusive representative of
157.11 public employees as the member for whom the alternate serves;

157.12 (2) one alternate, appointed by the governor, who is a representative of public employers,
157.13 to serve as an alternate to the member appointed by the governor who is a representative of
157.14 public employers. This alternate must not represent the same public employer as the member
157.15 for whom the alternate serves; and

157.16 (3) one alternate, appointed by the member who is an officer or employee of an exclusive
157.17 representative of public employees and the member who is a representative of public
157.18 employers, who is not an officer or employee of an exclusive representative of public
157.19 employees, or a representative of a public employer, to serve as an alternate for the member
157.20 that represents the public at large.

157.21 (b) Each alternate member shall serve a term that is coterminous with the term of the
157.22 member for whom the alternate member serves as an alternate.

157.23 Sec. 5. Minnesota Statutes 2023 Supplement, section 179A.041, subdivision 10, is amended
157.24 to read:

157.25 Subd. 10. **Open Meeting Law; exceptions.** Chapter 13D does not apply to ~~meetings of~~
157.26 ~~the~~ a board meeting when ~~it~~ the board is:

157.27 (1) deliberating on the merits of an unfair labor practice ~~charges~~ charge under sections
157.28 179.11, 179.12, and 179A.13;

157.29 (2) reviewing a hearing officer's recommended decision and order ~~of a hearing officer~~
157.30 under section 179A.13; or

158.1 ~~(3) reviewing decisions of the~~ a commissioner of the Bureau of Mediation Services
158.2 ~~relating to decision on an unfair labor practices practice~~ under section 179A.12, subdivision
158.3 11.

158.4 Sec. 6. Minnesota Statutes 2023 Supplement, section 179A.06, subdivision 6, is amended
158.5 to read:

158.6 Subd. 6. **Payroll deduction, authorization, and remittance.** ~~(a) Public employees have~~
158.7 ~~the right to~~ A public employee may request and be allowed payroll deduction for the
158.8 exclusive representative that represents the employee's position and the its associated political
158.9 fund associated with the exclusive representative and registered pursuant to ~~under~~ section
158.10 10A.12. If no exclusive representative represents an employee's position, the public employee
158.11 may request payroll deduction for the organization of the employee's choice. A public
158.12 employer must provide payroll deduction according to any public employee's request under
158.13 this paragraph.

158.14 ~~(b)~~ (b) A public employer must rely on a certification from ~~any~~ an exclusive representative
158.15 requesting remittance of a deduction that the organization has and will maintain an
158.16 authorization; signed, either by hand or electronically according to section 325L.02, paragraph
158.17 (h), by the public employee from whose salary or wages the deduction is to be made, which
158.18 ~~may include an electronic signature by the public employee as defined in section 325L.02,~~
158.19 ~~paragraph (h).~~ An exclusive representative making ~~such~~ a certification ~~must not be~~ is not
158.20 required to provide the public employer a copy of the authorization unless a dispute arises
158.21 about the authorization's existence or terms ~~of the authorization.~~ ~~The exclusive representative~~
158.22 ~~must indemnify the public employer for any successful claims made by the employee for~~
158.23 ~~unauthorized deductions in reliance on the certification.~~

158.24 ~~(b)~~ (c) A ~~dues~~ payroll deduction authorization ~~remains in effect~~ is effective until the
158.25 exclusive representative notifies the employer ~~receives notice from the exclusive~~
158.26 ~~representative~~ that a public employee has changed or canceled ~~their~~ the employee's
158.27 authorization in writing in accordance with the terms of the original ~~authorizing document,~~
158.28 ~~and~~ authorization. When determining whether deductions have been properly changed or
158.29 canceled, a public employer must rely on information from the exclusive representative
158.30 receiving remittance of the deduction ~~regarding whether the deductions have been properly~~
158.31 ~~changed or canceled.~~ ~~The exclusive representative must indemnify the public employer,~~
158.32 ~~including any reasonable attorney fees and litigation costs, for any successful claims made~~
158.33 ~~by the employee for unauthorized deductions made in reliance on such information.~~

158.34 ~~(e)~~ (d) Deduction authorization under this section is:

159.1 (1) independent from the public employee's membership status in the organization to
159.2 which payment is remitted; and is

159.3 (2) effective regardless of whether a collective bargaining agreement authorizes the
159.4 deduction.

159.5 ~~(d) Employers~~ (e) An employer must commence:

159.6 (1) begin deductions within 30 days of notice of authorization from the after an exclusive
159.7 representative submits a certification under paragraph (b); and must

159.8 (2) remit the deductions to the exclusive representative within 30 days of the deduction.
159.9 ~~The failure of an employer to comply with the provisions of this paragraph shall be an unfair~~
159.10 ~~labor practice under section 179A.13, the relief for which shall be reimbursement by the~~
159.11 ~~employer of deductions that should have been made or remitted based on a valid authorization~~
159.12 ~~given by the employee or employees.~~

159.13 ~~(e) In the absence of an exclusive representative, public employees have the right to~~
159.14 ~~request and be allowed payroll deduction for the organization of their choice.~~

159.15 (f) An exclusive representative must indemnify a public employer:

159.16 (1) for any successful employee claim for unauthorized employer deductions made by
159.17 relying on an exclusive representative's certification under paragraph (b); and

159.18 (2) for any successful employee claim for unauthorized employer deductions made by
159.19 relying on information for changing or canceling deductions under paragraph (c), with
159.20 indemnification including any reasonable attorney fees and litigation costs.

159.21 ~~(f)~~ (g) Any dispute under this subdivision must be resolved through an unfair labor
159.22 practice proceeding under section 179A.13. It is an unfair labor practice if an employer fails
159.23 to comply with paragraph (e), and the employer must reimburse deductions that should have
159.24 been made or remitted based on a valid authorization given by the employee or employees.

159.25 Sec. 7. Minnesota Statutes 2023 Supplement, section 179A.07, subdivision 8, is amended
159.26 to read:

159.27 Subd. 8. **Bargaining unit information.** (a) Within 20 calendar days ~~from the date of~~
159.28 ~~hire of~~ after a bargaining unit employee is hired, a public employer must provide the
159.29 following ~~contact~~ information on the employee to an the unit's exclusive representative or
159.30 its affiliate in an Excel file format or other format agreed to by the exclusive representative:

159.31 (1) name;

- 160.1 (2) job title;
- 160.2 (3) worksite location, including location ~~within~~ in a facility when appropriate;
- 160.3 (4) home address;
- 160.4 (5) work telephone number;
- 160.5 (6) home and personal cell phone numbers on file with the public employer;
- 160.6 (7) date of hire; and
- 160.7 (8) work email address and personal email address on file with the public employer.

160.8 (b) Every 120 calendar days ~~beginning on January 1, 2024~~, a public employer must
160.9 provide to ~~an~~ a bargaining unit's exclusive representative in an Excel file or similar format
160.10 agreed to by the exclusive representative the ~~following~~ information under paragraph (a) for
160.11 all bargaining unit employees: ~~name; job title; worksite location, including location within~~
160.12 ~~a facility when appropriate; home address; work telephone number; home and personal cell~~
160.13 ~~phone numbers on file with the public employer; date of hire; and work email address and~~
160.14 ~~personal email address on file with the public employer.~~

160.15 (c) ~~A public employer must notify an exclusive representative within 20 calendar days~~
160.16 ~~of the separation of~~ If a bargaining unit employee separates from employment or transfer
160.17 transfers out of the bargaining unit of a bargaining unit employee, the employee's public
160.18 employer must notify the employee's exclusive representative within 20 calendar days after
160.19 the separation or transfer, including whether the unit departure was due to a transfer,
160.20 promotion, demotion, discharge, resignation, or retirement.

160.21 Sec. 8. Minnesota Statutes 2023 Supplement, section 179A.07, subdivision 9, is amended
160.22 to read:

160.23 Subd. 9. **Access.** (a) A public employer must allow an exclusive representative or the
160.24 representative's agent to meet in person with a newly hired employees, without charge to
160.25 the pay or leave time of the employees, for 30 minutes, employee within 30 calendar days
160.26 from the date of hire; during new employee orientations or, if the employer does not conduct
160.27 new employee orientations, at individual or group meetings arranged by the employer in
160.28 coordination with the exclusive representative or the representative's agent during the newly
160.29 hired employees' regular working hours. For an orientation or meeting under this paragraph,
160.30 an employer must allow the employee and exclusive representative up to 30 minutes to meet
160.31 and must not charge the employee's pay or leave time during the orientation or meeting, or
160.32 the pay or leave time of an employee of the public employer acting as an agent of the

161.1 exclusive representative using time off under subdivision 6. An orientation or meeting may
161.2 be held virtually or for longer than 30 minutes only by mutual agreement of the employer
161.3 and exclusive representative.

161.4 ~~(b)~~ (b) An exclusive representative ~~shall~~ must receive ~~no less than~~ at least ten days' notice
161.5 ~~in advance~~ of an orientation, ~~except that~~ but a shorter notice may be provided ~~where~~ if there
161.6 is an urgent need critical to the employer's operations ~~of the public employer~~ that was not
161.7 reasonably foreseeable. Notice of and attendance at new employee orientations and other
161.8 meetings under this paragraph ~~must be~~ and paragraph (a) are limited to ~~the public employer;~~

161.9 (1) the employees;

161.10 (2) the exclusive representative, and;

161.11 (3) any vendor contracted to provide a service for purposes of the meeting. Meetings
161.12 ~~may be held virtually or for longer than 30 minutes; and~~

161.13 (4) the public employer or its designee, who may attend only by mutual agreement of
161.14 the public employer and exclusive representative.

161.15 ~~(b)~~ (c) A public employer must allow an exclusive representative to communicate with
161.16 bargaining unit members ~~using their employer-issued email addresses regarding~~ by email
161.17 on:

161.18 (1) collective bargaining;

161.19 (2) the administration of collective bargaining agreements;

161.20 (3) the investigation of grievances, and other workplace-related complaints and issues;
161.21 and

161.22 (4) internal matters involving the governance or business of the exclusive representative,
161.23 consistent with the employer's generally applicable technology use policies.

161.24 (d) An exclusive representative may communicate with bargaining unit members under
161.25 paragraph (c) via the members' employer-issued email addresses, but the communication
161.26 must be consistent with the employer's generally applicable technology use policies.

161.27 ~~(e)~~ (e) A public employer must allow an exclusive representative to meet with bargaining
161.28 unit members in facilities owned or leased by the public employer ~~regarding~~ to communicate
161.29 on:

161.30 (1) collective bargaining;

161.31 (2) the administration of collective bargaining agreements;

162.1 (3) the investigation of grievances and other workplace-related complaints and issues;
162.2 and

162.3 (4) internal matters involving the governance or business of the exclusive representative;
162.4 ~~provided the use does not interfere with governmental operations and the exclusive~~
162.5 ~~representative complies with worksite security protocols established by the public employer.~~
162.6 ~~Meetings conducted.~~

162.7 (f) The following applies for a meeting under paragraph (e):

162.8 (1) a meeting cannot interfere with government operations;

162.9 (2) the exclusive representative must comply with employer-established worksite security
162.10 protocols;

162.11 (3) a meeting in a government buildings pursuant to this paragraph must not building
162.12 cannot be for the purpose of supporting or opposing any candidate for partisan political
162.13 office or for the purpose of distributing literature or information regarding on partisan
162.14 elections; and

162.15 (4) an exclusive representative conducting a meeting in a government building or other
162.16 government facility pursuant to this subdivision may be charged for maintenance, security,
162.17 and other costs related to the use of using the government building or facility that would
162.18 not otherwise be incurred by the government entity.

162.19 Sec. 9. Minnesota Statutes 2022, section 179A.09, is amended by adding a subdivision to
162.20 read:

162.21 Subd. 4. **Unit mergers.** Upon the request of an exclusive representative for bargaining
162.22 units other than those defined in section 179A.10, subdivision 2, the commissioner must
162.23 designate as a single unit two bargaining units represented by the exclusive representative,
162.24 subject to subdivision 2 as well as any other statutory bargaining unit designation.

162.25 Sec. 10. Minnesota Statutes 2022, section 179A.09, is amended by adding a subdivision
162.26 to read:

162.27 Subd. 5. **Position classifications.** For the purpose of determining whether a new position
162.28 should be included in an existing bargaining unit, the position shall be analyzed with respect
162.29 to its assigned duties, without regard to title or telework status.

163.1 Sec. 11. Minnesota Statutes 2023 Supplement, section 179A.10, subdivision 2, is amended
163.2 to read:

163.3 Subd. 2. **State employees.** (a) Unclassified employees, unless otherwise excluded, are
163.4 included within the units ~~which~~ that include the classifications to which they are assigned
163.5 for purposes of compensation. Supervisory employees ~~shall only~~ can be assigned only to
163.6 ~~units~~ unit 12 and or 16. The following units are the appropriate units of executive branch
163.7 state employees:

- 163.8 (1) law enforcement unit;
- 163.9 (2) craft, maintenance, and labor unit;
- 163.10 (3) service unit;
- 163.11 (4) health care nonprofessional unit;
- 163.12 (5) health care professional unit;
- 163.13 (6) clerical and office unit;
- 163.14 (7) technical unit;
- 163.15 (8) correctional guards unit;
- 163.16 (9) state university instructional unit;
- 163.17 (10) state college instructional unit;
- 163.18 (11) state university administrative unit;
- 163.19 (12) professional engineering unit;
- 163.20 (13) health treatment unit;
- 163.21 (14) general professional unit;
- 163.22 (15) professional state residential instructional unit;
- 163.23 (16) supervisory employees unit;
- 163.24 (17) public safety radio communications operator unit;
- 163.25 (18) licensed peace officer special unit; and
- 163.26 (19) licensed peace officer leader unit.

163.27 ~~Each unit consists of the classifications or positions assigned to it in the schedule of~~
163.28 ~~state employee job classification and positions maintained by the commissioner. The~~

164.1 ~~commissioner may only make changes in the schedule in existence on the day prior to~~
164.2 ~~August 1, 1984, as required by law or as provided in subdivision 4.~~

164.3 (b) The following positions are included in the licensed peace officer special unit:

164.4 (1) State Patrol lieutenant;

164.5 (2) NR district supervisor - enforcement;

164.6 (3) assistant special agent in charge;

164.7 (4) corrections investigation assistant director 2;

164.8 (5) corrections investigation supervisor; and

164.9 (6) commerce supervisor special agent.

164.10 (c) The following positions are included in the licensed peace officer leader unit:

164.11 (1) State Patrol captain;

164.12 (2) NR program manager 2 enforcement; and

164.13 (3) special agent in charge.

164.14 (d) Each unit consists of the classifications or positions assigned to it in the schedule of
164.15 state employee job classification and positions maintained by the commissioner. The
164.16 commissioner may make changes in the schedule in existence on the day before August 1,
164.17 1984, only:

164.18 (1) as required by law; or

164.19 (2) as provided in subdivision 4.

164.20 Sec. 12. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 2a, is amended
164.21 to read:

164.22 Subd. 2a. **Majority verification procedure.** (a) ~~Notwithstanding any other provision~~
164.23 ~~of this section,~~ An employee organization may file a petition with the commissioner
164.24 requesting certification as the exclusive representative of ~~an~~ a proposed appropriate unit
164.25 ~~based on a verification that~~ for which there is no currently certified exclusive representative.
164.26 The petition must include over 50 percent of the employees in the proposed appropriate
164.27 unit who wish to be represented by the petitioner organization. ~~The commissioner shall~~
164.28 ~~require dated representation authorization signatures of affected employees as verification~~
164.29 ~~of the employee organization's claim of majority status.~~

165.1 (b) ~~Upon receipt of an employee organization's petition, accompanied by employee~~
165.2 ~~authorization signatures under this subdivision, the commissioner shall investigate the~~
165.3 ~~petition.~~ If the commissioner determines that over 50 percent of the employees in an the
165.4 appropriate unit have provided authorization signatures designating the petitioning employee
165.5 organization ~~specified in the petition~~ as their exclusive representative, the commissioner
165.6 ~~shall not order an election but shall~~ must certify the employee organization as the employees'
165.7 exclusive representative without ordering an election under this section.

165.8 Sec. 13. Minnesota Statutes 2022, section 179A.12, subdivision 5, is amended to read:

165.9 Subd. 5. **Commissioner to investigate.** ~~The commissioner shall, Upon receipt of an~~
165.10 ~~employee organization's receiving a petition to the commissioner~~ under subdivision ~~3~~ 1a
165.11 or 2a, the commissioner must:

165.12 (1) investigate to determine if sufficient evidence of a question of representation exists;
165.13 and

165.14 (2) hold hearings necessary to determine the appropriate unit and other matters necessary
165.15 to determine the representation rights of the affected employees and employer.

165.16 Sec. 14. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 6, is amended
165.17 to read:

165.18 Subd. 6. **Authorization signatures.** ~~In~~ (a) When determining the numerical status of
165.19 an employee organization for purposes of this section, the commissioner ~~shall~~ must require
165.20 a dated representation authorization signatures of affected employees signature of each
165.21 affected employee as verification of the statements contained in the ~~joint request or petitions~~
165.22 petition. ~~These~~

165.23 (b) An authorization signatures shall be signature is privileged and confidential
165.24 information available to the commissioner only. An electronic signatures signature, as
165.25 defined in section 325L.02, paragraph (h), ~~shall be~~ is valid as an authorization signatures
165.26 signature.

165.27 (c) An authorization signatures shall be signature is valid for a ~~period~~ of one year
165.28 following the signature date of signature.

166.1 Sec. 15. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 11, is amended
166.2 to read:

166.3 Subd. 11. **Unfair labor practices.** The commissioner may void the result of an election
166.4 or majority verification procedure and order a new election or procedure if the commissioner
166.5 finds ~~that~~ one of the following:

166.6 (1) there was an unfair labor practice that:

166.7 (i) was committed by an employer or, a representative candidate or, an employee, or a
166.8 group of employees; and ~~that the unfair labor practice~~

166.9 (ii) affected the result of an the election or the majority verification procedure pursuant
166.10 to subdivision 2a; or ~~that~~

166.11 (2) procedural or other irregularities in the conduct of the election or majority verification
166.12 procedure may have substantially affected its the results; ~~the commissioner may void the~~
166.13 ~~result and order a new election or majority verification procedure.~~

166.14 Sec. 16. Minnesota Statutes 2022, section 179A.13, subdivision 1, is amended to read:

166.15 Subdivision 1. **Actions.** (a) The practices specified in this section are unfair labor
166.16 practices. Any employee, employer, employee or employer organization, exclusive
166.17 representative, or any other person or organization aggrieved by an unfair labor practice as
166.18 defined in this section may file an unfair labor practice charge with the board.

166.19 (b) Whenever it is charged that any party has engaged in or is engaging in any unfair
166.20 labor practice, an investigator designated by the board shall promptly conduct an investigation
166.21 of the charge. Unless after the investigation the board finds that the charge has no reasonable
166.22 basis in law or fact, the board shall promptly issue a complaint and cause to be served upon
166.23 the party a complaint stating the charges, accompanied by a notice of hearing before a
166.24 qualified hearing officer designated by the board at the offices of the bureau or other location
166.25 as the board deems appropriate, ~~not less than five days nor more than 20 days~~ more than
166.26 30 days after serving the complaint absent mutual agreement of the parties, provided that
166.27 no complaint shall be issued based upon any unfair labor practice occurring more than six
166.28 months prior to the filing of a charge. A complaint issued under this subdivision may be
166.29 amended by the board at any time prior to the issuance of an order based thereon. The party
166.30 who is the subject of the complaint has the right to file an answer to the original or amended
166.31 complaint prior to hearing and to appear in person or by a representative and give testimony
166.32 at the place and time fixed in the complaint. In the discretion of the hearing officer conducting
166.33 the hearing or the board, any other party may be allowed to intervene in the proceeding and

167.1 to present testimony. The board or designated hearing officers shall not be bound by the
167.2 rules of evidence applicable to courts, except as to the rules of privilege recognized by law.

167.3 (c) Designated investigators must conduct the investigation of charges.

167.4 (d) Hearing officers must ~~be licensed to practice law in the state of Minnesota~~ have a
167.5 juris doctor and must conduct the hearings and issue recommended decisions and orders.

167.6 (e) The board or its designees shall have the power to issue subpoenas and administer
167.7 oaths. If any party willfully fails or neglects to appear or testify or to produce books, papers,
167.8 and records pursuant to the issuance of a subpoena, the board may apply to a court of
167.9 competent jurisdiction to request that the party be ordered to appear to testify or produce
167.10 the requested evidence.

167.11 (f) A full and complete record shall be kept of all proceedings before the board or
167.12 designated hearing officer and shall be transcribed by a reporter appointed by the board.

167.13 (g) The party on whom the burden of proof rests shall be required to sustain the burden
167.14 by a preponderance of the evidence.

167.15 (h) At any time prior to the close of a hearing, the parties may by mutual agreement
167.16 request referral to mediation, at which time the commissioner shall appoint a mediator, and
167.17 the hearing shall be suspended pending the results of the mediation.

167.18 (i) If, upon a preponderance of the evidence taken, the hearing officer determines that
167.19 any party named in the charge has engaged in or is engaging in an unfair labor practice,
167.20 then a recommended decision and order shall be issued stating findings of fact and
167.21 conclusions, and requiring the party to cease and desist from the unfair labor practice, to
167.22 post a cease-and-desist notice in the workplace, and ordering any appropriate relief to
167.23 effectuate the policies of this section, including but not limited to reinstatement, back pay,
167.24 and any other remedies that make a charging party whole. If back pay is awarded, the award
167.25 must include interest at the rate of seven percent per annum. The order further may require
167.26 the party to make reports from time to time, and demonstrate the extent to which the party
167.27 has complied with the order.

167.28 (j) If there is no preponderance of evidence that the party named in the charge has
167.29 engaged in or is engaging in the unfair labor practice, then the hearing officer shall issue a
167.30 recommended decision and order stating findings of fact and dismissing the complaint.

167.31 (k) Parties may file exceptions to the hearing officer's recommended decision and order
167.32 with the board no later than 30 days after service of the recommended decision and order.
167.33 The board shall review the recommended decision and order upon timely filing of exceptions

168.1 or upon its own motion. If no timely exceptions have been filed, the parties must be deemed
168.2 to have waived their exceptions. Unless the board reviews the recommended decision and
168.3 order upon its own motion, it must not be legal precedent and must be final and binding
168.4 only on the parties to the proceeding as issued in an order issued by the board. If the board
168.5 does review the recommended decision and order, the board may adopt all, part, or none of
168.6 the recommended decision and order, depending on the extent to which it is consistent with
168.7 the record and applicable laws. The board shall issue and serve on all parties its decision
168.8 and order. The board shall retain jurisdiction over the case to ensure the parties' compliance
168.9 with the board's order. Unless overturned by the board, the parties must comply with the
168.10 recommended decision and order.

168.11 (l) Until the record has been filed in the court of appeals or district court, the board at
168.12 any time, upon reasonable notice and in a manner it deems appropriate, may modify or set
168.13 aside, in whole or in part, any finding or order made or issued by it.

168.14 (m) Upon a final order that an unfair labor practice has been committed, the board or
168.15 the charging party may petition the district court for the enforcement of the order and for
168.16 appropriate temporary relief or a restraining order. When the board petitions the court, the
168.17 charging party may intervene as a matter of right.

168.18 (n) Whenever it appears that any party has violated a final order of the board issued
168.19 pursuant to this section, the board must petition the district court for an order directing the
168.20 party and its officers, agents, servants, successors, and assigns to comply with the order of
168.21 the board. The board shall be represented in this action by its general counsel, who has been
168.22 appointed by the board. The court may grant or refuse, in whole or in part, the relief sought,
168.23 provided that the court also may stay an order of the board pending disposition of the
168.24 proceedings. The court may punish a violation of its order as in civil contempt.

168.25 (o) The board shall have power, upon issuance of an unfair labor practice complaint
168.26 alleging that a party has engaged in or is engaging in an unfair labor practice, to petition
168.27 the district court for appropriate temporary relief or a restraining order. Upon the filing of
168.28 any such petition, the court shall cause notice thereof to be served upon such parties, and
168.29 thereupon shall have jurisdiction to grant to the board or commissioner temporary relief or
168.30 a restraining order as it deems appropriate. Nothing in this paragraph precludes a charging
168.31 party from seeking injunctive relief in district court after filing the unfair labor practice
168.32 charge.

168.33 (p) The proceedings in paragraphs (m), (n), and (o) shall be commenced in the district
168.34 court for the county in which the unfair labor practice which is the subject of the order or

169.1 administrative complaint was committed, or where a party alleged to have committed the
169.2 unfair labor practice resides or transacts business.

169.3 Sec. 17. Minnesota Statutes 2022, section 179A.13, subdivision 2, is amended to read:

169.4 Subd. 2. **Employers.** Public employers, their agents and representatives are prohibited
169.5 from:

169.6 (1) interfering, restraining, or coercing employees in the exercise of the rights guaranteed
169.7 in sections 179A.01 to 179A.25;

169.8 (2) dominating or interfering with the formation, existence, or administration of any
169.9 employee organization or contributing other support to it;

169.10 (3) discriminating in regard to hire or tenure to encourage or discourage membership in
169.11 an employee organization;

169.12 (4) discharging or otherwise discriminating against an employee because the employee
169.13 has signed or filed an affidavit, petition, or complaint or given information or testimony
169.14 under sections 179A.01 to 179A.25;

169.15 (5) refusing to meet and negotiate in good faith with the exclusive representative of its
169.16 employees in an appropriate unit;

169.17 (6) refusing to comply with grievance procedures contained in an agreement;

169.18 (7) distributing or circulating a blacklist of individuals exercising a legal right or of
169.19 members of a labor organization for the purpose of preventing blacklisted individuals from
169.20 obtaining or retaining employment;

169.21 (8) violating rules established by the commissioner regulating the conduct of
169.22 representation elections;

169.23 (9) refusing to comply with a valid decision of a binding arbitration panel or arbitrator;

169.24 (10) violating or refusing to comply with any lawful order or decision issued by the
169.25 commissioner or the board;

169.26 (11) refusing to provide, upon the request of the exclusive representative, all information
169.27 pertaining to the public employer's budget both present and proposed, revenues, and other
169.28 financing information provided that in the executive branch of state government this clause
169.29 may not be considered contrary to the budgetary requirements of sections 16A.10 and
169.30 16A.11; ~~or~~

170.1 (12) granting or offering to grant the status of permanent replacement employee to a
170.2 person for performing bargaining unit work for the employer during a lockout of employees
170.3 in an employee organization or during a strike authorized by an employee organization that
170.4 is an exclusive representative;

170.5 (13) failing or refusing to provide information that is relevant to enforcement or
170.6 negotiation of a contract as soon as reasonable after receiving a request by an exclusive
170.7 representative, not to exceed 30 days for information relevant to contract enforcement or
170.8 60 days for information relevant to contract negotiation absent mutual agreement by the
170.9 parties, provided that a state agency may request and the commissioner may extend these
170.10 timelines based upon estimated need and after consultation with the exclusive representative;
170.11 or

170.12 (14) refusing to reassign a position after the commissioner has determined the position
170.13 was not placed into the correct bargaining unit.

170.14 Sec. 18. Minnesota Statutes 2022, section 179A.40, subdivision 1, is amended to read:

170.15 Subdivision 1. **Units.** The following are the appropriate employee units of the Hennepin
170.16 Healthcare System, Inc. All units shall exclude supervisors, managerial employees, and
170.17 confidential employees. No additional units of Hennepin Healthcare System, Inc., shall be
170.18 eligible to be certified for the purpose of meeting and negotiating with an exclusive
170.19 representative. The units include all:

170.20 (1) registered nurses;

170.21 (2) physicians except those employed as interns, residents, or fellows;

170.22 (3) professionals except for registered nurses and physicians;

170.23 (4) technical and paraprofessional employees;

170.24 (5) carpenters, electricians, painters, and plumbers;

170.25 (6) health general service employees;

170.26 (7) interpreters;

170.27 (8) emergency medical technicians/emergency medical dispatchers (EMT/EMD), and
170.28 paramedics;

170.29 (9) bioelectronics specialists, bioelectronics technicians, and electronics technicians;

170.30 (10) skilled maintenance employees; ~~and~~

170.31 (11) clerical employees; and

171.1 (12) physicians employed as interns, residents, and fellows.

171.2 Sec. 19. Minnesota Statutes 2022, section 179A.54, subdivision 5, is amended to read:

171.3 Subd. 5. ~~Legislative action on~~ Collective bargaining agreements. ~~Any agreement~~
171.4 ~~reached between the state and the exclusive representative of individual providers under~~
171.5 ~~chapter 179A shall be submitted to the legislature to be accepted or rejected in accordance~~
171.6 ~~with sections 3.855 and 179A.22~~ The commissioner of management and budget is authorized
171.7 to enter into and implement agreements, including interest arbitration decisions, with the
171.8 exclusive representative of individual providers as provided in section 179A.22, subdivision
171.9 4, except for terms and conditions requiring appropriations, changes to state law, or approval
171.10 from the federal government which shall be contingent upon and executed following receipt
171.11 of appropriations and state and federal approval.

171.12 Sec. 20. RULEMAKING.

171.13 The commissioner of the Bureau of Mediation Services must adopt rules on petitions
171.14 for majority verification, including technical changes needed for consistency with Minnesota
171.15 Statutes, section 179A.12, and the commissioner may use the expedited rulemaking process
171.16 under Minnesota Statutes, section 14.389.

171.17 Sec. 21. REVISOR INSTRUCTION.

171.18 The revisor of statutes must renumber Minnesota Statutes, section 179A.12, subdivision
171.19 3, as Minnesota Statutes, section 179A.12, subdivision 1a.

171.20 ARTICLE 9

171.21 MISCELLANEOUS LABOR PROVISIONS

171.22 Section 1. Minnesota Statutes 2023 Supplement, section 116J.871, subdivision 1, as
171.23 amended by Laws 2024, chapter 85, section 15, is amended to read:

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

171.26 (b) "Economic development" means financial assistance provided to a person directly
171.27 or to a local unit of government or nonprofit organization on behalf of a person who is
171.28 engaged in the manufacture or sale of goods and services. Economic development does not
171.29 include (1) financial assistance for rehabilitation of existing housing; (2) financial assistance
171.30 for new housing construction in which total financial assistance at a single project site is
171.31 less than \$100,000; or (3) financial assistance for the new construction of fully detached

172.1 single-family affordable homeownership units for which the financial assistance covers no
172.2 more than ten fully detached single-family affordable homeownership units. For purposes
172.3 of this paragraph, "affordable homeownership" means housing targeted at households with
172.4 incomes, at initial occupancy, at or below 115 percent of the state or area median income,
172.5 whichever is greater, as determined by the United States Department of Housing and Urban
172.6 Development.

172.7 (c) "Financial assistance" means (1) a grant awarded by a state agency or allocating
172.8 agency for economic development related purposes if a single business receives \$200,000
172.9 or more of the grant proceeds; (2) a loan or the guaranty or purchase of a loan made by a
172.10 state agency or allocating agency for economic development related purposes if a single
172.11 business receives \$500,000 or more of the loan proceeds; or (3) a reduction, credit, or
172.12 abatement of a tax assessed under chapter 297A where the tax reduction, credit, or abatement
172.13 applies to a geographic area smaller than the entire state and was granted for economic
172.14 development related purposes; or (4) allocations or awards of low-income housing credits
172.15 by all allocating agencies as provided in section 462A.222, for which tax credits are used
172.16 for multifamily housing projects consisting of more than ten units.. Financial assistance
172.17 does not include payments by the state of aids and credits under chapter 273 or 477A to a
172.18 political subdivision.

172.19 (d) "Project site" means the location where improvements are made that are financed in
172.20 whole or in part by the financial assistance; or the location of employees that receive financial
172.21 assistance in the form of employment and training services as defined in section 116L.19,
172.22 subdivision 4, or customized training from a technical college.

172.23 (e) "State agency" means any agency defined under section 16B.01, subdivision 2,
172.24 Enterprise Minnesota, Inc., and the Department of Iron Range Resources and Rehabilitation.

172.25 (f) "Allocating agency" has the meaning given in section 462A.221, subdivision 1a.

172.26 **EFFECTIVE DATE.** This section is effective for developments selected for tax credit
172.27 awards or allocations on or after January 1, 2025.

172.28 Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.871, subdivision 2, is amended
172.29 to read:

172.30 Subd. 2. **Prevailing wage required.** (a) A state agency or allocating agency may provide
172.31 financial assistance to a person only if the person receiving or benefiting from the financial
172.32 assistance certifies to the commissioner of labor and industry that laborers and mechanics
172.33 at the project site during construction, installation, remodeling, and repairs for which the

173.1 financial assistance was provided will be paid the prevailing wage rate as defined in section
173.2 177.42, subdivision 6. The person receiving or benefiting from the financial assistance is
173.3 also subject to the requirements and enforcement provisions of sections 177.27, 177.30,
173.4 177.32, 177.41 to 177.435, and 177.45.

173.5 (b) For purposes of complying with section 177.30, paragraph (a), clauses (6) and (7),
173.6 the state agency or allocating agency awarding the financial assistance is considered the
173.7 contracting authority and the project is considered a public works project. The person
173.8 receiving or benefiting from the financial assistance shall notify all employers on the project
173.9 of the record keeping and reporting requirements in section 177.30, paragraph (a), clauses
173.10 (6) and (7). Each employer shall submit the required information to the contracting authority.

173.11 Sec. 3. Minnesota Statutes 2022, section 116J.871, subdivision 4, is amended to read:

173.12 Subd. 4. **Notification.** A state agency or allocating agency shall notify any person
173.13 applying for financial assistance from the state agency or allocating agency of the
173.14 requirements under subdivision 2 and of the penalties under subdivision 3.

173.15 Sec. 4. Minnesota Statutes 2022, section 181.960, subdivision 3, is amended to read:

173.16 Subd. 3. **Employer.** "Employer" means a person who has ~~20~~ one or more employees.
173.17 Employer does not include a state agency, statewide system, political subdivision, or advisory
173.18 board or commission that is subject to chapter 13.

173.19 Sec. 5. **[462A.051] WAGE THEFT PREVENTION AND USE OF RESPONSIBLE**
173.20 **CONTRACTORS.**

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

173.23 (b) "Project sponsor" means an individual, legal entity, or nonprofit board that exercises
173.24 control, financial responsibility, and decision-making authority over a housing development.

173.25 (c) "Developer" means an individual, legal entity, or nonprofit board that is responsible
173.26 for the coordination of financing and building of a housing development.

173.27 (c) "Funding" means all forms of financial assistance or the allocation or award of federal
173.28 low-income housing tax credits.

173.29 Subd. 2. **Application.** This section applies to all forms of financial assistance provided
173.30 by the Minnesota Housing Finance Agency, as well as the allocation and award of federal
173.31 low-income housing credits, for the development, construction, rehabilitation, renovation,

174.1 or retrofitting of multiunit residential housing, including loans, grants, tax credits, loan
174.2 guarantees, loan insurance, and other financial assistance.

174.3 Subd. 3. **Disclosures.** An applicant for funding under this chapter shall disclose in the
174.4 application any conviction, court judgment, agency determination, legal settlement, ongoing
174.5 criminal or civil investigation, or lawsuit involving alleged violations of sections 177.24,
174.6 177.25, 177.32, 177.41 to 177.44, 181.03, 181.101, 181.13, 181.14, 181.722, 181.723,
174.7 181A.01 to 181A.12, or 609.52, subdivision 2, paragraph (a), clause (19), or United States
174.8 Code, title 29, sections 201 to 219, or title 40, sections 3141 to 3148, arising or occurring
174.9 within the preceding five years on a construction project owned or managed by the developer,
174.10 project sponsor, or owner of the proposed project, the intended general contractor for the
174.11 proposed project, or any of their respective parent companies, subsidiaries, or other affiliated
174.12 companies. An applicant for funding shall make the disclosures required by this subdivision
174.13 available within 14 calendar days to any member of the public who submits a request by
174.14 mail or electronic correspondence. The applicant shall designate a public information officer
174.15 who will serve as a point of contact for public inquiries.

174.16 Subd. 4. **Responsible contractors required.** As a condition of receiving funding from
174.17 the agency during the application process, the project sponsor shall verify that every
174.18 contractor or subcontractor of any tier performing work on the proposed project meets the
174.19 minimum criteria to be a responsible contractor under section 16C.285, subdivision 3. This
174.20 verification must meet the criteria defined in section 16C.285, subdivision 4.

174.21 Subd. 5. **Certified contractor lists.** As a condition of receiving funding, the project
174.22 applicant shall have available at the development site main office, a list of every contractor
174.23 and subcontractor of any tier that performs work or is expected to perform work on the
174.24 proposed project, as described in section 16C.285, subdivision 5, including the following
174.25 information for each contractor and subcontractor: business name, scope of work, Department
174.26 of Labor and Industry registration number, business name of the entity contracting its
174.27 services, business telephone number and email address, and actual or anticipated number
174.28 of workers on the project. The project sponsor shall establish the initial contractor list 30
174.29 days before the start of construction and shall update the list each month thereafter until
174.30 construction is complete. The project sponsor shall post the contractor list in a conspicuous
174.31 location at the project site and make the contractor list available to members of the public
174.32 upon request.

174.33 Subd. 6. **Wage theft remedy.** If any contractor or subcontractor of any tier is found to
174.34 have failed to pay statutorily required wages under section 609.52, subdivision 1, clause

175.1 (13), on a project receiving funding from or through the agency, the contractor or
175.2 subcontractor with the finding is responsible for correcting the violation.

175.3 Subd. 7. **Wage theft prevention plans; disqualification.** (a) If any contractor or
175.4 subcontractor of any tier fails to pay statutorily required wages on a project receiving funding
175.5 from or through the agency as determined by an enforcement entity, the project sponsor of
175.6 the project must have a wage theft prevention plan to be eligible for further funding from
175.7 the agency. The project sponsor's wage theft prevention plan must describe detailed measures
175.8 that the project sponsor and its general contractor have taken and are committed to take to
175.9 prevent wage theft on the project, including provisions in any construction contracts and
175.10 subcontracts on the project. The plan must be submitted to the Department of Labor and
175.11 Industry for review. The Department of Labor and Industry may require the project sponsor
175.12 to amend the plan or adopt policies or protocols in the plan. Once approved by the
175.13 Department of Labor and Industry, the wage theft prevention plan must be submitted by
175.14 the project sponsor to the agency with any subsequent application for funding from the
175.15 agency. Such wage theft prevention plans shall be made available to members of the public
175.16 by the agency upon request.

175.17 (b) A project sponsor is disqualified from receiving funding from or through the agency
175.18 for three years if any of the project sponsor's contractors or subcontractors of any tier are
175.19 found by an enforcement agency to have, within three years after entering into a wage theft
175.20 prevention plan under paragraph (a), failed to pay statutorily required wages on a project
175.21 receiving financial assistance from or through the agency for a total underpayment of \$50,000
175.22 or more.

175.23 Subd. 8. **Enforcement.** The agency must deny an application for funding that does not
175.24 comply with this section or if the project sponsor refuses to enter into the agreements required
175.25 by this section. The agency may withhold funding that has been previously approved if the
175.26 agency determines that the project sponsor has engaged in unacceptable practices by failing
175.27 to comply with this section until the violation is cured.

175.28 **EFFECTIVE DATE.** This section is effective for applications for funding submitted
175.29 after August 1, 2024.

175.30 Sec. 6. **RULEMAKING; ACCEPTABLE BLOOD LEAD LEVELS FOR WORKERS.**

175.31 The commissioner of labor and industry, in consultation with the commissioner of health,
175.32 shall adopt rules to:

176.1 (1) lower the acceptable blood lead levels above which require mandatory removal of
176.2 workers from the lead exposure; and

176.3 (2) lower the blood lead levels required before a worker is allowed to return to work.
176.4 The thresholds established must be based on the most recent public health information on
176.5 the safety of lead exposure.

176.6 **ARTICLE 10**

176.7 **EMPLOYEE MISCLASSIFICATION PROHIBITED**

176.8 Section 1. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 1, is amended
176.9 to read:

176.10 Subdivision 1. **Examination of records.** The commissioner may enter during reasonable
176.11 office hours or upon request and inspect the place of business or employment of any employer
176.12 of employees working in the state, to examine and inspect books, registers, payrolls, and
176.13 other records of any employer that in any way relate to wages, hours, and other conditions
176.14 of employment of any employees. The commissioner may transcribe any or all of the books,
176.15 registers, payrolls, and other records as the commissioner deems necessary or appropriate
176.16 and may question the employer, employees, and other persons to ascertain compliance with
176.17 any of the sections ~~177.21 to 177.435 and 181.165~~ listed in subdivision 4. The commissioner
176.18 may investigate wage claims or complaints by an employee against an employer if the failure
176.19 to pay a wage may violate Minnesota law or an order or rule of the department.

176.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

176.21 Sec. 2. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 2, is amended
176.22 to read:

176.23 Subd. 2. **Submission of records; penalty.** The commissioner may require the employer
176.24 of employees working in the state to submit to the commissioner photocopies, certified
176.25 copies, or, if necessary, the originals of ~~employment~~ records that relate to employment or
176.26 employment status which the commissioner deems necessary or appropriate. The records
176.27 which may be required include full and correct statements in writing, including sworn
176.28 statements by the employer, containing information relating to wages, hours, names,
176.29 addresses, and any other information pertaining to the employer's employees and the
176.30 conditions of their employment as the commissioner deems necessary or appropriate.

177.1 The commissioner may require the records to be submitted by certified mail delivery
177.2 or, if necessary, by personal delivery by the employer or a representative of the employer,
177.3 as authorized by the employer in writing.

177.4 The commissioner may fine the employer up to \$10,000 for each failure to submit or
177.5 deliver records as required by this section. This penalty is in addition to any penalties
177.6 provided under section 177.32, subdivision 1. In determining the amount of a civil penalty
177.7 under this subdivision, the appropriateness of such penalty to the size of the employer's
177.8 business and the gravity of the violation shall be considered.

177.9 **EFFECTIVE DATE.** This section is effective July 1, 2024.

177.10 Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 3, is amended to read:

177.11 Subd. 3. **Adequacy of records.** If the records maintained by the employer do not provide
177.12 sufficient information to determine the exact amount of back wages due an employee, the
177.13 commissioner may make a determination of wages due based on available evidence ~~and~~
177.14 ~~mediate a settlement with the employer.~~

177.15 **EFFECTIVE DATE.** This section is effective July 1, 2024.

177.16 Sec. 4. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended
177.17 to read:

177.18 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
177.19 employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031,
177.20 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph
177.21 (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.722, 181.723, 181.79,
177.22 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 268B.09,
177.23 subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section
177.24 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer
177.25 to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated.
177.26 For purposes of this subdivision only, a violation is repeated if at any time during the two
177.27 years that preceded the date of violation, the commissioner issued an order to the employer
177.28 for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or
177.29 the commissioner and the employer have entered into a settlement agreement that required
177.30 the employer to pay back wages that were required by sections 177.41 to 177.435. The
177.31 department shall serve the order upon the employer or the employer's authorized
177.32 representative in person or by certified mail at the employer's place of business. An employer
177.33 who wishes to contest the order must file written notice of objection to the order with the

178.1 commissioner within 15 calendar days after being served with the order. A contested case
178.2 proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If,
178.3 within 15 calendar days after being served with the order, the employer fails to file a written
178.4 notice of objection with the commissioner, the order becomes a final order of the
178.5 commissioner. For the purposes of this subdivision, an employer includes a contractor that
178.6 has assumed a subcontractor's liability within the meaning of section 181.165.

178.7 **EFFECTIVE DATE.** This section is effective July 1, 2024.

178.8 Sec. 5. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 7, is amended
178.9 to read:

178.10 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have
178.11 violated a section identified in subdivision 4, or any rule adopted under section 177.28,
178.12 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner
178.13 shall order the employer to cease and desist from engaging in the violative practice and to
178.14 take such affirmative steps that in the judgment of the commissioner will effectuate the
178.15 purposes of the section or rule violated. In addition to remedies, damages, and penalties
178.16 provided for in the violated section, the commissioner shall order the employer to pay to
178.17 the aggrieved parties back pay, gratuities, and compensatory damages, less any amount
178.18 actually paid to the ~~employee~~ aggrieved parties by the employer, and for an additional equal
178.19 amount as liquidated damages. Any employer who is found by the commissioner to have
178.20 repeatedly or willfully violated a section or sections identified in subdivision 4 shall be
178.21 subject to ~~a~~ an additional civil penalty of up to \$10,000 for each violation for each employee.
178.22 In determining the amount of a civil penalty under this subdivision, the appropriateness of
178.23 such penalty to the size of the employer's business and the gravity of the violation shall be
178.24 considered. In addition, the commissioner may order the employer to reimburse the
178.25 department and the attorney general for all appropriate litigation and hearing costs expended
178.26 in preparation for and in conducting the contested case proceeding, unless payment of costs
178.27 would impose extreme financial hardship on the employer. If the employer is able to establish
178.28 extreme financial hardship, then the commissioner may order the employer to pay a
178.29 percentage of the total costs that will not cause extreme financial hardship. Costs include
178.30 but are not limited to the costs of services rendered by the attorney general, private attorneys
178.31 if engaged by the department, administrative law judges, court reporters, and expert witnesses
178.32 as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance
178.33 of a commissioner's order from the date the order is signed by the commissioner until it is
178.34 paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c). The

179.1 commissioner may establish escrow accounts for purposes of distributing remedies and
179.2 damages.

179.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

179.4 Sec. 6. Minnesota Statutes 2022, section 181.171, subdivision 1, is amended to read:

179.5 Subdivision 1. **Civil action; damages.** A person may bring a civil action seeking redress
179.6 for violations of sections 181.02, 181.03, 181.031, 181.032, 181.08, 181.09, 181.10, 181.101,
179.7 181.11, 181.13, 181.14, 181.145, ~~and~~ 181.15, 181.722, and 181.723 directly to district court.
179.8 An employer who is found to have violated the above sections is liable to the aggrieved
179.9 party for the civil penalties or damages provided for in the section violated. An employer
179.10 who is found to have violated the above sections shall also be liable for compensatory
179.11 damages and other appropriate relief including but not limited to injunctive relief.

179.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

179.13 Sec. 7. Minnesota Statutes 2022, section 181.722, is amended to read:

179.14 **181.722 MISREPRESENTATION MISCLASSIFICATION OF EMPLOYMENT**
179.15 **RELATIONSHIP PROHIBITED EMPLOYEES.**

179.16 Subdivision 1. ~~Prohibition~~ **Prohibited activities related to employment status.** ~~No~~
179.17 ~~employer shall misrepresent the nature of its employment relationship with its employees~~
179.18 ~~to any federal, state, or local government unit; to other employers; or to its employees. An~~
179.19 ~~employer misrepresents the nature of its employment relationship with its employees if it~~
179.20 ~~makes any statement regarding the nature of the relationship that the employer knows or~~
179.21 ~~has reason to know is untrue and if it fails to report individuals as employees when legally~~
179.22 ~~required to do so.~~

179.23 (a) A person shall not:

179.24 (1) fail to classify, represent, or treat an individual who is the person's employee pursuant
179.25 to subdivision 3 as an employee in accordance with the requirements of any applicable local,
179.26 state, or federal law. A violation under this clause is in addition to any violation of local,
179.27 state, or federal law;

179.28 (2) fail to report or disclose to any person or to any local, state, or federal government
179.29 agency an individual who is the person's employee pursuant to subdivision 3 as an employee
179.30 when required to do so under any applicable local, state, or federal law. Each failure to
179.31 report or disclose an individual as an employee shall constitute a separate violation of this
179.32 clause; or

180.1 (3) require or request an individual who is the person's employee pursuant to subdivision
180.2 3 to enter into any agreement or complete any document that misclassifies, misrepresents,
180.3 or treats the individual as an independent contractor or otherwise does not reflect that the
180.4 individual is the person's employee pursuant to subdivision 3. Each agreement or completed
180.5 document constitutes a separate violation of this provision.

180.6 (b) An owner, partner, principal, member, officer, or agent, on behalf of the person, who
180.7 knowingly or repeatedly engaged in any of the prohibited activities in this subdivision may
180.8 be held individually liable.

180.9 (c) An order issued by the commissioner to a person for engaging in any of the prohibited
180.10 activities in this subdivision is in effect against any successor person. A person is a successor
180.11 person if the person shares three or more of the following with the person to whom the order
180.12 was issued:

180.13 (1) has one or more of the same owners, members, principals, officers, or managers;

180.14 (2) performs similar work within the state of Minnesota;

180.15 (3) has one or more of the same telephone or fax numbers;

180.16 (4) has one or more of the same email addresses or websites;

180.17 (5) employs or engages substantially the same individuals to provide or perform services;

180.18 (6) utilizes substantially the same vehicles, facilities, or equipment; or

180.19 (7) lists or advertises substantially the same project experience and portfolio of work.

180.20 Subd. 1a. **Definitions.** (a) "Person" means any individual, sole proprietor, limited liability
180.21 company, limited liability partnership, corporation, partnership, incorporated or
180.22 unincorporated association, joint stock company, or any other legal or commercial entity.

180.23 (b) "Department" means the Department of Labor and Industry.

180.24 (c) "Commissioner" means the commissioner of labor and industry or a duly designated
180.25 representative of the commissioner who is either an employee of the Department of Labor
180.26 and Industry or a person working under contract with the Department of Labor and Industry.

180.27 (d) "Individual" means a human being.

180.28 (e) "Knowingly" means knew or could have known with the exercise of reasonable
180.29 diligence.

180.30 Subd. 2. **Agreements to misclassify prohibited.** No employer shall require or request
180.31 any employee to enter into any agreement, or sign any document, that results in

181.1 ~~misclassification of the employee as an independent contractor or otherwise does not~~
181.2 ~~accurately reflect the employment relationship with the employer.~~

181.3 Subd. 3. **Determination of employment relationship.** For purposes of this section, the
181.4 nature of an employment relationship is determined using the same tests and in the same
181.5 manner as employee status is determined under the applicable workers' compensation and
181.6 unemployment insurance program laws and rules.

181.7 Subd. 4. ~~Civil remedy~~ **Damages and penalties.** ~~A construction worker, as defined in~~
181.8 ~~section 179.254, who is not an independent contractor and has been injured by a violation~~
181.9 ~~of this section, may bring a civil action for damages against the violator. If the construction~~
181.10 ~~worker injured is an employee of the violator of this section, the employee's representative,~~
181.11 ~~as defined in section 179.01, subdivision 5, may bring a civil action for damages against~~
181.12 ~~the violator on behalf of the employee. The court may award attorney fees, costs, and~~
181.13 ~~disbursements to a construction worker recovering under this section.~~

181.14 (a) The following damages and penalties may be imposed for a violation of this section:

181.15 (1) compensatory damages to the individual the person has failed to classify, represent,
181.16 or treat as an employee pursuant to subdivision 3. Compensatory damages includes but is
181.17 not limited to the value of supplemental pay including minimum wage; overtime; shift
181.18 differentials; vacation pay, sick pay, and other forms of paid time off; health insurance; life
181.19 and disability insurance; retirement plans; savings plans and any other form of benefit;
181.20 employer contributions to unemployment insurance; Social Security and Medicare; and any
181.21 costs and expenses incurred by the individual resulting from the person's failure to classify,
181.22 represent, or treat the individual as an employee;

181.23 (2) a penalty of up to \$10,000 for each individual the person failed to classify, represent,
181.24 or treat as an employee pursuant to subdivision 3;

181.25 (3) a penalty of up to \$10,000 for each violation of subdivision 1; and

181.26 (4) a penalty of \$1,000 for each person who delays, obstructs, or otherwise fails to
181.27 cooperate with the commissioner's investigation. Each day of delay, obstruction, or failure
181.28 to cooperate constitutes a separate violation.

181.29 (b) This section may be investigated and enforced under the commissioner's authority
181.30 under state law.

181.31 Subd. 5. **Reporting of violations.** Any court finding that a violation of this section has
181.32 occurred shall transmit a copy of its findings of fact and conclusions of law to the
181.33 commissioner of labor and industry. The commissioner of labor and industry shall report

182.1 the finding to relevant local, state, and federal agencies, including the commissioner of
182.2 commerce, the commissioner of employment and economic development, the commissioner
182.3 of revenue, the federal Internal Revenue Service, and the United States Department of Labor.

182.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

182.5 Sec. 8. Minnesota Statutes 2022, section 181.723, is amended to read:

182.6 **181.723 MISCLASSIFICATION OF CONSTRUCTION CONTRACTORS**
182.7 **EMPLOYEES.**

182.8 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

182.9 (a) "Person" means any individual, sole proprietor, limited liability company, limited
182.10 liability partnership, corporation, partnership, incorporated or unincorporated association,
182.11 ~~sole proprietorship~~, joint stock company, or any other legal or commercial entity.

182.12 (b) "Department" means the Department of Labor and Industry.

182.13 (c) "Commissioner" means the commissioner of labor and industry or a duly designated
182.14 representative of the commissioner who is either an employee of the Department of Labor
182.15 and Industry or person working under contract with the Department of Labor and Industry.

182.16 (d) "Individual" means a human being.

182.17 (e) "Day" means calendar day unless otherwise provided.

182.18 (f) "Knowingly" means knew or could have known with the exercise of reasonable
182.19 diligence.

182.20 (g) "Business entity" means a person ~~other than an individual or a sole proprietor~~ as that
182.21 term is defined in paragraph (a), except the term does not include an individual.

182.22 (h) "Independent contractor" means a business entity that meets all the requirements
182.23 under subdivision 4, paragraph (a).

182.24 Subd. 2. **Limited application.** This section only applies to ~~individuals~~ persons providing
182.25 or performing public or private sector commercial or residential building construction or
182.26 improvement services. Building construction and or improvement services do not include
182.27 all public or private sector commercial or residential building construction or improvement
182.28 services except for: (1) the manufacture, supply, or sale of products, materials, or
182.29 merchandise; (2) landscaping services for the maintenance or removal of existing plants,
182.30 shrubs, trees, and other vegetation, whether or not the services are provided as part of a
182.31 contract for the building construction or improvement services; and (3) all other landscaping

183.1 services, unless the other landscaping services are provided as part of a contract for the
183.2 building construction or improvement services.

183.3 Subd. 3. **Employee-employer relationship.** Except as provided in subdivision 4, for
183.4 purposes of chapters 176, 177, 181, 181A, 182, ~~and 268, as of January 1, 2009~~ and 326B,
183.5 an individual who provides or performs building construction or improvement services for
183.6 a person that are in the course of the person's trade, business, profession, or occupation is
183.7 an employee of that person and that person is an employer of the individual.

183.8 Subd. 4. **Independent contractor.** (a) An individual is an independent contractor and
183.9 not an employee of the person for whom the individual is providing or performing services
183.10 in the course of the person's trade, business, profession, or occupation only if the individual
183.11 is operating as a business entity that meets all of the following requirements at the time the
183.12 services were provided or performed:

183.13 ~~(1) maintains a separate business with the individual's own office, equipment, materials,~~
183.14 ~~and other facilities;~~

183.15 ~~(2)(i) holds or has applied for a federal employer identification number or (ii) has filed~~
183.16 ~~business or self-employment income tax returns with the federal Internal Revenue Service~~
183.17 ~~if the individual has performed services in the previous year;~~

183.18 ~~(3) is operating under contract to perform the specific services for the person for specific~~
183.19 ~~amounts of money and under which the individual controls the means of performing the~~
183.20 ~~services;~~

183.21 ~~(4) is incurring the main expenses related to the services that the individual is performing~~
183.22 ~~for the person under the contract;~~

183.23 ~~(5) is responsible for the satisfactory completion of the services that the individual has~~
183.24 ~~contracted to perform for the person and is liable for a failure to complete the services;~~

183.25 ~~(6) receives compensation from the person for the services performed under the contract~~
183.26 ~~on a commission or per-job or competitive bid basis and not on any other basis;~~

183.27 ~~(7) may realize a profit or suffer a loss under the contract to perform services for the~~
183.28 ~~person;~~

183.29 ~~(8) has continuing or recurring business liabilities or obligations; and~~

183.30 ~~(9) the success or failure of the individual's business depends on the relationship of~~
183.31 ~~business receipts to expenditures.~~

184.1 ~~An individual who is not registered, if required by section 326B.701, is presumed to be~~
184.2 ~~an employee of a person for whom the individual performs services in the course of the~~
184.3 ~~person's trade, business, profession, or occupation. The person for whom the services were~~
184.4 ~~performed may rebut this presumption by showing that the unregistered individual met all~~
184.5 ~~nine factors in this paragraph at the time the services were performed.~~

184.6 ~~(b) If an individual is an owner or partial owner of a business entity, the individual is~~
184.7 ~~an employee of the person for whom the individual is performing services in the course of~~
184.8 ~~the person's trade, business, profession, or occupation, and is not an employee of the business~~
184.9 ~~entity in which the individual has an ownership interest, unless:~~

184.10 ~~(1) the business entity meets the nine factors in paragraph (a);~~

184.11 ~~(2) invoices and payments are in the name of the business entity; and~~

184.12 ~~(3) the business entity is registered with the secretary of state, if required.~~

184.13 ~~If the business entity in which the individual has an ownership interest is not registered,~~
184.14 ~~if required by section 326B.701, the individual is presumed to be an employee of a person~~
184.15 ~~for whom the individual performs services and not an employee of the business entity in~~
184.16 ~~which the individual has an ownership interest. The person for whom the services were~~
184.17 ~~performed may rebut the presumption by showing that the business entity met the~~
184.18 ~~requirements of clauses (1) to (3) at the time the services were performed.~~

184.19 ~~(1) was established and maintained separately from and independently of the person for~~
184.20 ~~whom the services were provided or performed;~~

184.21 ~~(2) owns, rents, or leases equipment, tools, vehicles, materials, supplies, office space,~~
184.22 ~~or other facilities that are used by the business entity to provide or perform building~~
184.23 ~~construction or improvement services;~~

184.24 ~~(3) provides or performs, or offers to provide or perform, the same or similar building~~
184.25 ~~construction or improvement services for multiple persons or the general public;~~

184.26 ~~(4) is in compliance with all of the following:~~

184.27 ~~(i) holds a federal employer identification number if required by federal law;~~

184.28 ~~(ii) holds a Minnesota tax identification number if required by Minnesota law;~~

184.29 ~~(iii) has received and retained 1099 forms for income received for building construction~~
184.30 ~~or improvement services provided or performed, if required by Minnesota or federal law;~~

184.31 ~~(iv) has filed business or self-employment income tax returns, including estimated tax~~
184.32 ~~filings, with the federal Internal Revenue Service and the Department of Revenue, as the~~

- 185.1 business entity or as a self-employed individual reporting income earned, for providing or
185.2 performing building construction or improvement services, if any, in the previous 12 months;
185.3 and
- 185.4 (v) has completed and provided a W-9 federal income tax form to the person for whom
185.5 the services were provided or performed if required by federal law;
- 185.6 (5) is in good standing as defined by section 5.26, if applicable;
- 185.7 (6) has a Minnesota unemployment insurance account if required by chapter 268;
- 185.8 (7) has obtained required workers' compensation insurance coverage if required by
185.9 chapter 176;
- 185.10 (8) holds current business licenses, registrations, and certifications if required by chapter
185.11 326B and sections 327.31 to 327.36;
- 185.12 (9) is operating under a written contract to provide or perform the specific services for
185.13 the person that:
- 185.14 (i) is signed and dated by both an authorized representative of the business entity and
185.15 of the person for whom the services are being provided or performed;
- 185.16 (ii) is fully executed no later than 30 days after the date work commences;
- 185.17 (iii) identifies the specific services to be provided or performed under the contract;
- 185.18 (iv) provides for compensation from the person for the services provided or performed
185.19 under the contract on a commission or per-job or competitive bid basis and not on any other
185.20 basis; and
- 185.21 (v) the requirements of item (ii) shall not apply to change orders;
- 185.22 (10) submits invoices and receives payments for completion of the specific services
185.23 provided or performed under the written proposal, contract, or change order in the name of
185.24 the business entity. Payments made in cash do not meet this requirement;
- 185.25 (11) the terms of the written proposal, contract, or change order provide the business
185.26 entity control over the means of providing or performing the specific services, and the
185.27 business entity in fact controls the provision or performance of the specific services;
- 185.28 (12) incurs the main expenses and costs related to providing or performing the specific
185.29 services under the written proposal, contract, or change order;
- 185.30 (13) is responsible for the completion of the specific services to be provided or performed
185.31 under the written proposal, contract, or change order and is responsible, as provided under

186.1 the written proposal, contract, or change order, for failure to complete the specific services;
186.2 and

186.3 (14) may realize additional profit or suffer a loss, if costs and expenses to provide or
186.4 perform the specific services under the written proposal, contract, or change order are less
186.5 than or greater than the compensation provided under the written proposal, contract, or
186.6 change order.

186.7 (b)(1) Any individual providing or performing the services as or for a business entity is
186.8 an employee of the person who engaged the business entity, unless the business entity meets
186.9 all of the requirements under subdivision 4, paragraph (a).

186.10 (2) Any individual who is determined to be the person's employee is acting as an agent
186.11 of and in the interest of the person when engaging any other individual or business entity
186.12 to provide or perform any portion of the services that the business entity was engaged by
186.13 the person to provide or perform.

186.14 (3) Any individual engaged by an employee of the person, at any tier under the person,
186.15 is also the person's employee, unless the individual is providing or performing the services
186.16 as or for a business entity that meets the requirements of subdivision 4, paragraph (a).

186.17 (4) Clauses (1) to (3) do not create an employee-employer relationship between a person
186.18 and an individual if: (i) there is an intervening business entity in the contractual chain
186.19 between the person and the individual that meets the requirements of subdivision 4, paragraph
186.20 (a); or (ii) the person establishes that an intervening business entity treats and classifies the
186.21 individual as an employee for purposes of, and in compliance with, chapters 176, 177, 181,
186.22 181A, 268, 268B, 270C, and 290.

186.23 **Subd. 7. Prohibited activities related to independent contractor status.** (a) The
186.24 prohibited activities in ~~this subdivision~~ paragraphs (b) and (c) are in addition to ~~those the~~
186.25 activities prohibited in sections 326B.081 to 326B.085.

186.26 (b) An individual providing or performing building construction or improvement services
186.27 ~~shall not hold himself or herself out~~ represent themselves as an independent contractor
186.28 unless the individual is operating as a business entity that meets all the requirements of
186.29 subdivision 4, paragraph (a).

186.30 (c) A person who provides or performs building construction or improvement services
186.31 in the course of the person's trade, business, occupation, or profession shall not:

186.32 (1) as a condition of payment for services provided or performed, require an individual
186.33 ~~through coercion, misrepresentation, or fraudulent means,~~ who is an employee pursuant to

187.1 this section, to register as a construction contractor under section 326B.701, or to adopt or
187.2 agree to being classified, represented, or treated as an independent contractor status or form
187.3 a business entity. Each instance of conditioning payment to an individual who is an employee
187.4 on one of these conditions shall constitute a separate violation of this provision;

187.5 (2) knowingly misrepresent or misclassify an individual as an independent contractor;
187.6 fail to classify, represent, or treat an individual who is an employee pursuant to this section
187.7 as an employee in accordance with the requirements of any of the chapters listed in
187.8 subdivision 3. Failure to classify, represent, or treat an individual who is an employee
187.9 pursuant to this section as an employee in accordance with each requirement of a chapter
187.10 listed in subdivision 3 shall constitute a separate violation of this provision;

187.11 (3) fail to report or disclose to any person or to any local, state, or federal government
187.12 agency an individual who is an employee pursuant to subdivision 3, as an employee when
187.13 required to do so under any applicable local, state, or federal law. Each failure to report or
187.14 disclose an individual as an employee shall constitute a separate violation of this provision;

187.15 (4) require or request an individual who is an employee pursuant to this section to enter
187.16 into any agreement or complete any document that misclassifies, misrepresents, or treats
187.17 the individual as an independent contractor or otherwise does not reflect that the individual
187.18 is an employee pursuant to this section. Each agreement or completed document shall
187.19 constitute a separate violation of this provision; or

187.20 (5) require an individual who is an employee under this section to register under section
187.21 326B.701.

187.22 (d) In addition to the person providing or performing building construction or
187.23 improvement services in the course of the person's trade, business, occupation, or profession,
187.24 any owner, partner, principal, member, officer, or agent who engaged in any of the prohibited
187.25 activities in this subdivision knowingly or repeatedly may be held individually liable.

187.26 (e) An order issued by the commissioner to a person for engaging in any of the prohibited
187.27 activities in this subdivision is in effect against any successor person. A person is a successor
187.28 person if the person shares three or more of the following with the person to whom the order
187.29 was issued:

187.30 (1) has one or more of the same owners, members, principals, officers, or managers;

187.31 (2) performs similar work within the state of Minnesota;

187.32 (3) has one or more of the same telephone or fax numbers;

187.33 (4) has one or more of the same email addresses or websites;

188.1 (5) employs or engages substantially the same individuals to provide or perform building
188.2 construction or improvement services;

188.3 (6) utilizes substantially the same vehicles, facilities, or equipment; or

188.4 (7) lists or advertises substantially the same project experience and portfolio of work.

188.5 (f) If a person who has engaged an individual to provide or perform building construction
188.6 or improvement services that are in the course of the person's trade, business, profession,
188.7 or occupation, classifies, represents, treats, reports, or discloses the individual as an
188.8 independent contractor, the person shall maintain, for at least three years, and in a manner
188.9 that may be readily produced to the commissioner upon demand, all the information and
188.10 documentation upon which the person based the determination that the individual met all
188.11 the requirements under subdivision 4, paragraph (a), at the time the individual was engaged
188.12 and at the time the services were provided or performed.

188.13 (g) The following damages and penalties may be imposed for a violation of this section:

188.14 (1) compensatory damages to the individual the person failed to classify, represent, or
188.15 treat as an employee pursuant to this section. Compensatory damages include but are not
188.16 limited to the value of supplemental pay including minimum wage; overtime; shift
188.17 differentials; vacation pay; sick pay; and other forms of paid time off; health insurance; life
188.18 and disability insurance; retirement plans; saving plans and any other form of benefit;
188.19 employer contributions to unemployment insurance; Social Security and Medicare and any
188.20 costs and expenses incurred by the individual resulting from the person's failure to classify,
188.21 represent, or treat the individual as an employee;

188.22 (2) a penalty of up to \$10,000 for each individual the person failed to classify, represent,
188.23 or treat as an employee pursuant to this section;

188.24 (3) a penalty of up to \$10,000 for each violation of this subdivision; and

188.25 (4) a penalty of \$1,000 for any person who delays, obstructs, or otherwise fails to
188.26 cooperate with the commissioner's investigation. Each day of delay, obstruction, or failure
188.27 to cooperate constitutes a separate violation.

188.28 (h) This section may be investigated and enforced under the commissioner's authority
188.29 under state law.

188.30 Subd. 13. **Rulemaking.** The commissioner may, in consultation with the commissioner
188.31 of revenue and the commissioner of employment and economic development, adopt, amend,
188.32 suspend, and repeal rules under the rulemaking provisions of chapter 14 that relate to the

189.1 commissioner's responsibilities under this section. ~~This subdivision is effective May 26,~~
189.2 ~~2007.~~

189.3 Subd. 15. **Notice and review by commissioners of revenue and employment and**
189.4 **economic development.** When the commissioner has reason to believe that a person has
189.5 violated subdivision 7, ~~paragraph (b); or (c), clause (1) or (2),~~ the commissioner must notify
189.6 the commissioner of revenue and the commissioner of employment and economic
189.7 development. Upon receipt of notification from the commissioner, the commissioner of
189.8 revenue must review the information returns required under section 6041A of the Internal
189.9 Revenue Code. The commissioner of revenue shall also review the submitted certification
189.10 that is applicable to returns audited or investigated under section 289A.35.

189.11 **EFFECTIVE DATE.** This section is effective July 1, 2024, except that the amendments
189.12 to subdivision 4 are effective for building construction or improvement services provided
189.13 or performed on or after March 1, 2025.

189.14 Sec. 9. **[181.724] INTERGOVERNMENTAL MISCLASSIFICATION**
189.15 **ENFORCEMENT AND EDUCATION PARTNERSHIP ACT.**

189.16 **Subdivision 1. Citation.** This section and section 181.725 may be cited as the
189.17 "Intergovernmental Misclassification Enforcement and Education Partnership Act."

189.18 **Subd. 2. Policy and statement of purpose.** It is the policy of the state of Minnesota to
189.19 prevent employers from misclassifying workers, because employee misclassification allows
189.20 an employer to illegally evade obligations under state labor, employment, and tax laws,
189.21 including but not limited to the laws governing minimum wage, overtime, unemployment
189.22 insurance, paid family medical leave, earned sick and safe time, workers' compensation
189.23 insurance, temporary disability insurance, the payment of wages, and payroll taxes.

189.24 **Subd. 3. Definitions.** (a) For the purposes of this section and section 181.725, the
189.25 following terms have the meanings given, unless the language or context clearly indicates
189.26 that a different meaning is intended.

189.27 **(b) "Partnership entity" means one of the following governmental entities with jurisdiction**
189.28 **over employee misclassification in Minnesota:**

189.29 **(1) the Department of Labor and Industry;**

189.30 **(2) the Department of Revenue;**

189.31 **(3) the Department of Employment and Economic Development;**

189.32 **(4) the Department of Commerce; and**

190.1 (5) the attorney general in the attorney general's enforcement capacity under sections
190.2 177.45 and 181.1721.

190.3 (c) "Employee misclassification" means the practice by an employer of not properly
190.4 classifying workers as employees.

190.5 Subd. 4. **Coordination, collaboration, and information sharing.** For purposes of this
190.6 section, a partnership entity:

190.7 (1) shall communicate with other entities to help detect and investigate instances of
190.8 employee misclassification;

190.9 (2) may request from, provide to, or receive from the other partnership entities data
190.10 necessary for the purpose of detecting and investigating employee misclassification, unless
190.11 prohibited by federal law; and

190.12 (3) may collaborate with one another when investigating employee misclassification,
190.13 unless prohibited by federal law. Collaboration includes but is not limited to referrals,
190.14 strategic enforcement, and joint investigations by two or more partnership entities.

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

190.16 Sec. 10. **[181.725] INTERGOVERNMENTAL MISCLASSIFICATION**
190.17 **ENFORCEMENT AND EDUCATION PARTNERSHIP.**

190.18 Subdivision 1. **Composition.** The Intergovernmental Misclassification Enforcement and
190.19 Education Partnership is composed of the following members or their designees, who shall
190.20 serve on behalf of their respective partnership entities:

190.21 (1) the commissioner of labor and industry;

190.22 (2) the commissioner of revenue;

190.23 (3) the commissioner of employment and economic development;

190.24 (4) the commissioner of commerce; and

190.25 (5) the attorney general.

190.26 Subd. 2. **Meetings.** The commissioner of labor and industry, in consultation with other
190.27 members of the partnership, shall convene and lead meetings of the partnership to discuss
190.28 issues related to the investigation of employee misclassification and public outreach.

190.29 Members of the partnership may select a designee to attend any such meeting. Meetings
190.30 must occur at least quarterly.

191.1 Subd. 2a. **Additional meetings.** (a) In addition to regular quarterly meetings under
191.2 subdivision 2, the commissioner of labor and industry, in consultation with members of the
191.3 partnership, may convene and lead additional meetings for the purpose of discussing and
191.4 making recommendations under subdivision 4a.

191.5 (b) This subdivision expires July 31, 2025, unless a different expiration date is specified
191.6 in law.

191.7 Subd. 3. **Roles.** Each partnership entity may use the information received through its
191.8 participation in the partnership to investigate employee misclassification within their relevant
191.9 jurisdictions as follows:

191.10 (1) the Department of Labor and Industry in its enforcement authority under chapters
191.11 176, 177, and 181;

191.12 (2) the Department of Revenue in its enforcement authority under chapters 289A and
191.13 290;

191.14 (3) the Department of Employment and Economic Development in its enforcement
191.15 authority under chapters 268 and 268B;

191.16 (4) the Department of Commerce in its enforcement authority under chapters 45, 60A,
191.17 60K, 79, and 79A; and

191.18 (5) the attorney general in the attorney general's enforcement authority under sections
191.19 177.45 and 181.1721.

191.20 Subd. 4. **Annual presentation to the legislature.** At the request of the chairs, the
191.21 Intergovernmental Misclassification Enforcement and Education Partnership shall present
191.22 annually to members of the house of representatives and senate committees with jurisdiction
191.23 over labor. The presentation shall include information about how the partnership carried
191.24 out its duties during the preceding calendar year.

191.25 Subd. 4a. **First presentation.** (a) By March 1, 2025, the Intergovernmental
191.26 Misclassification Enforcement and Education Partnership shall make its first presentation
191.27 to members of the house of representatives and senate committees with jurisdiction over
191.28 labor. The first presentation may be made in a form and manner determined by the
191.29 partnership. In addition to providing information about how the partnership carried out its
191.30 duties in its first year, the presentation shall include the following information and
191.31 recommendations, including any budget requests to carry out the recommendations:

191.32 (1) consider any staffing recommendations for the partnership and each partnership
191.33 entity to carry out the duties and responsibilities under this section;

192.1 (2) provide a summary of the industries, areas, and employers with high numbers of
192.2 misclassification violations and recommendations for proactive review and enforcement
192.3 efforts;

192.4 (3) propose a system for making cross referrals between partnership entities;

192.5 (4) identify cross-training needs and a proposed cross-training plan; and

192.6 (5) propose a metric or plan for monitoring and assessing:

192.7 (i) the number and severity of employee misclassification violations; and

192.8 (ii) the adequacy and effectiveness of the partnership's duties related to employee
192.9 misclassification, including but not limited to the partnership's efforts on education, outreach,
192.10 detection, investigation, deterrence, and enforcement of employee misclassification.

192.11 (b) This subdivision expires July 31, 2025, unless a different expiration date is specified
192.12 in law.

192.13 Subd. 5. **Separation.** The Intergovernmental Misclassification Enforcement and
192.14 Education Partnership is not a separate agency or board and is not subject to chapter 13D.
192.15 Data shared or created by the partnership entities under this section or section 181.724 are
192.16 subject to chapter 13 and hold the data classification prescribed by law.

192.17 Subd. 6. **Duties.** The Intergovernmental Misclassification Enforcement and Education
192.18 Partnership shall:

192.19 (1) set goals to maximize Minnesota's efforts to detect, investigate, and deter employee
192.20 misclassification;

192.21 (2) share information to facilitate the detection and investigation of employee
192.22 misclassification;

192.23 (3) develop a process or procedure that provides a person with relevant information and
192.24 connects them with relevant partnership entities, regardless of which partnership entity that
192.25 person contacts for assistance;

192.26 (4) identify best practices in investigating employee misclassification;

192.27 (5) identify resources needed for better enforcement of employee misclassification;

192.28 (6) inform and educate stakeholders on rights and responsibilities related to employee
192.29 misclassification;

192.30 (7) serve as a unified point of contact for workers, businesses, and the public impacted
192.31 by misclassification;

193.1 (8) inform the public on enforcement actions taken by the partnership entities; and

193.2 (9) perform other duties as necessary to:

193.3 (i) increase the effectiveness of detection, investigation, enforcement, and deterrence of
193.4 employee misclassification; and

193.5 (ii) carry out the purposes of the partnership.

193.6 Subd. 7. **Public outreach.** (a) The commissioner of labor and industry shall maintain
193.7 on the department's website information about the Intergovernmental Misclassification
193.8 Enforcement and Education Partnership, including information about how to file a complaint
193.9 related to employee misclassification.

193.10 (b) Each partnership entity shall maintain on its website information about worker
193.11 classification laws, including requirements for employers and employees, consequences for
193.12 misclassifying workers, and contact information for other partnership entities.

193.13 Subd. 8. **No limitation of other duties.** This section does not limit the duties or
193.14 authorities of a partnership entity, or any other government entity, under state law.

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

193.16 Sec. 11. Minnesota Statutes 2022, section 270B.14, subdivision 17, is amended to read:

193.17 Subd. 17. **Disclosure to Department of Commerce.** (a) The commissioner may disclose
193.18 to the commissioner of commerce information required to administer the Uniform Disposition
193.19 of Unclaimed Property Act in sections 345.31 to 345.60, including the Social Security
193.20 numbers of the taxpayers whose refunds are on the report of abandoned property submitted
193.21 by the commissioner to the commissioner of commerce under section 345.41. Except for
193.22 data published under section 345.42, the information received that is private or nonpublic
193.23 data retains its classification, and can be used by the commissioner of commerce only for
193.24 the purpose of verifying that the persons claiming the refunds are the owners.

193.25 (b) The commissioner may disclose a return or return information to the commissioner
193.26 of commerce under section 45.0135 to the extent necessary to investigate employer
193.27 compliance with section 176.181.

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

194.1 Sec. 12. Minnesota Statutes 2022, section 270B.14, is amended by adding a subdivision
194.2 to read:

194.3 Subd. 23. **Disclosure to the attorney general.** The commissioner may disclose a return
194.4 or return information to the attorney general for the purpose of determining whether a
194.5 business is an employer and to the extent necessary to enforce section 177.45 or 181.1721.

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

194.7 Sec. 13. Minnesota Statutes 2022, section 326B.081, subdivision 3, is amended to read:

194.8 Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections 181.165,
194.9 181.722, 181.723, 325E.66, 327.31 to 327.36, this chapter, and chapter 341, and all rules,
194.10 orders, stipulation agreements, settlements, compliance agreements, licenses, registrations,
194.11 certificates, and permits adopted, issued, or enforced by the department under sections
194.12 181.165, 181.722, 181.723, 325E.66, 327.31 to 327.36, this chapter, or chapter 341.

194.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

194.14 Sec. 14. Minnesota Statutes 2022, section 326B.081, subdivision 6, is amended to read:

194.15 Subd. 6. **Licensing order.** "Licensing order" means an order issued under section
194.16 326B.082, subdivision 12, ~~paragraph (a).~~

194.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

194.18 Sec. 15. Minnesota Statutes 2022, section 326B.081, subdivision 8, is amended to read:

194.19 Subd. 8. **Stop work order.** "Stop work order" means an order issued under section
194.20 326B.082, subdivision 10.

194.21 **EFFECTIVE DATE.** This section is effective March 1, 2025.

194.22 Sec. 16. Minnesota Statutes 2022, section 326B.082, subdivision 1, is amended to read:

194.23 Subdivision 1. **Remedies available.** The commissioner may enforce all applicable law
194.24 under this section. The commissioner may use any enforcement provision in this section,
194.25 including the assessment of monetary penalties, against a person required to have a license,
194.26 registration, certificate, or permit under the applicable law based on conduct that would
194.27 provide grounds for action against a licensee, registrant, certificate holder, or permit holder
194.28 under the applicable law. The use of an enforcement provision in this section shall not
194.29 preclude the use of any other enforcement provision in this section or otherwise provided
194.30 by law. The commissioner's investigation and enforcement authority under this section may

195.1 be used by the commissioner in addition to or as an alternative to any other investigation
195.2 and enforcement authority provided by law.

195.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

195.4 Sec. 17. Minnesota Statutes 2022, section 326B.082, subdivision 2, is amended to read:

195.5 Subd. 2. **Access to information and property; subpoenas.** (a) In order to carry out the
195.6 purposes of the applicable law, the commissioner may:

195.7 (1) administer oaths and affirmations, certify official acts, interview, question, take oral
195.8 or written statements, demand data and information, and take depositions;

195.9 (2) request, examine, take possession of, test, sample, measure, photograph, record, and
195.10 copy any documents, apparatus, devices, equipment, or materials;

195.11 (3) at a time and place indicated by the commissioner, request persons to appear before
195.12 the commissioner to give testimony, provide data and information, and produce documents,
195.13 apparatus, devices, equipment, or materials;

195.14 (4) issue subpoenas to compel persons to ~~appear before the commissioner to give~~
195.15 testimony, provide data and information, and to produce documents, apparatus, devices,
195.16 equipment, or materials; and

195.17 (5) with or without notice, enter without delay ~~upon~~ and access all areas of any property,
195.18 public or private, for the purpose of taking any action authorized under this subdivision or
195.19 the applicable law, including ~~obtaining~~ to request, examine, take possession of, test, sample,
195.20 measure, photograph, record, and copy any data, information, remedying documents,
195.21 apparatus, devices, equipment, or materials; to interview, question, or take oral or written
195.22 statements; to remedy violations; or ~~conducting~~ to conduct surveys, inspections, or
195.23 investigations.

195.24 (b) Persons requested by the commissioner to give testimony, provide data and
195.25 information, or produce documents, apparatus, devices, equipment, or materials shall respond
195.26 within the time and in the manner specified by the commissioner. If no time to respond is
195.27 specified in the request, then a response shall be submitted within 30 days of the
195.28 commissioner's service of the request.

195.29 (c) Upon the refusal or anticipated refusal of a property owner, lessee, property owner's
195.30 representative, or lessee's representative to permit the commissioner's entry ~~onto~~ and access
195.31 to all areas of any property as provided in paragraph (a), the commissioner may apply for
195.32 an administrative inspection order in the Ramsey County District Court or, at the

196.1 commissioner's discretion, in the district court in the county in which the property is located.
196.2 The commissioner may anticipate that a property owner or lessee will refuse entry and
196.3 access to all areas of a property if the property owner, lessee, property owner's representative,
196.4 or lessee's representative has refused to permit entry or access to all areas of a property on
196.5 a prior occasion or has informed the commissioner that entry or access to areas of a property
196.6 will be refused. Upon showing of administrative probable cause by the commissioner, the
196.7 district court shall issue an administrative inspection order that compels the property owner
196.8 or lessee to permit the commissioner to enter and be allowed access to all areas of the
196.9 property for the purposes specified in paragraph (a).

196.10 (d) Upon the application of the commissioner, a district court shall treat the failure of
196.11 any person to obey a subpoena lawfully issued by the commissioner under this subdivision
196.12 as a contempt of court.

196.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

196.14 Sec. 18. Minnesota Statutes 2022, section 326B.082, subdivision 4, is amended to read:

196.15 Subd. 4. **Fax or email transmission.** When this section or section 326B.083 permits a
196.16 request for reconsideration or request for hearing to be served by fax on the commissioner,
196.17 or when the commissioner instructs that a request for reconsideration or request for hearing
196.18 be served by email on the commissioner, the fax or email shall not exceed 15 printed pages
196.19 in length. The request shall be considered timely served if the fax or email is received by
196.20 the commissioner, at the fax number or email address identified by the commissioner in the
196.21 order or notice of violation, no later than 4:30 p.m. central time on the last day permitted
196.22 for faxing or emailing the request. Where the quality or authenticity of the faxed or emailed
196.23 request is at issue, the commissioner may require the original request to be filed. Where the
196.24 commissioner has not identified quality or authenticity of the faxed or emailed request as
196.25 an issue and the request has been faxed or emailed in accordance with this subdivision, the
196.26 person faxing or emailing the request does not need to file the original request with the
196.27 commissioner.

196.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

196.29 Sec. 19. Minnesota Statutes 2022, section 326B.082, subdivision 6, is amended to read:

196.30 Subd. 6. **Notices of violation.** (a) The commissioner may issue a notice of violation to
196.31 any person who the commissioner determines has committed a violation of the applicable
196.32 law. The notice of violation must state a summary of the facts that constitute the violation
196.33 and the applicable law violated. The notice of violation may require the person to correct

197.1 the violation. If correction is required, the notice of violation must state the deadline by
197.2 which the violation must be corrected.

197.3 (b) In addition to any person, a notice of violation may be issued to any individual
197.4 identified in section 181.723, subdivision 7, paragraph (d). A notice of violation is effective
197.5 against any successor person as defined in section 181.723, subdivision 7, paragraph (e).

197.6 ~~(b)~~ (c) The commissioner shall issue the notice of violation by:

197.7 (1) serving the notice of violation on the property owner or on the person who committed
197.8 the violation; or

197.9 (2) posting the notice of violation at the location where the violation occurred.

197.10 ~~(e)~~ (d) If the person to whom the commissioner has issued the notice of violation believes
197.11 the notice was issued in error, then the person may request reconsideration of the parts of
197.12 the notice that the person believes are in error. The request for reconsideration must be in
197.13 writing and must be served on, faxed, or emailed to the commissioner at the address, fax
197.14 number, or email address specified in the notice of violation by the tenth day after the
197.15 commissioner issued the notice of violation. The date on which a request for reconsideration
197.16 is served by mail shall be the postmark date on the envelope in which the request for
197.17 reconsideration is mailed. If the person does not serve, fax, or email a written request for
197.18 reconsideration or if the person's written request for reconsideration is not served on or
197.19 faxed to the commissioner by the tenth day after the commissioner issued the notice of
197.20 violation, the notice of violation shall become a final order of the commissioner and will
197.21 not be subject to review by any court or agency. The request for reconsideration must:

197.22 (1) specify which parts of the notice of violation the person believes are in error;

197.23 (2) explain why the person believes the parts are in error; and

197.24 (3) provide documentation to support the request for reconsideration.

197.25 The commissioner shall respond in writing to requests for reconsideration made under
197.26 this paragraph within 15 days after receiving the request. A request for reconsideration does
197.27 not stay a requirement to correct a violation as set forth in the notice of violation. After
197.28 reviewing the request for reconsideration, the commissioner may affirm, modify, or rescind
197.29 the notice of violation. The commissioner's response to a request for reconsideration is final
197.30 and shall not be reviewed by any court or agency.

197.31 **EFFECTIVE DATE.** This section is effective July 1, 2024.

198.1 Sec. 20. Minnesota Statutes 2022, section 326B.082, subdivision 7, is amended to read:

198.2 Subd. 7. **Administrative orders; correction; assessment of monetary penalties.** (a)

198.3 The commissioner may issue an administrative order to any person who the commissioner
198.4 determines has committed a violation of the applicable law. The commissioner shall issue
198.5 the administrative order by serving the administrative order on the person. The administrative
198.6 order may require the person to correct the violation, may require the person to cease and
198.7 desist from committing the violation, and may assess monetary damages and penalties. The
198.8 commissioner shall follow the procedures in section 326B.083 when issuing administrative
198.9 orders. Except as provided in paragraph (b), the commissioner may issue to each person a
198.10 monetary penalty of up to \$10,000 for each violation of applicable law committed by the
198.11 person. The commissioner may order that part or all of the monetary penalty will be forgiven
198.12 if the person to whom the order is issued demonstrates to the commissioner by the 31st day
198.13 after the order is issued that the person has corrected the violation or has developed a
198.14 correction plan acceptable to the commissioner.

198.15 (b) The commissioner may issue an administrative order for failure to correct a violation
198.16 by the deadline stated in a final notice of violation issued under subdivision 6 or a final
198.17 administrative order issued under paragraph (a). Each day after the deadline during which
198.18 the violation remains uncorrected is a separate violation for purposes of calculating the
198.19 maximum monetary penalty amount.

198.20 (c) Upon the application of the commissioner, a district court shall find the failure of
198.21 any person to correct a violation as required by a final notice of violation issued under
198.22 subdivision 6 or a final administrative order issued by the commissioner under this
198.23 subdivision as a contempt of court.

198.24 (d) In addition to any person, an administrative order may be issued to any individual
198.25 identified in section 181.723, subdivision 7, paragraph (d). An administrative order shall
198.26 be effective against any successor person as defined in section 181.723, subdivision 7,
198.27 paragraph (e).

198.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

198.29 Sec. 21. Minnesota Statutes 2022, section 326B.082, subdivision 10, is amended to read:

198.30 Subd. 10. **Stop work orders.** (a) ~~If the commissioner determines based on an inspection~~
198.31 ~~or investigation that a person has violated or is about to violate the applicable law,~~ The
198.32 commissioner may issue to the person a stop work order requiring the person to cease and
198.33 ~~desist from committing the violation~~ cessation of all business operations of a person at one

199.1 or more of the person's workplaces and places of business or across all of the person's
199.2 workplaces and places of business. A stop work order may only be issued to any person
199.3 who the commissioner has determined, based on an inspection or investigation, has violated
199.4 the applicable law, has engaged in any of the activities under subdivision 11, paragraph (b),
199.5 or section 326B.701, subdivision 5, or has failed to comply with a final notice, final
199.6 administrative order, or final licensing order issued by the commissioner under this section
199.7 or a final order to comply issued by the commissioner under section 177.27, or to any person
199.8 identified in paragraph (c).

199.9 (b) The stop work order is effective upon its issuance under paragraph (e). The order
199.10 remains in effect until the commissioner issues an order lifting the stop work order. The
199.11 commissioner shall issue an order lifting the stop work order upon finding that the person
199.12 has come into compliance with the applicable law, has come into compliance with a final
199.13 order or notice of violation issued by the commissioner, has ceased and desisted from
199.14 engaging in any of the activities under subdivision 11, paragraph (b), or section 326B.701,
199.15 subdivision 5, and has paid any remedies, damages, penalties, and other monetary sanctions,
199.16 including wages owed to employees under paragraph (j), to the satisfaction of the
199.17 commissioner, or if the commissioner or appellate court modifies or vacates the order.

199.18 (c) In addition to any person, a stop work order may be issued to any individual identified
199.19 in section 181.723, subdivision 7, paragraph (d). The stop work order is effective against
199.20 any successor person as defined in section 181.723, subdivision 7, paragraph (e).

199.21 ~~(b)~~ (d) If the commissioner determines that a condition exists on real property that
199.22 ~~violates the applicable law~~ is the basis for issuing a stop work order, the commissioner may
199.23 also issue a stop work order to the owner or lessee of the real property to cease and desist
199.24 ~~from committing the violation and to correct the condition that is in violation~~ to cease and
199.25 desist from committing the violation and to correct the condition that is in violation.

199.26 ~~(e)~~ (e) The commissioner shall issue the stop work order by:

199.27 (1) serving the order on the person who has committed or is about to commit the violation;

199.28 (2) posting the order at the location where the violation was committed or is about to be
199.29 ~~committed~~ or at the location where the violating condition exists that is the basis for issuing
199.30 the stop work order; or

199.31 (3) serving the order on any owner or lessee of the real property where the violating
199.32 ~~condition exists~~ violations or conditions exist.

199.33 ~~(d)~~ (f) A stop work order shall:

200.1 (1) describe the act, conduct, or practice committed ~~or about to be committed~~, or the
 200.2 condition, and include a reference to the applicable law ~~that the act, conduct, practice, or~~
 200.3 ~~condition violates or would violate~~, the final order or final notice of violation, the provisions
 200.4 in subdivision 11, paragraph (b); the provisions in section 326B.701, subdivision 5; or
 200.5 liability under section 181.165, as applicable; and

200.6 (2) provide notice that any person aggrieved by the stop work order may request a hearing
 200.7 as provided in paragraph ~~(e)~~ (g).

200.8 ~~(e)~~ (g) Within 30 days after the commissioner issues a stop work order, any person
 200.9 aggrieved by the order may request an expedited hearing to review the commissioner's
 200.10 action. The request for hearing must be made in writing and must be served on, emailed,
 200.11 or faxed to the commissioner at the address, email address, or fax number specified in the
 200.12 order. If the person does not request a hearing or if the person's written request for hearing
 200.13 is not served on, emailed, or faxed to the commissioner on or before the 30th day after the
 200.14 commissioner issued the stop work order, the order will become a final order of the
 200.15 commissioner and will not be subject to review by any court or agency. The date on which
 200.16 a request for hearing is served by mail is the postmark date on the envelope in which the
 200.17 request for hearing is mailed. The hearing request must specifically state the reasons for
 200.18 seeking review of the order. The person who requested the hearing and the commissioner
 200.19 are the parties to the expedited hearing. The hearing shall be commenced within ten days
 200.20 after the commissioner receives the request for hearing. The hearing shall be conducted
 200.21 under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision.
 200.22 The administrative law judge shall issue a report containing findings of fact, conclusions
 200.23 of law, and a recommended order within ten days after the completion of the hearing, the
 200.24 receipt of late-filed exhibits, or the submission of written arguments, whichever is later.
 200.25 Any party aggrieved by the administrative law judge's report shall have five days after the
 200.26 date of the administrative law judge's report to submit written exceptions and argument to
 200.27 the commissioner that the commissioner shall consider and enter in the record. Within 15
 200.28 days after receiving the administrative law judge's report, the commissioner shall issue an
 200.29 order vacating, modifying, or making permanent the stop work order. The commissioner
 200.30 and the person requesting the hearing may by agreement lengthen any time periods described
 200.31 in this paragraph. The Office of Administrative Hearings may, in consultation with the
 200.32 agency, adopt rules specifically applicable to cases under this subdivision.

200.33 ~~(f)~~ (h) A stop work order issued under this subdivision ~~shall be~~ is in effect until it is
 200.34 lifted by the commissioner under paragraph (b) or is modified or vacated by the commissioner
 200.35 or an appellate court under paragraph (b). The administrative hearing provided by this

201.1 subdivision and any appellate judicial review as provided in chapter 14 shall constitute the
201.2 exclusive remedy for any person aggrieved by a stop order.

201.3 (i) The commissioner may assess a civil penalty of \$5,000 per day against a person for
201.4 each day the person conducts business operations that are in violation of a stop work order
201.5 issued under this section.

201.6 (j) Once a stop work order becomes final, any of the person's employees affected by a
201.7 stop work order issued pursuant to this subdivision shall be entitled to average daily earnings
201.8 from the person for up to the first ten days of work lost by the employee because of the
201.9 issuance of a stop work order. Lifting of a stop work order may be conditioned on payment
201.10 of wages to employees. The commissioner may issue an order to comply under section
201.11 177.27 to obtain payment from persons liable for the payment of wages owed to the
201.12 employees under this section.

201.13 ~~(g)~~ (k) Upon the application of the commissioner, a district court shall find the failure
201.14 of any person to comply with a final stop work order lawfully issued by the commissioner
201.15 under this subdivision as a contempt of court.

201.16 (l) Notwithstanding section 13.39, the data in a stop work order issued under this
201.17 subdivision are classified as public data after the commissioner has issued the order.

201.18 (m) When determining the appropriateness and extent of a stop work order the
201.19 commissioner shall consider the factors set forth in section 14.045, subdivision 3.

201.20 **EFFECTIVE DATE.** This section is effective March 1, 2025.

201.21 Sec. 22. Minnesota Statutes 2022, section 326B.082, subdivision 11, is amended to read:

201.22 Subd. 11. **Licensing orders; grounds; reapplication.** (a) The commissioner may deny
201.23 an application for a permit, license, registration, or certificate if the applicant does not meet
201.24 or fails to maintain the minimum qualifications for holding the permit, license, registration,
201.25 or certificate, or has any unresolved violations ~~or~~ unpaid fees, or monetary damages or
201.26 penalties related to the activity for which the permit, license, registration, or certificate has
201.27 been applied for or was issued.

201.28 (b) The commissioner may deny, suspend, limit, place conditions on, or revoke a person's
201.29 permit, license, registration, or certificate, or censure the person holding or acting as
201.30 qualifying person for the permit, license, registration, or certificate, if the commissioner
201.31 finds that the person:

201.32 (1) committed one or more violations of the applicable law;

202.1 (2) committed one or more violations of chapter 176, 177, 181, 181A, 182, 268, 270C,
 202.2 or 363A;

202.3 ~~(2)~~ (3) submitted false or misleading information to ~~the~~ any state agency in connection
 202.4 with activities for which the permit, license, registration, or certificate was issued, or in
 202.5 connection with the application for the permit, license, registration, or certificate;

202.6 ~~(3)~~ (4) allowed the alteration or use of the person's own permit, license, registration, or
 202.7 certificate by another person;

202.8 ~~(4)~~ (5) within the previous five years, was convicted of a crime in connection with
 202.9 activities for which the permit, license, registration, or certificate was issued;

202.10 ~~(5)~~ (6) violated: (i) a final administrative order issued under subdivision 7, (ii) a final
 202.11 stop work order issued under subdivision 10, (iii) injunctive relief issued under subdivision
 202.12 9, or (iv) a consent order, order to comply, or other final order ~~of~~ issued by the commissioner
 202.13 or the commissioner of human rights, employment and economic development, or revenue;

202.14 ~~(6)~~ (7) delayed, obstructed, or otherwise failed to cooperate with a commissioner's
 202.15 investigation, including a request to give testimony, to provide data and information, to
 202.16 produce documents, things, apparatus, devices, equipment, or materials, or to enter and
 202.17 access all areas of any property ~~under subdivision 2;~~

202.18 ~~(7)~~ (8) retaliated in any manner against any employee or person who makes a complaint,
 202.19 is questioned by, cooperates with, or provides information to the commissioner ~~or an~~
 202.20 ~~employee or agent authorized by the commissioner who seeks access to property or things~~
 202.21 ~~under subdivision 2;~~

202.22 ~~(8)~~ (9) engaged in any fraudulent, deceptive, or dishonest act or practice; or

202.23 ~~(9)~~ (10) performed work in connection with the permit, license, registration, or certificate
 202.24 or conducted the person's affairs in a manner that demonstrates incompetence,
 202.25 untrustworthiness, or financial irresponsibility.

202.26 (c) In addition to any person, a licensing order may be issued to any individual identified
 202.27 in section 181.723, subdivision 7, paragraph (d). A licensing order is effective against any
 202.28 successor person as defined in section 181.723, subdivision 7, paragraph (e).

202.29 ~~(e)~~ (d) If the commissioner revokes or denies a person's permit, license, registration, or
 202.30 certificate under paragraph (b), the person is prohibited from reapplying for the same type
 202.31 of permit, license, registration, or certificate for at least two years after the effective date
 202.32 of the revocation or denial. The commissioner may, as a condition of reapplication, require
 202.33 the person to obtain a bond or comply with additional reasonable conditions the commissioner

203.1 considers necessary to protect the public, including but not limited to demonstration of
203.2 current and ongoing compliance with the laws the violation of which were the basis for
203.3 revoking or denying the person's permit, license, registration, or certificate under paragraph
203.4 (b) or that the person has ceased and desisted in engaging in activities under paragraph (b)
203.5 that were the basis for revoking or denying the person's permit, license, registration, or
203.6 certificate under paragraph (b).

203.7 ~~(d)~~(e) If a permit, license, registration, or certificate expires, or is surrendered, withdrawn,
203.8 or terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding
203.9 under this subdivision within two years after the permit, license, registration, or certificate
203.10 was last effective and enter a revocation or suspension order as of the last date on which
203.11 the permit, license, registration, or certificate was in effect.

203.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

203.13 Sec. 23. Minnesota Statutes 2022, section 326B.082, subdivision 13, is amended to read:

203.14 Subd. 13. **Summary suspension.** In any case where the commissioner has issued an
203.15 order to revoke, suspend, or deny a license, registration, certificate, or permit under
203.16 subdivisions 11, paragraph (b), and 12, the commissioner may summarily suspend the
203.17 person's permit, license, registration, or certificate before the order becomes final. The
203.18 commissioner shall issue a summary suspension order when the safety of life or property
203.19 is threatened or to prevent the commission of fraudulent, deceptive, untrustworthy, or
203.20 dishonest acts against the public, including but not limited to violations of section 181.723,
203.21 subdivision 7. The summary suspension shall not affect the deadline for submitting a request
203.22 for hearing under subdivision 12. If the commissioner summarily suspends a person's permit,
203.23 license, registration, or certificate, a timely request for hearing submitted under subdivision
203.24 12 shall also be considered a timely request for hearing on continuation of the summary
203.25 suspension. If the commissioner summarily suspends a person's permit, license, registration,
203.26 or certificate under this subdivision and the person submits a timely request for a hearing,
203.27 then a hearing on continuation of the summary suspension must be held within ten days
203.28 after the commissioner receives the request for hearing unless the parties agree to a later
203.29 date.

203.30 **EFFECTIVE DATE.** This section is effective July 1, 2024.

204.1 Sec. 24. Minnesota Statutes 2022, section 326B.082, is amended by adding a subdivision
204.2 to read:

204.3 Subd. 16a. **Additional penalties and damages.** Any person who delays, obstructs, or
204.4 otherwise fails to cooperate with the commissioner's investigation may be issued a penalty
204.5 of \$1,000. Each day of delay, obstruction, or failure to cooperate shall constitute a separate
204.6 violation.

204.7 **EFFECTIVE DATE.** This section is effective July 1, 2024.

204.8 Sec. 25. Minnesota Statutes 2022, section 326B.701, is amended to read:

204.9 **326B.701 CONSTRUCTION CONTRACTOR REGISTRATION.**

204.10 Subdivision 1. **Definitions.** The following definitions apply to this section:

204.11 (a) "Building construction or improvement services" means public or private sector
204.12 commercial or residential building construction or improvement services.

204.13 ~~(a)~~ (b) "Business entity" means a person other than an individual or a sole proprietor as
204.14 that term is defined in paragraph (h), except the term does not include an individual.

204.15 (c) "Commissioner" means the commissioner of labor and industry or a duly designated
204.16 representative of the commissioner who is either an employee of the Department of Labor
204.17 and Industry or person working under contract with the Department of Labor and Industry.

204.18 (d) "Day" means calendar day unless otherwise provided.

204.19 (e) "Department" means the Department of Labor and Industry.

204.20 ~~(b)~~ (f) "Document" or "documents" includes papers; books; records; memoranda; data;
204.21 contracts; drawings; graphs; charts; photographs; digital, video, and audio recordings;
204.22 records; accounts; files; statements; letters; emails; invoices; bills; notes; and calendars
204.23 maintained in any form or manner.

204.24 (g) "Individual" means a human being.

204.25 (h) "Person" means any individual, sole proprietor, limited liability company, limited
204.26 liability partnership, corporation, partnership, incorporated or unincorporated association,
204.27 joint stock company, or any other legal or commercial entity.

204.28 Subd. 2. **Applicability; registration requirement.** ~~(a) Persons who perform public or~~
204.29 ~~private sector commercial or residential building construction or improvement services as~~
204.30 ~~described in subdivision 2 must register with the commissioner as provided in this section.~~
204.31 The purpose of registration is to assist the Department of Labor and Industry, the Department

205.1 ~~of Employment and Economic Development, and the Department of Revenue to enforce~~
205.2 ~~laws related to misclassification of employees.~~

205.3 ~~(b)~~ (a) Except as provided in paragraph ~~(e)~~ (b), any person who provides or performs
205.4 building construction or improvement services in the state ~~on or after September 15, 2012,~~
205.5 of Minnesota must register with the commissioner as provided in this section before providing
205.6 or performing building construction or improvement services ~~for another person~~. The
205.7 requirements for registration under this section are not a substitute for, and do not relieve
205.8 a person from complying with, any other law requiring that the person be licensed, registered,
205.9 or certified.

205.10 ~~(e)~~ (b) The registration requirements in this section do not apply to:

205.11 (1) a person who, at the time the person is providing or performing the building
205.12 construction or improvement services, holds a current license, certificate, or registration
205.13 under chapter 299M or 326B;

205.14 ~~(2) a person who holds a current independent contractor exemption certificate issued~~
205.15 ~~under this section that is in effect on September 15, 2012, except that the person must register~~
205.16 ~~under this section no later than the date the exemption certificate expires, is revoked, or is~~
205.17 ~~canceled;~~

205.18 ~~(3)~~ (2) a person who has given a bond to the state under section 326B.197 or 326B.46;

205.19 ~~(4)~~ (3) an employee of the person providing or performing the building construction or
205.20 improvement services, ~~if the person was in compliance with laws related to employment of~~
205.21 ~~the individual at the time the construction services were performed;~~

205.22 ~~(5)~~ (4) an architect or professional engineer engaging in professional practice as defined
205.23 in section 326.02, subdivisions 2 and 3;

205.24 ~~(6)~~ (5) a school district or technical college governed under chapter 136F;

205.25 ~~(7)~~ (6) a person providing or performing building construction or improvement services
205.26 on a volunteer basis, including but not limited to Habitat for Humanity and Builders Outreach
205.27 Foundation, and their individual volunteers when engaged in activities on their behalf; or

205.28 ~~(8)~~ (7) a person exempt from licensing under section 326B.805, subdivision 6, clause
205.29 ~~(5)~~ (4).

205.30 Subd. 3. **Registration application.** (a) Persons required to register under this section
205.31 must submit electronically, in the manner prescribed by the commissioner, a complete
205.32 application according to ~~paragraphs (b) to (d)~~ this subdivision.

206.1 (b) A complete application must include all of the following information and
206.2 documentation about any individual who is registering as an individual or a sole proprietor,
206.3 ~~or who owns 25 percent or more of a business entity being registered~~ the person who is
206.4 applying for a registration:

206.5 (1) ~~the individual's full~~ person's legal name and title at the applicant's business;

206.6 (2) the person's assumed names filed with the secretary of state, if applicable;

206.7 ~~(2)~~ (3) ~~the individual's business address and~~ person's telephone number;

206.8 ~~(3) the percentage of the applicant's business owned by the individual; and~~

206.9 ~~(4) the individual's Social Security number.~~

206.10 (c) ~~A complete application must also include the following information:~~

206.11 ~~(1) the applicant's legal name; assumed name filed with the secretary of state, if any;~~

206.12 ~~designated business address; physical address; telephone number; and email address;~~

206.13 ~~(2) the applicant's Minnesota tax identification number, if one is required or has been~~
206.14 ~~issued;~~

206.15 ~~(3) the applicant's federal employer identification number, if one is required or has been~~
206.16 ~~issued;~~

206.17 ~~(4) evidence of the active status of the applicant's business filings with the secretary of~~
206.18 ~~state, if one is required or has been issued;~~

206.19 ~~(5) whether the applicant has any employees at the time the application is filed;~~

206.20 ~~(6) the names of all other persons with an ownership interest in the business entity who~~
206.21 ~~are not identified in paragraph (b), and the percentage of the interest owned by each person,~~

206.22 ~~except that the names of shareholders with less than ten percent ownership in a publicly~~
206.23 ~~traded corporation need not be provided;~~

206.24 ~~(7) information documenting compliance with workers' compensation and unemployment~~
206.25 ~~insurance laws;~~

206.26 (4) the person's email address;

206.27 (5) the person's business address;

206.28 (6) the person's physical address, if different from the business address;

207.1 (7) the legal name, telephone number, and email address of the person's registered agent,
207.2 if applicable, and the registered agent's business address and physical address, if different
207.3 from the business address;

207.4 (8) the jurisdiction in which the person is organized, if that jurisdiction is not in
207.5 Minnesota, as applicable;

207.6 (9) the legal name of the person in the jurisdiction in which it is organized, if the legal
207.7 name is different than the legal name provided in clause (1), as applicable;

207.8 (10) all of the following identification numbers, if all of these identification numbers
207.9 have been issued to the person. A complete application must include at least one of the
207.10 following identification numbers:

207.11 (i) the person's Social Security number;

207.12 (ii) the person's Minnesota tax identification number; or

207.13 (iii) the person's federal employer identification number;

207.14 (11) evidence of the active status of the person's business filings with the secretary of
207.15 state, if applicable;

207.16 (12) whether the person has any employees at the time the application is filed, and if so,
207.17 how many employees the person employs;

207.18 (13) the legal names of all persons with an ownership interest in the business entity, if
207.19 applicable, and the percentage of the interest owned by each person, except that the names
207.20 of shareholders with less than ten percent ownership in a publicly traded corporation need
207.21 not be provided;

207.22 (14) information documenting the person's compliance with workers' compensation and
207.23 unemployment insurance laws for the person's employees, if applicable;

207.24 (15) whether the person or any persons with an ownership interest in the business entity
207.25 as disclosed under clause (13) have been issued a notice of violation, administrative order,
207.26 licensing order, or order to comply by the Department of Labor and Industry in the last ten
207.27 years;

207.28 ~~(8)~~ (16) a certification that the ~~person~~ individual signing the application has: reviewed
207.29 it; ~~determined~~ asserts that the information and documentation provided is true and accurate;
207.30 and ~~determined~~ that the ~~person signing~~ individual is authorized to sign and file the application
207.31 as an agent or authorized representative of the applicant person. The name of the ~~person~~

208.1 individual signing, entered on an electronic application, shall constitute a valid signature
208.2 of the agent or authorized representative on behalf of the ~~applicant~~ person; and

208.3 ~~(9)~~ (17) a signed authorization for the Department of Labor and Industry to verify the
208.4 information and documentation provided on or with the application.

208.5 ~~(d)~~ (c) A registered person must notify the commissioner within 15 days after there is a
208.6 change in any of the information on the application as approved. This notification must be
208.7 provided electronically in the manner prescribed by the commissioner. However, if the
208.8 ~~business entity~~ structure or legal form of the business entity has changed, the person must
208.9 submit a new registration application ~~and registration fee, if any, for the new business entity.~~

208.10 ~~(e) The registered~~ (d) A person must ~~remain registered~~ maintain a current and up-to-date
208.11 registration while providing or performing building construction or improvement services
208.12 ~~for another person~~. The provisions of sections 326B.091, 326B.094, 326B.095, and 326B.097
208.13 apply to this section. ~~A person with an expired registration shall not provide construction~~
208.14 ~~services for another person if registration is required under this section.~~ Registration
208.15 application and expiration time frames are as follows:

208.16 ~~(1) all registrations issued on or before December 31, 2015, expire on December 31,~~
208.17 ~~2015;~~

208.18 ~~(2)~~ (1) all registrations issued after December 31, 2015, expire on the following December
208.19 31 of each odd-numbered year; and

208.20 ~~(3)~~ (2) a person may submit a ~~registration or~~ renewal application starting October 1 of
208.21 the year the registration expires. If a renewal application is submitted later than December
208.22 1 of the expiration year, the registration may expire before the department has issued or
208.23 denied the ~~registration~~ renewal.

208.24 Subd. 4. **Website.** (a) The commissioner shall develop and maintain a website on which
208.25 ~~applicants for registration~~ persons can submit a registration or renewal application. The
208.26 website shall be designed to receive and process ~~registration~~ applications and promptly
208.27 issue registration certificates electronically to successful applicants.

208.28 (b) The commissioner shall maintain ~~the certificates of registration on the department's~~
208.29 ~~official public website, which shall include~~ the following information on the department's
208.30 official public website:

208.31 (1) the registered person's legal ~~business~~ name, including any assumed name, ~~as filed~~
208.32 with the secretary of state;

208.33 (2) the legal names of the persons with an ownership interest in the business entity;

209.1 ~~(2)~~ (3) the registered person's business address designated and physical address, if
209.2 different from the business address, provided on the application; and

209.3 ~~(3)~~ (4) the effective date of the registration and the expiration date.

209.4 Subd. 5. **Prohibited activities related to registration.** (a) The prohibited activities in
209.5 this subdivision are in addition to those prohibited in ~~sections 326B.081 to 326B.085~~ section
209.6 326B.082, subdivision 11.

209.7 (b) A person who provides or performs building construction or improvement services
209.8 ~~in the course of the person's trade, business, occupation, or profession~~ shall not:

209.9 (1) ~~contract with~~ provide or perform building construction or improvement services for
209.10 ~~another person~~ without first being registered, if required by to be registered under this
209.11 section;

209.12 (2) require an individual who is the person's employee to register; or

209.13 ~~(2) contract with or pay~~ (3) engage another person to provide or perform building
209.14 construction or improvement services if the other person is required to be registered under
209.15 this section and is not registered if required by subdivision 2. All payments to an unregistered
209.16 ~~person for construction services on a single project site shall be considered a single violation.~~
209.17 It is not a violation of this clause:

209.18 (i) for a person to ~~contract with or pay~~ have engaged an unregistered person if the
209.19 unregistered person ~~was registered at the time the contract for construction services was~~
209.20 ~~entered into~~ held a current registration on the date they began providing or performing the
209.21 building construction or improvement services; or

209.22 (ii) for a homeowner or business to ~~contract with or pay~~ engage an unregistered person
209.23 if the homeowner or business is not in the trade, business, profession, or occupation of
209.24 performing building construction or improvement services; ~~or.~~

209.25 ~~(3) be penalized for violations of this subdivision that are committed by another person.~~
209.26 ~~This clause applies only to violations of this paragraph.~~

209.27 (c) Each day a person who is required to be registered provides or performs building
209.28 construction or improvement services while unregistered shall be considered a separate
209.29 violation.

209.30 Subd. 6. **Investigation and enforcement; remedies; and penalties.** (a) ~~Notwithstanding~~
209.31 ~~the maximum penalty amount in section 326B.082, subdivisions 7 and 12, the maximum~~

210.1 ~~penalty for failure to register is \$2,000, but the commissioner shall forgive the penalty if~~
210.2 ~~the person registers within 30 days of the date of the penalty order.~~

210.3 ~~(b) The penalty for contracting with or paying an unregistered person to perform~~
210.4 ~~construction services in violation of subdivision 5, paragraph (b), clause (2), shall be as~~
210.5 ~~provided in section 326B.082, subdivisions 7 and 12, but the commissioner shall forgive~~
210.6 ~~the penalty for the first violation.~~

210.7 The commissioner may investigate and enforce this section under the authority in chapters
210.8 177 and 326B.

210.9 ~~Subd. 7. **Notice requirement.** Notice of a penalty order for failure to register must~~
210.10 ~~include a statement that the penalty shall be forgiven if the person registers within 30 days~~
210.11 ~~of the date of the penalty order.~~

210.12 ~~Subd. 8. **Data classified.** Data in applications and any required documentation submitted~~
210.13 ~~to the commissioner under this section are private data on individuals or nonpublic data as~~
210.14 ~~defined in section 13.02. Data in registration certificates issued by the commissioner are~~
210.15 ~~public data; except that for the registration information published on the department's website~~
210.16 ~~may be accessed for registration verification purposes only. Data that document a suspension,~~
210.17 ~~revocation, or cancellation of a certificate registration are public data. Upon request of~~
210.18 ~~Notwithstanding its classification as private data on individuals or nonpublic data, data in~~
210.19 ~~applications and any required documentation submitted to the commissioner under this~~
210.20 ~~section may be used by the commissioner to investigate and take enforcement action related~~
210.21 ~~to laws for which the commissioner has enforcement responsibility and the commissioner~~
210.22 ~~may share data and documentation with the Department of Revenue, the Department of~~
210.23 ~~Commerce, the Department of Human Rights, or the Department of Employment and~~
210.24 ~~Economic Development. The commissioner may release to the requesting department~~
210.25 ~~departments data classified as private or nonpublic under this subdivision or investigative~~
210.26 ~~data that are not public under section 13.39 that relate to the issuance or denial of applications~~
210.27 ~~or revocations of certificates prohibited activities under this section and section 181.723.~~

210.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

211.1 **ARTICLE 11**

211.2 **EARNED SICK AND SAFE TIME MODIFICATIONS**

211.3 Section 1. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended
211.4 to read:

211.5 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
211.6 employer to comply with sections 177.21 to 177.435, 177.50, 179.86, 181.02, 181.03,
211.7 181.031, 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172,
211.8 paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.722, 181.79,
211.9 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 268B.09,
211.10 subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section
211.11 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer
211.12 to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated.
211.13 For purposes of this subdivision only, a violation is repeated if at any time during the two
211.14 years that preceded the date of violation, the commissioner issued an order to the employer
211.15 for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or
211.16 the commissioner and the employer have entered into a settlement agreement that required
211.17 the employer to pay back wages that were required by sections 177.41 to 177.435. The
211.18 department shall serve the order upon the employer or the employer's authorized
211.19 representative in person or by certified mail at the employer's place of business. An employer
211.20 who wishes to contest the order must file written notice of objection to the order with the
211.21 commissioner within 15 calendar days after being served with the order. A contested case
211.22 proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If,
211.23 within 15 calendar days after being served with the order, the employer fails to file a written
211.24 notice of objection with the commissioner, the order becomes a final order of the
211.25 commissioner. For the purposes of this subdivision, an employer includes a contractor that
211.26 has assumed a subcontractor's liability within the meaning of section 181.165.

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

211.28 Sec. 2. Minnesota Statutes 2023 Supplement, section 177.50, is amended by adding a
211.29 subdivision to read:

211.30 **Subd. 6. Rulemaking authority.** The commissioner may adopt rules to carry out the
211.31 purposes of this section and sections 181.9445 to 181.9448.

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

212.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 177.50, is amended by adding a
212.2 subdivision to read:

212.3 Subd. 7. Remedies. (a) If an employer does not provide earned sick and safe time
212.4 pursuant to section 181.9446, or does not allow the use of earned sick and safe time pursuant
212.5 to section 181.9447, the employer is liable to all employees who were not provided or not
212.6 allowed to use earned sick and safe time for an amount equal to all earned sick and safe
212.7 time that should have been provided or could have been used, plus an additional equal
212.8 amount as liquidated damages.

212.9 (b) If the employer does not possess records sufficient to determine the earned sick and
212.10 safe time an employee should have been provided pursuant to paragraph (a), the employer
212.11 is liable to the employee for an amount equal to 48 hours of earned sick and safe time for
212.12 each year earned sick and safe time was not provided, plus an additional equal amount as
212.13 liquidated damages.

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

212.15 Sec. 4. Minnesota Statutes 2023 Supplement, section 181.032, is amended to read:

212.16 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
212.17 **TO EMPLOYEE.**

212.18 (a) At the end of each pay period, the employer shall provide each employee an earnings
212.19 statement, either in writing or by electronic means, covering that pay period. An employer
212.20 who chooses to provide an earnings statement by electronic means must provide employee
212.21 access to an employer-owned computer during an employee's regular working hours to
212.22 review and print earnings statements, and must make statements available for review or
212.23 printing for a period of three years.

212.24 (b) The earnings statement may be in any form determined by the employer but must
212.25 include:

212.26 (1) the name of the employee;

212.27 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by
212.28 hour, shift, day, week, salary, piece, commission, or other method;

212.29 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

212.30 (4) the total number of hours worked by the employee unless exempt from chapter 177;

212.31 ~~(5) the total number of earned sick and safe time hours accrued and available for use~~
212.32 ~~under section 181.9446;~~

213.1 ~~(6) the total number of earned sick and safe time hours used during the pay period under~~
213.2 ~~section 181.9447;~~

213.3 ~~(7)~~ (5) the total amount of gross pay earned by the employee during that period;

213.4 ~~(8)~~ (6) a list of deductions made from the employee's pay;

213.5 ~~(9)~~ (7) any amount deducted by the employer under section 268B.14, subdivision 3, and
213.6 the amount paid by the employer based on the employee's wages under section 268B.14,
213.7 subdivision 1;

213.8 ~~(10)~~ (8) the net amount of pay after all deductions are made;

213.9 ~~(11)~~ (9) the date on which the pay period ends;

213.10 ~~(12)~~ (10) the legal name of the employer and the operating name of the employer if
213.11 different from the legal name;

213.12 ~~(13)~~ (11) the physical address of the employer's main office or principal place of business,
213.13 and a mailing address if different; and

213.14 ~~(14)~~ (12) the telephone number of the employer.

213.15 (c) An employer must provide earnings statements to an employee in writing, rather
213.16 than by electronic means, if the employer has received at least 24 hours notice from an
213.17 employee that the employee would like to receive earnings statements in written form. Once
213.18 an employer has received notice from an employee that the employee would like to receive
213.19 earnings statements in written form, the employer must comply with that request on an
213.20 ongoing basis.

213.21 (d) At the start of employment, an employer shall provide each employee a written notice
213.22 containing the following information:

213.23 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by
213.24 the hour, shift, day, week, salary, piece, commission, or other method, and the specific
213.25 application of any additional rates;

213.26 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

213.27 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;

213.28 (4) the employee's employment status and whether the employee is exempt from minimum
213.29 wage, overtime, and other provisions of chapter 177, and on what basis;

213.30 (5) a list of deductions that may be made from the employee's pay;

214.1 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay
214.2 day on which the employee will receive the first payment of wages earned;

214.3 (7) the legal name of the employer and the operating name of the employer if different
214.4 from the legal name;

214.5 (8) the physical address of the employer's main office or principal place of business, and
214.6 a mailing address if different; and

214.7 (9) the telephone number of the employer.

214.8 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
214.9 employee acknowledging receipt of the notice. The notice must be provided to each employee
214.10 in English. The English version of the notice must include text provided by the commissioner
214.11 that informs employees that they may request, by indicating on the form, the notice be
214.12 provided in a particular language. If requested, the employer shall provide the notice in the
214.13 language requested by the employee. The commissioner shall make available to employers
214.14 the text to be included in the English version of the notice required by this section and assist
214.15 employers with translation of the notice in the languages requested by their employees.

214.16 (f) An employer must provide the employee any written changes to the information
214.17 contained in the notice under paragraph (d) prior to the date the changes take effect.

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

214.19 Sec. 5. Minnesota Statutes 2023 Supplement, section 181.9445, subdivision 4, is amended
214.20 to read:

214.21 Subd. 4. **Earned sick and safe time.** "Earned sick and safe time" means leave, including
214.22 paid time off and other paid leave systems, that is paid at the same ~~hourly~~ base rate as an
214.23 employee earns from employment that may be used for the same purposes and under the
214.24 same conditions as provided under section 181.9447, but in no case shall this ~~hourly~~ base
214.25 rate be less than that provided under section 177.24 or an applicable local minimum wage.

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

214.27 Sec. 6. Minnesota Statutes 2023 Supplement, section 181.9445, is amended by adding a
214.28 subdivision to read:

214.29 Subd. 4a. **Base rate.** "Base rate" means:

214.30 (1) for employees paid on an hourly basis, the same rate received per hour of work;

215.1 (2) for employees paid on an hourly basis who receive multiple hourly rates, the rate
215.2 the employee would have been paid for the period of time in which leave was taken;

215.3 (3) for employees paid on a salary basis, the same rate guaranteed to the employee as if
215.4 the employee had not taken the leave; and

215.5 (4) for employees paid solely on a commission, piecework, or any basis other than hourly
215.6 or salary, a rate no less than the applicable local, state, or federal minimum wage, whichever
215.7 is greater.

215.8 For purposes of this section and section 181.9446, base rate does not include commissions;
215.9 shift differentials that are in addition to an hourly rate; premium payments for overtime
215.10 work; premium payments for work on Saturdays, Sundays, holidays, or scheduled days off;
215.11 bonuses; or gratuities as defined by section 177.23.

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

215.13 Sec. 7. Minnesota Statutes 2023 Supplement, section 181.9445, subdivision 5, is amended
215.14 to read:

215.15 Subd. 5. **Employee.** "Employee" means any person who is employed by an employer,
215.16 including temporary and part-time employees, who ~~performs~~ is anticipated by the employer
215.17 to perform work for at least 80 hours in a year for that employer in Minnesota. Employee
215.18 does not include:

215.19 (1) an independent contractor; ~~or~~

215.20 (2) an individual who is a volunteer firefighter or paid on-call firefighter, with a
215.21 department charged with the prevention or suppression of fires within the boundaries of the
215.22 state; is a volunteer ambulance attendant as defined in section 144E.001, subdivision 15;
215.23 or is an ambulance service personnel as defined in section 144E.001, subdivision 3a, who
215.24 serves in a paid on-call position;

215.25 (3) an individual who is an elected official or a person who is appointed to fill a vacancy
215.26 in an elected office as part of a legislative or governing body of Minnesota or a political
215.27 subdivision; or

215.28 (4) an individual employed by a farmer, family farm, or a family farm corporation to
215.29 provide physical labor on or management of a farm if the farmer, family farm, or family
215.30 farm corporation employs the individual to perform work for 28 days or less each year.

215.31 ~~(2) an individual employed by an air carrier as a flight deck or cabin crew member who:~~
215.32 ~~(i) is subject to United States Code, title 45, sections 181 to 188;~~

216.1 ~~(ii) works less than a majority of their hours in Minnesota in a calendar year; and~~
216.2 ~~(iii) is provided with paid leave equal to or exceeding the amounts in section 181.9446.~~

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

216.4 Sec. 8. Minnesota Statutes 2023 Supplement, section 181.9446, is amended to read:

216.5 **181.9446 ACCRUAL OF EARNED SICK AND SAFE TIME.**

216.6 (a) An employee accrues a minimum of one hour of earned sick and safe time for every
216.7 30 hours worked up to a maximum of 48 hours of earned sick and safe time in a year.
216.8 Employees may not accrue more than 48 hours of earned sick and safe time in a year unless
216.9 the employer agrees to a higher amount.

216.10 (b)(1) Except as provided in clause (2), employers must permit an employee to carry
216.11 over accrued but unused sick and safe time into the following year. The total amount of
216.12 accrued but unused earned sick and safe time for an employee must not exceed 80 hours at
216.13 any time, unless an employer agrees to a higher amount.

216.14 (2) In lieu of permitting the carryover of accrued but unused sick and safe time into the
216.15 following year as provided under clause (1), an employer may provide an employee with
216.16 earned sick and safe time for the year that meets or exceeds the requirements of this section
216.17 that is available for the employee's immediate use at the beginning of the subsequent year
216.18 as follows: (i) 48 hours, if an employer pays an employee for accrued but unused sick and
216.19 safe time at the end of a year at the same hourly base rate as an employee earns from
216.20 employment and in no case at a rate less than that provided under section 177.24 or an
216.21 applicable local minimum wage; or (ii) 80 hours, if an employer does not pay an employee
216.22 for accrued but unused sick and safe time at the end of a year ~~at the same or greater hourly~~
216.23 ~~rate as an employee earns from employment. In no case shall this hourly rate be less than~~
216.24 ~~that provided under section 177.24, or an applicable local minimum wage.~~

216.25 (c) Employees who are exempt from overtime requirements under United States Code,
216.26 title 29, section 213(a)(1), as amended through January 1, 2024, are deemed to work 40
216.27 hours in each workweek for purposes of accruing earned sick and safe time, except that an
216.28 employee whose normal workweek is less than 40 hours will accrue earned sick and safe
216.29 time based on the normal workweek.

216.30 (d) Earned sick and safe time under this section begins to accrue at the commencement
216.31 of employment of the employee.

216.32 (e) Employees may use earned sick and safe time as it is accrued.

217.1 Sec. 9. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 1, is amended
217.2 to read:

217.3 Subdivision 1. **Eligible use.** An employee may use accrued earned sick and safe time
217.4 for:

217.5 (1) an employee's:

217.6 (i) mental or physical illness, injury, or other health condition;

217.7 (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury,
217.8 or health condition; ~~or~~

217.9 (iii) need for preventive medical or health care; or

217.10 (iv) need to make arrangements for or attend funeral services or a memorial, or address
217.11 financial or legal matters that arise after the death of a family member;

217.12 (2) care of a family member:

217.13 (i) with a mental or physical illness, injury, or other health condition;

217.14 (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness,
217.15 injury, or other health condition; or

217.16 (iii) who needs preventive medical or health care;

217.17 (3) absence due to domestic abuse, sexual assault, or stalking of the employee or
217.18 employee's family member, provided the absence is to:

217.19 (i) seek medical attention related to physical or psychological injury or disability caused
217.20 by domestic abuse, sexual assault, or stalking;

217.21 (ii) obtain services from a victim services organization;

217.22 (iii) obtain psychological or other counseling;

217.23 (iv) seek relocation or take steps to secure an existing home due to domestic abuse,
217.24 sexual assault, or stalking; or

217.25 (v) seek legal advice or take legal action, including preparing for or participating in any
217.26 civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault,
217.27 or stalking;

217.28 (4) closure of the employee's place of business due to weather or other public emergency
217.29 or an employee's need to care for a family member whose school or place of care has been
217.30 closed due to weather or other public emergency;

218.1 (5) the employee's inability to work or telework because the employee is: (i) prohibited
218.2 from working by the employer due to health concerns related to the potential transmission
218.3 of a communicable illness related to a public emergency; or (ii) seeking or awaiting the
218.4 results of a diagnostic test for, or a medical diagnosis of, a communicable disease related
218.5 to a public emergency and such employee has been exposed to a communicable disease or
218.6 the employee's employer has requested a test or diagnosis; and

218.7 (6) when it has been determined by the health authorities having jurisdiction or by a
218.8 health care professional that the presence of the employee or family member of the employee
218.9 in the community would jeopardize the health of others because of the exposure of the
218.10 employee or family member of the employee to a communicable disease, whether or not
218.11 the employee or family member has actually contracted the communicable disease.

218.12 For the purposes of this subdivision, a public emergency shall include a declared
218.13 emergency as defined in section 12.03 or a declared local emergency under section 12.29.

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

218.15 Sec. 10. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 3, is amended
218.16 to read:

218.17 Subd. 3. **Documentation.** (a) When an employee uses earned sick and safe time for
218.18 more than three consecutive scheduled work days, an employer may require reasonable
218.19 documentation that the earned sick and safe time is covered by subdivision 1.

218.20 (b) For earned sick and safe time under subdivision 1, clauses (1), (2), (5), and (6),
218.21 reasonable documentation may include a signed statement by a health care professional
218.22 indicating the need for use of earned sick and safe time. However, if the employee or
218.23 employee's family member did not receive services from a health care professional, or if
218.24 documentation cannot be obtained from a health care professional in a reasonable time or
218.25 without added expense, then reasonable documentation for the purposes of this paragraph
218.26 may include a written statement from the employee indicating that the employee is using
218.27 or used earned sick and safe time for a qualifying purpose covered by subdivision 1, clause
218.28 (1), (2), (5), or (6).

218.29 (c) For earned sick and safe time under subdivision 1, clause (3), an employer must
218.30 accept a court record or documentation signed by a volunteer or employee of a victims
218.31 services organization, an attorney, a police officer, or an antiviolence counselor as reasonable
218.32 documentation. If documentation cannot be obtained in a reasonable time or without added
218.33 expense, then reasonable documentation for the purposes of this paragraph may include a

219.1 written statement from the employee indicating that the employee is using or used earned
219.2 sick and safe time for a qualifying purpose covered under subdivision 1, clause (3).

219.3 (d) For earned sick and safe time to care for a family member under subdivision 1, clause
219.4 (4), an employer must accept as reasonable documentation a written statement from the
219.5 employee indicating that the employee is using or used earned sick and safe time for a
219.6 qualifying purpose as reasonable documentation.

219.7 (e) An employer must not require disclosure of details relating to domestic abuse, sexual
219.8 assault, or stalking or the details of an employee's or an employee's family member's medical
219.9 condition as related to an employee's request to use earned sick and safe time under this
219.10 section.

219.11 (f) Written statements by an employee may be written in the employee's first language
219.12 and need not be notarized or in any particular format.

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

219.14 Sec. 11. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 5, is amended
219.15 to read:

219.16 Subd. 5. **Increment of time used.** Earned sick and safe time may be used in the ~~smallest~~
219.17 ~~increment of time tracked by the employer's payroll system, provided such increment is not~~
219.18 ~~more than four hours~~ same increment of time for which employees are paid, provided an
219.19 employer is not required to provide leave in less than 15-minute increments nor can the
219.20 employer require use of earned sick and safe time in more than four-hour increments.

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

219.22 Sec. 12. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 10, is amended
219.23 to read:

219.24 Subd. 10. **Employer records and required statement to employees.** (a) Employers
219.25 shall retain accurate records documenting hours worked by employees and earned sick and
219.26 safe time taken and comply with all requirements under section 177.30.

219.27 (b) At the end of each pay period, the employer shall provide, in writing or electronically,
219.28 information stating the employee's current amount of:

219.29 (1) the total number of earned sick and safe time hours available to the employee for
219.30 use under section 181.9446; and

220.1 (2) the total number of earned sick and safe time hours used during the pay period under
220.2 section 181.9447.

220.3 Employers may choose a reasonable system for providing this information, including
220.4 but not limited to listing information on or attached to each earnings statement or an
220.5 electronic system where employees can access this information. An employer who chooses
220.6 to provide this information by electronic means must provide employee access to an
220.7 employer-owned computer during an employee's regular working hours to review and print.

220.8 ~~(b)~~ (c) An employer must allow an employee to inspect records required by this section
220.9 and relating to that employee at a reasonable time and place.

220.10 (d) The records required by this section must be kept for three years.

220.11 (e) All records required to be kept under this section must be readily available for
220.12 inspection by the commissioner upon demand. The records must be either kept at the place
220.13 where employees are working or kept in a manner that allows the employer to comply with
220.14 this paragraph within 72 hours.

220.15 Sec. 13. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 11, is amended
220.16 to read:

220.17 Subd. 11. **Confidentiality and nondisclosure.** (a) If, in conjunction with this section,
220.18 an employer possesses:

220.19 (1) health or medical information regarding an employee or an employee's family
220.20 member;

220.21 (2) information pertaining to domestic abuse, sexual assault, or stalking;

220.22 (3) information that the employee has requested or obtained leave under this section; or

220.23 (4) any written or oral statement, documentation, record, or corroborating evidence
220.24 provided by the employee or an employee's family member, the employer must treat such
220.25 information as confidential.

220.26 Information given by an employee may only be disclosed by an employer if the disclosure
220.27 is requested or consented to by the employee, when ordered by a court or administrative
220.28 agency, or when otherwise required by federal or state law.

220.29 (b) Records and documents relating to medical certifications, recertifications, or medical
220.30 histories of employees or family members of employees created for purposes of section
220.31 177.50 or sections 181.9445 to 181.9448 must be maintained as confidential medical records
220.32 separate from the usual personnel files. At the request of the employee, the employer must

221.1 destroy or return the records required by sections 181.9445 to 181.9448 that are older than
221.2 three years prior to the current calendar year, unless state or federal law, rule, or regulation
221.3 requires the employer to retain such records.

221.4 (c) Employers may not discriminate against any employee based on records created for
221.5 the purposes of section 177.50 or sections 181.9445 to 181.9448.

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

221.7 Sec. 14. Minnesota Statutes 2023 Supplement, section 181.9447, is amended by adding
221.8 a subdivision to read:

221.9 Subd. 12. **Weather event exception.** Notwithstanding subdivision 1, an employee may
221.10 not use sick and safe time under the conditions in subdivision 1, clause (4), if:

221.11 (1) the employee's preassigned or foreseeable work duties during a public emergency
221.12 or weather event would require the employee to respond to the public emergency or weather
221.13 event;

221.14 (2) the employee is a firefighter; a peace officer subject to licensure under sections
221.15 626.84 to 626.863; a 911 telecommunicator as defined in section 403.02, subdivision 17c;
221.16 a guard at a correctional facility; or a public employee holding a commercial driver's license;
221.17 and

221.18 (3) one of the following two conditions are met:

221.19 (i) the employee is represented by an exclusive representative under section 179A.03,
221.20 subdivision 8, and the collective bargaining agreement or memorandum of understanding
221.21 governing the employee's position explicitly references section 181.9447, subdivision 1,
221.22 clause (4), and clearly and unambiguously waives application of that section for the
221.23 employee's position; or

221.24 (ii) the employee is not represented by an exclusive representative, the employee is
221.25 needed for the employer to maintain minimum staffing requirements, and the employer has
221.26 a written policy explicitly referencing section 181.9447, subdivision 1, clause (4), that is
221.27 provided to such employees in a manner that meets the requirements of other earned sick
221.28 and safe time notices under section 181.9447, subdivision 9.

222.1 Sec. 15. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 1, is amended
222.2 to read:

222.3 Subdivision 1. ~~No Effect on more generous sick and safe time policies.~~ (a) Nothing
222.4 in sections 181.9445 to 181.9448 shall be construed to discourage employers from adopting
222.5 or retaining earned sick and safe time policies that meet or exceed, and do not otherwise
222.6 conflict with, the minimum standards and requirements provided in sections 181.9445 to
222.7 181.9448. All paid time off and other paid leave made available to an employee by an
222.8 employer in excess of the minimum amount required in section 181.9446 for absences from
222.9 work due to personal illness or injury, but not including short-term or long-term disability
222.10 or other salary continuation benefits, must meet or exceed the minimum standards and
222.11 requirements provided in sections 181.9445 to 181.9448, except for section 181.9446. For
222.12 paid leave accrued prior to January 1, 2024, for absences from work due to personal illness
222.13 or injury, an employer may require an employee who uses such leave to follow the written
222.14 notice and documentation requirements in the employer's applicable policy or applicable
222.15 collective bargaining agreement as of December 31, 2023, in lieu of the requirements of
222.16 section 181.9447, subdivisions 2 and 3, provided that an employer does not require an
222.17 employee to use leave accrued on or after January 1, 2024, before using leave accrued prior
222.18 to that date.

222.19 (b) Nothing in sections 181.9445 to 181.9448 shall be construed to limit the right of
222.20 parties to a collective bargaining agreement to bargain and agree with respect to earned sick
222.21 and safe time policies or to diminish the obligation of an employer to comply with any
222.22 contract, collective bargaining agreement, or any employment benefit program or plan that
222.23 meets or exceeds, and does not otherwise conflict with, the minimum standards and
222.24 requirements provided in this section.

222.25 (c) Nothing in sections 181.9445 to 181.9448 shall be construed to preempt, limit, or
222.26 otherwise affect the applicability of any other law, regulation, requirement, policy, or
222.27 standard that provides for a greater amount, accrual, or use by employees of paid sick and
222.28 safe time or that extends other protections to employees.

222.29 (d) Nothing in sections 181.9445 to 181.9448 shall be construed or applied so as to
222.30 create any power or duty in conflict with federal law.

222.31 (e) Employers who provide earned sick and safe time to their employees under a paid
222.32 time off policy or other paid leave policy that may be used for the same purposes and under
222.33 the same conditions as earned sick and safe time, and that meets or exceeds, and does not

223.1 otherwise conflict with, the minimum standards and requirements provided in sections
223.2 181.9445 to 181.9448 are not required to provide additional earned sick and safe time.

223.3 (f) The provisions of sections 181.9445 to 181.9448 may be waived by a collective
223.4 bargaining agreement with a bona fide building and construction trades labor organization
223.5 that has established itself as the collective bargaining representative for the affected building
223.6 and construction industry employees, provided that for such waiver to be valid, it shall
223.7 explicitly reference sections 181.9445 to 181.9448 and clearly and unambiguously waive
223.8 application of those sections to such employees.

223.9 (g) The requirements of section 181.9447, subdivision 3, may be waived for paid leave
223.10 made available to an employee by an employer for absences from work in excess of the
223.11 minimum amount required in section 181.9446 through a collective bargaining agreement
223.12 with a labor organization that has established itself as the collective bargaining representative
223.13 for the employees, provided that for such waiver to be valid, it shall explicitly reference
223.14 section 181.9447, subdivision 3, and clearly and unambiguously waive application of that
223.15 subdivision to such employees.

223.16 (h) An individual provider, as defined in section 256B.0711, subdivision 1, paragraph
223.17 (d), who provides services through a consumer support grant under section 256.476,
223.18 consumer-directed community supports under section 256B.4911, or community first services
223.19 and supports under section 256B.85, to a family member who is a participant, as defined
223.20 in section 256B.0711, subdivision 1, paragraph (e), may individually waive the provisions
223.21 of sections 181.9445 to 181.9448 for the remainder of the participant's service plan year,
223.22 provided that the funds are returned to the participant's budget. Once an individual provider
223.23 has waived the provisions of sections 181.9445 to 181.9448, they may not accrue earned
223.24 sick and safe time until the start of the participant's next service plan year.

223.25 ~~(g)~~ (i) Sections 181.9445 to 181.9448 do not prohibit an employer from establishing a
223.26 policy whereby employees may donate unused accrued sick and safe time to another
223.27 employee.

223.28 ~~(h)~~ (j) Sections 181.9445 to 181.9448 do not prohibit an employer from advancing sick
223.29 and safe time to an employee before accrual by the employee.

223.30 **EFFECTIVE DATE.** This section is effective the day following final enactment, except
223.31 paragraph (a) is effective January 1, 2025.

224.1 Sec. 16. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 2, is amended
224.2 to read:

224.3 Subd. 2. **Termination; separation; transfer.** Sections 181.9445 to 181.9448 do not
224.4 require financial or other reimbursement to an employee from an employer upon the
224.5 employee's termination, resignation, retirement, or other separation from employment for
224.6 accrued earned sick and safe time that has not been used. If an employee is transferred to
224.7 a separate division, entity, or location, but remains employed by the same employer, the
224.8 employee is entitled to all earned sick and safe time accrued at the prior division, entity, or
224.9 location and is entitled to use all earned sick and safe time as provided in sections 181.9445
224.10 to 181.9448. When there is a separation from employment and the employee is rehired
224.11 within 180 days of separation by the same employer, previously accrued earned sick and
224.12 safe time that had not been used or otherwise disbursed to the benefit of the employee upon
224.13 separation must be reinstated. An employee is entitled to use accrued earned sick and safe
224.14 time and accrue additional earned sick and safe time at the commencement of reemployment.

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

224.16 Sec. 17. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 3, is amended
224.17 to read:

224.18 Subd. 3. **Employer succession.** (a) When a different employer succeeds or takes the
224.19 place of an existing employer, all employees of the original employer who remain employed
224.20 by the successor employer are entitled to all earned sick and safe time accrued but not used
224.21 when employed by the original employer, and are entitled to use all earned sick and safe
224.22 time previously accrued but not used.

224.23 (b) ~~If, at the time of transfer of the business,~~ employees are terminated by the original
224.24 employer and hired within 30 days by the successor employer following the transfer employer
224.25 succession, those employees are entitled to all earned sick and safe time accrued but not
224.26 used when employed by the original employer, and are entitled to use all earned sick and
224.27 safe time previously accrued but not used.

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

ARTICLE 12

UNIVERSITY OF MINNESOTA COLLECTIVE BARGAINING

Section 1. Minnesota Statutes 2022, section 179A.11, subdivision 1, is amended to read:

Subdivision 1. **Units.** (a) ~~The following are the appropriate units of University of Minnesota employees. The listed units include but are not limited to the positions described. A position may be added to a unit if the commissioner makes a determination under section 179A.09 that the unit is appropriate for the position.~~ All units shall exclude managerial and confidential employees. ~~Supervisory employees shall only be assigned to unit 13. No additional units of University of Minnesota employees shall be recognized for the purpose of meeting and negotiating.~~

(1) The Law Enforcement Unit ~~consists of~~ includes the positions of all employees with the power of arrest.

(2) The Craft and Trades Unit ~~consists of~~ includes the positions of all employees whose work requires specialized manual skills and knowledge acquired through formal training or apprenticeship or equivalent on-the-job training or experience.

(3) The Service, Maintenance, and Labor Unit ~~consists of~~ includes the positions of all employees whose work is typically that of maintenance, service, or labor and which does not require extensive previous training or experience, except as provided in unit 4.

(4) The Health Care Nonprofessional and Service Unit ~~consists of~~ includes the positions of all nonprofessional employees of the University of Minnesota hospitals, dental school, and health service whose work is unique to those settings, excluding labor and maintenance employees as defined in unit 3.

(5) The Nursing Professional Unit ~~consists of~~ includes all positions which are required to be filled by registered nurses.

(6) The Clerical and Office Unit ~~consists of~~ includes the positions of all employees whose work is typically clerical or secretarial, including nontechnical data recording and retrieval and general office work, except as provided in unit 4.

(7) The Technical Unit ~~consists of~~ includes the positions of all employees whose work is not typically manual and which requires specialized knowledge or skills acquired through two-year academic programs or equivalent experience or on-the-job training, except as provided in unit 4.

~~(8) The Twin Cities Instructional Unit consists of the positions of all instructional employees with the rank of professor, associate professor, assistant professor, including~~

226.1 ~~research associate or instructor, including research fellow, located on the Twin Cities~~
226.2 ~~campuses.~~

226.3 ~~(9)~~ (8) The Outstate Instructional Unit ~~consists of~~ includes the positions of all instructional
226.4 employees with the rank of professor, associate professor, assistant professor, including
226.5 research associate or instructor, including research fellow, located at the Duluth campus,
226.6 provided that the positions of instructional employees of the same ranks at the Morris,
226.7 Crookston, or ~~Waseca~~ Rochester campuses shall be included within this unit if a majority
226.8 of the eligible employees voting at a campus so vote during an election conducted by the
226.9 commissioner, provided that the election or majority verification procedure shall not be
226.10 held until the Duluth campus has voted in favor of representation. The election shall be held
226.11 or majority verification procedure shall take place when an employee organization or group
226.12 of employees petitions the commissioner stating that a majority of the eligible employees
226.13 at one of these campuses wishes to join the unit and this petition is supported by a showing
226.14 of at least 30 percent support from eligible employees at that campus and is filed between
226.15 September 1 and November 1.

226.16 ~~Should both units 8 and 9 elect exclusive bargaining representatives, those representatives~~
226.17 ~~may by mutual agreement jointly negotiate a contract with the regents, or may negotiate~~
226.18 ~~separate contracts with the regents. If the exclusive bargaining representatives jointly~~
226.19 ~~negotiate a contract with the regents, the contract shall be ratified by each unit. For the~~
226.20 purposes of this section, an "instructional employee" is an individual who spends 35 percent
226.21 or more of their work time creating, delivering, and assessing the mastery of credit-bearing
226.22 coursework.

226.23 (10) The Graduate Assistant Unit ~~consists of~~ includes the positions of all graduate
226.24 assistants who are enrolled in the graduate school and who hold the rank of research assistant,
226.25 teaching assistant, teaching associate I or II, project assistant, graduate school fellow,
226.26 graduate school trainee, professional school fellow, professional school trainee, or
226.27 administrative fellow I or II. The listed ranks do not coincide with the ranks that are
226.28 categorized by the University of Minnesota as professionals in training, even though in
226.29 some cases the job titles may be the same.

226.30 (11) ~~The Academic Professional and Administrative Staff Unit consists of all academic~~
226.31 ~~professional and administrative staff positions that are not defined as included in an~~
226.32 ~~instructional unit, the supervisory unit, the clerical unit, or the technical unit.~~

226.33 (12) ~~The Noninstructional Professional Unit consists of the positions of all employees~~
226.34 ~~meeting the requirements of section 179A.03, subdivision 13, clause (1) or (2), which are~~

227.1 ~~not defined as included within an instructional unit, the Academic Professional and~~
227.2 ~~Administrative Staff Unit, or the supervisory unit.~~

227.3 ~~(13) The Supervisory Employees Unit consists of the positions of all supervisory~~
227.4 ~~employees.~~

227.5 (b) An employee of the University of Minnesota whose position is not enumerated in
227.6 paragraph (a) may petition the commissioner to determine an appropriate unit for the position.
227.7 The commissioner must make a determination for an appropriate unit as provided in section
227.8 179A.09 and the commissioner must give special weight to the desires of the petitioning
227.9 employee or representatives of the petitioning employee.

227.10 Sec. 2. Minnesota Statutes 2022, section 179A.11, subdivision 2, is amended to read:

227.11 Subd. 2. **University of Minnesota employee severance.** (a) Each of the following
227.12 groups of University of Minnesota employees has the right, as specified in this subdivision,
227.13 to separate from the instructional and supervisory units: (1) health sciences instructional
227.14 employees at all campuses with the rank of professor, associate professor, assistant professor,
227.15 including research associate, or instructor, including research fellow, (2) instructional
227.16 employees of the law school with the rank of professor, associate professor, assistant
227.17 professor, including research associate, or instructor, including research fellow, (3)
227.18 instructional supervisors, (4) noninstructional professional supervisors, and (5) academic
227.19 professional and administrative staff supervisors.

227.20 ~~This~~ (b) The right to separate may be exercised:

227.21 (1) by petition between September 1 and November 1. If a group separates from its unit,
227.22 it has no right to meet and negotiate, but retains the right to meet and confer with the
227.23 appropriate officials on any matter of concern to the group. The right to separate must be
227.24 exercised as follows: An employee organization or group of employees claiming that a
227.25 majority of any one of these groups of employees on a statewide basis wish to separate from
227.26 their unit may petition the commissioner for an election during the petitioning period. If the
227.27 petition is supported by a showing of at least 30 percent support from the employees, the
227.28 commissioner shall may hold an election on the separation issue or the petitioning group
227.29 may proceed under the process set forth in section 179A.12. This election must be conducted
227.30 within 30 days of the close of the petition period. If a majority of votes cast endorse severance
227.31 from their unit, the commissioner shall certify that result; or

227.32 (2) by the group's exclusion from a proposed unit in a representation petition.

228.1 (c) Where not inconsistent with other provisions of this section, the election is governed
228.2 by section 179A.12. If a group of employees severs, it may rejoin that unit by following the
228.3 procedures for severance during the periods for severance.

228.4 Sec. 3. Minnesota Statutes 2022, section 179A.11, is amended by adding a subdivision to
228.5 read:

228.6 Subd. 3. **Joint bargaining.** Units organized under this section that have elected exclusive
228.7 bargaining representatives may by mutual agreement of the exclusive representatives jointly
228.8 negotiate a contract with the regents or may negotiate separate contracts with the regents.
228.9 If the exclusive bargaining representatives jointly negotiate a contract with the regents, the
228.10 contract must be ratified by each unit.

228.11 **ARTICLE 13**

228.12 **BROADBAND AND PIPELINE SAFETY**

228.13 Section 1. Minnesota Statutes 2022, section 116J.395, subdivision 6, is amended to read:

228.14 Subd. 6. **Awarding grants.** (a) In evaluating applications and awarding grants, the
228.15 commissioner shall give priority to applications that are constructed in areas identified by
228.16 the director of the Office of Broadband Development as unserved.

228.17 (b) In evaluating applications and awarding grants, the commissioner may give priority
228.18 to applications that:

228.19 (1) are constructed in areas identified by the director of the Office of Broadband
228.20 Development as underserved;

228.21 (2) offer new or substantially upgraded broadband service to important community
228.22 institutions including, but not limited to, libraries, educational institutions, public safety
228.23 facilities, and healthcare facilities;

228.24 (3) facilitate the use of telehealth and electronic health records;

228.25 (4) serve economically distressed areas of the state, as measured by indices of
228.26 unemployment, poverty, or population loss that are significantly greater than the statewide
228.27 average;

228.28 (5) provide technical support and train residents, businesses, and institutions in the
228.29 community served by the project to utilize broadband service;

228.30 (6) include a component to actively promote the adoption of the newly available
228.31 broadband services in the community;

229.1 (7) provide evidence of strong support for the project from citizens, government,
229.2 businesses, and institutions in the community;

229.3 (8) provide access to broadband service to a greater number of unserved or underserved
229.4 households and businesses; ~~or~~

229.5 (9) leverage greater amounts of funding for the project from other private and public
229.6 sources; or

229.7 (10) commit to implementation of workforce best practices, meaning all laborers and
229.8 mechanics performing construction, installation, remodeling, or repairs on the project sites
229.9 for which the grant is provided:

229.10 (i) are paid the prevailing wage rate as defined in section 177.42, subdivision 6, and the
229.11 applicant and all of its construction contractors and subcontractors agree that the payment
229.12 of prevailing wage to such laborers and mechanics is subject to the requirements and
229.13 enforcement provisions under sections 177.27, 177.30, 177.32, 177.41 to 177.435, and
229.14 177.45, which the commissioner of labor and industry shall have the authority to enforce;
229.15 or

229.16 (ii) receive from the employer:

229.17 (A) at least 40 hours of hands-on skills training annually;

229.18 (B) employer-paid family health insurance coverage; and

229.19 (C) employer-paid retirement benefit payments equal to no less than 15 percent of the
229.20 employee's total taxable wages.

229.21 (c) The commissioner shall endeavor to award grants under this section to qualified
229.22 applicants in all regions of the state.

229.23 (d) The commissioner shall endeavor to award no less than 50 percent of grant awards
229.24 from general fund appropriations for the border-to-border broadband grant program under
229.25 section 116J.396 for applicants that agree to implement the workforce best practices in this
229.26 section. The applicant's agreement to implement the workforce best practices described in
229.27 paragraph (b) must be an express condition of providing the grant in the grant agreement.

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

230.1 Sec. 2. Minnesota Statutes 2022, section 116J.395, is amended by adding a subdivision
230.2 to read:

230.3 Subd. 9. **Workforce plan data.** (a) Grantees that serve more than 10,000 broadband
230.4 customers and are receiving funding for projects under this section are required to provide
230.5 in annual reports information on the workforce performing installation work funded through
230.6 the grant, including:

230.7 (1) the number of installation labor hours performed by workforce directly employed
230.8 by the grantee or the Internet service provider;

230.9 (2) the number of installation labor hours performed by contractors and subcontractors
230.10 on grant-funded projects with subtotals for hours worked by Minnesota residents, people
230.11 of color, Indigenous people, women, and people with disabilities;

230.12 (3) the name, business address, and number of labor hours performed by each contractor
230.13 and subcontractor that participated in construction of a grant-funded project;

230.14 (4) the percentages of workforce performing installation labor whose straight-time hourly
230.15 pay rate was at least \$25 and who received employer-paid medical coverage and retirement
230.16 benefits; and

230.17 (5) any other workforce plan information as determined by the commissioner.

230.18 (b) Following an award, the workforce plan and the requirement to submit ongoing
230.19 workforce reports shall be incorporated as material conditions of the contract with the
230.20 department and become enforceable, certified commitments.

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

230.22 Sec. 3. Minnesota Statutes 2022, section 116J.395, is amended by adding a subdivision
230.23 to read:

230.24 Subd. 10. **Failure to meet requirements or falsification of data.** If successful applicants
230.25 fail to meet the program requirements under this section, or otherwise falsify information
230.26 regarding such requirements, the commissioner shall investigate the failure and issue an
230.27 appropriate action, up to and including a determination that the applicant is ineligible for
230.28 future participation in broadband grant programs funded by the department.

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

231.1 Sec. 4. Minnesota Statutes 2022, section 216B.17, is amended by adding a subdivision to
231.2 read:

231.3 Subd. 9. **Telecommunications and cable communications systems.** (a) The commission
231.4 has authority under this section to investigate, upon complaint or on its own motion, conduct
231.5 by or on behalf of a telecommunications carrier, telephone company, or cable
231.6 communications system provider that impacts public utility or cooperative electric association
231.7 infrastructure. If the commission finds that the conduct damaged or unreasonably interfered
231.8 with the function of the infrastructure, the commission may take any action authorized under
231.9 sections 216B.52 to 216B.61 with respect to the provider.

231.10 (b) For purposes of this subdivision:

231.11 (1) "telecommunications carrier" has the meaning given in section 237.01, subdivision
231.12 6;

231.13 (2) "telephone company" has the meaning given in section 237.01, subdivision 7; and

231.14 (3) "cable communications system provider" means an owner or operator of a cable
231.15 communications system as defined in section 238.02, subdivision 3.

231.16 Sec. 5. [326B.198] UNDERGROUND TELECOMMUNICATIONS
231.17 INFRASTRUCTURE.

231.18 Subdivision 1. **Definitions.** For the purposes of this section:

231.19 (1) "directional drilling" means a drilling method that utilizes a steerable drill bit to cut
231.20 a bore hole for installing underground utilities;

231.21 (2) "safety-qualified underground telecommunications installer" means a person who
231.22 has completed underground utilities installation certification under subdivision 3;

231.23 (3) "underground telecommunications utilities" means buried broadband, telephone and
231.24 other telecommunications transmission, distribution and service lines, and associated
231.25 facilities; and

231.26 (4) "underground utilities" means buried electric transmission and distribution lines, gas
231.27 and hazardous liquids pipelines and distribution lines, sewer and water pipelines, telephone
231.28 or telecommunications lines, and associated facilities.

231.29 Subd. 2. **Installation requirements.** (a) The installation of underground
231.30 telecommunications infrastructure that is located within ten feet of existing underground
231.31 utilities or that crosses the existing underground utilities must be performed by
231.32 safety-qualified underground telecommunications installers as follows:

232.1 (1) the location of existing utilities by hand- or hydro-excavation or other accepted
232.2 methods must be performed by a safety-qualified underground telecommunications installer;

232.3 (2) where telecommunications infrastructure is installed by means of directional drilling,
232.4 the monitoring of the location and depth of the drill head must be performed by a
232.5 safety-qualified underground telecommunications installer; and

232.6 (3) no fewer than two safety-qualified underground telecommunications installers must
232.7 be present at all times at any location where telecommunications infrastructure is being
232.8 installed by means of directional drilling.

232.9 (b) Beginning July 1, 2025, all installations of underground telecommunications
232.10 infrastructure subject to this subdivision within the seven-county metropolitan area must
232.11 be performed by safety-qualified underground telecommunications installers that meet the
232.12 requirements of this subdivision.

232.13 (c) Beginning January 1, 2026, all installations of underground telecommunications
232.14 infrastructure subject to this subdivision within this state must be performed by
232.15 safety-qualified underground telecommunications installers that meet the requirements of
232.16 this subdivision.

232.17 Subd. 3. **Certification Standards.** (a) The commissioner of labor and industry, in
232.18 consultation with the Office of Broadband, shall approve standards for a safety-qualified
232.19 underground telecommunications installer certification program that requires a person to:

232.20 (1) complete a 40-hour initial course that includes classroom and hands-on instruction
232.21 covering proper work procedures for safe installation of underground utilities, including:

232.22 (i) regulations applicable to excavation near existing utilities;

232.23 (ii) identification, location, and verification of utility lines using hand- or
232.24 hydro-excavation or other accepted methods;

232.25 (iii) response to line strike incidents;

232.26 (iv) traffic control procedures;

232.27 (v) use of a tracking device to safely guide directional drill equipment along a drill path;
232.28 and

232.29 (vi) avoidance and mitigation of safety hazards posed by underground utility installation
232.30 projects;

232.31 (2) demonstrate knowledge of the course material by successfully completing an
232.32 examination approved by the commissioner; and

233.1 (3) complete a four-hour refresher course within three years of completing the original
 233.2 course and every three years thereafter in order to maintain certification.

233.3 (b) The commissioner must develop an approval process for training providers under
 233.4 this subdivision and may suspend or revoke the approval of any training provider that fails
 233.5 to demonstrate consistent delivery of approved curriculum or success in preparing participants
 233.6 to complete the examination.

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

233.8 **ARTICLE 14**

233.9 **HOUSING APPROPRIATIONS**

233.10 Section 1. **APPROPRIATIONS.**

233.11 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 233.12 and for the purposes specified in this article. The appropriations are from the general fund,
 233.13 or another named fund, and are available for the fiscal years indicated for each purpose.

233.14 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 233.15 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

233.16 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 233.17 is fiscal years 2024 and 2025.

233.18		<u>APPROPRIATIONS</u>	
233.19		<u>Available for the Year</u>	
233.20		<u>Ending June 30</u>	
233.21		<u>2024</u>	<u>2025</u>

233.22 Sec. 2. **HOUSING FINANCE AGENCY**

233.23	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>8,680,000</u>
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233.24 (a) The amounts that may be spent for each
 233.25 purpose are specified in the following
 233.26 subdivisions.

233.27 (b) Unless otherwise specified, this
 233.28 appropriation is for transfer to the housing
 233.29 development fund for the programs specified
 233.30 in this section.

233.31	<u>Subd. 2. Family Homeless Prevention</u>		<u>-0-</u>	<u>8,109,000</u>
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233.32 This appropriation is for the family homeless
 233.33 prevention and assistance program under

234.1	<u>Minnesota Statutes, section 462A.204.</u>		
234.2	<u>Notwithstanding procurement provisions</u>		
234.3	<u>outlined in Minnesota Statutes, section</u>		
234.4	<u>16C.06, subdivisions 1, 2, and 6, the agency</u>		
234.5	<u>may award grants to existing program</u>		
234.6	<u>grantees. This is a onetime appropriation.</u>		
234.7	<u>Subd. 3. Minnesota Homeless Study</u>	<u>-0-</u>	<u>100,000</u>
234.8	<u>This appropriation is for a grant to the</u>		
234.9	<u>Amherst H. Wilder Foundation for the</u>		
234.10	<u>Minnesota homeless study. Notwithstanding</u>		
234.11	<u>Minnesota Statutes, section 16B.98,</u>		
234.12	<u>subdivision 14, the commissioner may use up</u>		
234.13	<u>to one percent of this appropriation for</u>		
234.14	<u>administrative costs. This is a onetime</u>		
234.15	<u>appropriation.</u>		
234.16	<u>Subd. 6. Expediting Rental Assistance</u>	<u>-0-</u>	<u>471,000</u>
234.17	<u>This appropriation is for the agency's work</u>		
234.18	<u>under article 16 of this act. This is a onetime</u>		
234.19	<u>appropriation. Any unspent portion of the</u>		
234.20	<u>appropriation shall be transferred to the family</u>		
234.21	<u>homeless prevention and assistance program.</u>		
234.22	<u>Sec. 3. DEPARTMENT OF LABOR AND</u>		
234.23	<u>INDUSTRY</u>	<u>\$</u>	<u>-0- \$</u> <u>225,000</u>
234.24	<u>This appropriation is for the single-egress</u>		
234.25	<u>stairway apartment building report under</u>		
234.26	<u>article 15, section 46. This is a onetime</u>		
234.27	<u>appropriation.</u>		
234.28	<u>Sec. 4. SUPREME COURT</u>	<u>\$</u>	<u>-0- \$</u> <u>545,000</u>
234.29	<u>This appropriation is for the implementation</u>		
234.30	<u>of Laws 2023, chapter 52, article 19, sections</u>		
234.31	<u>117 to 119. This is a onetime appropriation</u>		
234.32	<u>and is available until June 30, 2026.</u>		
234.33	<u>Sec. 5. LEGISLATIVE COORDINATING</u>		
234.34	<u>COMMISSION</u>	<u>\$</u>	<u>-0- \$</u> <u>400,000</u>

235.1 (a) \$200,000 is for a contract to facilitate, and
 235.2 the administrative costs of, the Task Force on
 235.3 Long-Term Sustainability of Affordable
 235.4 Housing established in article 15, section 49.
 235.5 This is a onetime appropriation.

235.6 (b) \$200,000 is for a contract to facilitate, and
 235.7 the administrative costs of, the working group
 235.8 on common interest communities and
 235.9 homeowners associations established in article
 235.10 15, section 48. This is a onetime appropriation.

235.11	Sec. 6. <u>HUMAN SERVICES</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>		<u>150,000</u>
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235.12 This appropriation is for a contract with Propel
 235.13 Nonprofits to conduct a needs analysis and a
 235.14 site analysis for emergency shelter serving
 235.15 transgender adults experiencing homelessness.
 235.16 This is a onetime appropriation and is
 235.17 available until June 30, 2026. This
 235.18 appropriation is in addition to any other
 235.19 appropriation enacted in the 2024 session of
 235.20 the legislature for this purpose.

235.21 Sec. 7. Laws 2023, chapter 37, article 1, section 2, subdivision 2, is amended to read:

235.22				<u>60,425,000</u>		
235.23	Subd. 2. Challenge Program		60,425,000			<u>53,425,000</u>

235.24 (a) This appropriation is for the economic
 235.25 development and housing challenge program
 235.26 under Minnesota Statutes, sections 462A.33
 235.27 and 462A.07, subdivision 14.

235.28 (b) Of this amount, \$6,425,000 each year shall
 235.29 be made available during the first 11 months
 235.30 of the fiscal year exclusively for housing
 235.31 projects for American Indians. Any funds not
 235.32 committed to housing projects for American
 235.33 Indians within the annual consolidated request
 235.34 for funding processes may be available for

236.1 any eligible activity under Minnesota Statutes,
236.2 sections 462A.33 and 462A.07, subdivision
236.3 14.

236.4 (c) Of the amount in the first year, \$5,000,000
236.5 is for a grant to Urban Homeworks to expand
236.6 initiatives pertaining to deeply affordable
236.7 homeownership in Minneapolis neighborhoods
236.8 with over 40 percent of residents identifying
236.9 as Black, Indigenous, or People of Color and
236.10 at least 40 percent of residents making less
236.11 than 50 percent of the area median income.
236.12 The grant is to be used for acquisition,
236.13 rehabilitation, gap financing as defined in
236.14 Minnesota Statutes, section 462A.33,
236.15 subdivision 1, and construction of homes to
236.16 be sold to households with incomes ~~of 50 to~~
236.17 at or below 60 percent of the area median
236.18 income. This is a onetime appropriation, ~~and~~
236.19 ~~is available until June 30, 2027.~~ By December
236.20 15 each year ~~until 2027,~~ Urban Homeworks
236.21 must submit a report to the chairs and ranking
236.22 minority members of the legislative
236.23 committees having jurisdiction over housing
236.24 finance and policy. The report must include
236.25 the amount used for (1) acquisition, (2)
236.26 rehabilitation, and (3) construction of housing
236.27 units, along with the number of housing units
236.28 acquired, rehabilitated, or constructed, and the
236.29 amount of the appropriation that has been
236.30 spent. If any home was sold or transferred
236.31 within the year covered by the report, Urban
236.32 Homeworks must include the price at which
236.33 the home was sold, as well as how much was
236.34 spent to complete the project before sale.

237.1 (d) Of the amount in the first year, \$2,000,000
 237.2 is for a grant to Rondo Community Land
 237.3 Trust. This is a onetime appropriation.

237.4 (e) The base for this program in fiscal year
 237.5 2026 and beyond is \$12,925,000.

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

237.7 Sec. 8. Laws 2023, chapter 37, article 1, section 2, subdivision 5, is amended to read:

237.8		<u>20,250,000</u>	
237.9	Subd. 5. Workforce Homeownership Program	<u>17,250,000</u>	250,000

237.10 (a) This appropriation is for the workforce
 237.11 homeownership program under Minnesota
 237.12 Statutes, section 462A.38.

237.13 (b) The base for this program in fiscal year
 237.14 2026 and beyond is \$250,000.

237.15 Sec. 9. Laws 2023, chapter 37, article 1, section 2, subdivision 18, is amended to read:

237.16		<u>25,000,000</u>	
237.17	Subd. 18. Supportive Housing	<u>10,000,000</u>	-0-

237.18 This appropriation is for the supportive
 237.19 housing program under Minnesota Statutes,
 237.20 section 462A.42. This is a onetime
 237.21 appropriation.

237.22 Sec. 10. Laws 2023, chapter 37, article 1, section 2, subdivision 25, is amended to read:

237.23	Subd. 25. <u>Manufactured Home Lending Grants</u>		
237.24	<u>Program</u>	10,000,000	-0-

237.25 (a) This appropriation is for ~~the~~ a grant to
 237.26 NeighborWorks Home Partners for a
 237.27 manufactured home lending grant program.
 237.28 This is a onetime appropriation.

237.29 (b) The funds must be used for new
 237.30 manufactured home financing programs;
 237.31 manufactured home down payment assistance;

238.1 or manufactured home repair, renovation,
 238.2 removal, and site preparation financing
 238.3 programs.

238.4 (c) Interest earned and repayments of principal
 238.5 from loans issued under this subdivision must
 238.6 be used for the purposes of this subdivision.

238.7 (d) For the purposes of this subdivision, the
 238.8 term "manufactured home" has the meaning
 238.9 given in Minnesota Statutes, section 327B.01,
 238.10 subdivision 13.

238.11 Sec. 11. Laws 2023, chapter 37, article 1, section 2, subdivision 29, is amended to read:

238.12		45,000,000
238.13	Subd. 29. Community Stabilization	45,000,000 <u>70,000,000</u>

238.14 (a) This appropriation is for the community
 238.15 stabilization program. This a onetime
 238.16 appropriation. ~~Of this amount, \$10,000,000 is~~
 238.17 ~~for a grant to AEON for Huntington Place.~~

238.18 (b) The first year and second year
 238.19 appropriations are available as follows:

238.20 (1) \$10,000,000 is for a grant to AEON for
 238.21 Huntington Place;

238.22 (2) notwithstanding Minnesota Statutes,
 238.23 sections 16B.98, subdivisions 5 and 12, and
 238.24 16B.981, subdivision 2, \$3,250,000 is for a
 238.25 grant to the Wilder Park Association to assist
 238.26 with the cost of a major capital repair project
 238.27 for the rehabilitation of portions of the
 238.28 owner-occupied senior high-rise facility. The
 238.29 grantee must verify that 50 percent of units
 238.30 are occupied by households with incomes at
 238.31 or below 60 percent of area median income;

238.32 (3) \$41,750,000 is for multiunit rental housing;

239.1 (4) \$10,000,000 is for single-family housing;
239.2 and
239.3 (5) \$50,000,000 is for recapitalization of
239.4 distressed buildings. Of this amount, up to
239.5 \$15,000,000 is for preservation or
239.6 recapitalization of housing that includes
239.7 supportive housing.

239.8 (c) Notwithstanding Minnesota Statutes,
239.9 section 16B.98, subdivision 14, the
239.10 commissioner may use up to one percent of
239.11 this appropriation for administrative costs for
239.12 the grants in paragraph (b), clauses (1) and
239.13 (2). This is a onetime appropriation.

239.14 Sec. 12. AVAILABILITY OF APPROPRIATIONS FOR ADMINISTRATIVE
239.15 EXPENSES.

239.16 (a) Money appropriated in section 2 and section 11, paragraph (b), clauses (1) and (2),
239.17 for grants must not be spent on institutional overhead charges that are not directly related
239.18 to and necessary for the grant.

239.19 (b) By February 15, 2025, the commissioner shall report to the chairs and ranking
239.20 minority members of the legislative committees having jurisdiction over housing finance
239.21 and policy on the anticipated costs for administering each grant in section 2 and section 11,
239.22 paragraph (b), clauses (1) and (2). Within 90 days after a grantee has fulfilled the obligations
239.23 of their grant agreement, the commissioner shall report to the chairs and ranking minority
239.24 members of the legislative committees having jurisdiction over housing finance and policy
239.25 on the final cost for administering each grant in section 2 and section 11, paragraph (b),
239.26 clauses (1) and (2).

239.27 Sec. 13. REPEALER.

239.28 Laws 2023, chapter 37, article 2, section 13, is repealed.

240.1 **ARTICLE 15**

240.2 **HOUSING POLICY**

240.3 Section 1. Minnesota Statutes 2023 Supplement, section 82.75, subdivision 8, is amended
240.4 to read:

240.5 Subd. 8. **Accrued interest.** (a) Each broker shall maintain a pooled interest-bearing trust
240.6 account for deposit of client funds. The interest accruing on the trust account, less reasonable
240.7 transaction costs, must be paid to the Minnesota Housing Finance Agency for deposit in
240.8 the housing trust fund account created under section 462A.201 unless otherwise specified
240.9 pursuant to an expressed written agreement between the parties to a transaction.

240.10 (b) For an account created under paragraph (a), each broker shall direct the financial
240.11 institution to:

240.12 (1) pay the interest, less reasonable transaction costs, computed in accordance with the
240.13 financial institution's standard accounting practice, at least quarterly, to the Minnesota
240.14 Housing Finance Agency; and

240.15 (2) send a statement to the Minnesota Housing Finance Agency showing the name of
240.16 the broker for whom the payment is made, the rate of interest applied, the amount of service
240.17 charges deducted, and the account balance for the period in which the report is made.

240.18 The Minnesota Housing Finance Agency shall credit the amount collected under this
240.19 subdivision to the housing trust fund account established in section 462A.201.

240.20 (c) The financial institution must promptly notify the agency if a draft drawn on the
240.21 account is dishonored. A draft is not dishonored if a stop payment order is requested by an
240.22 issuer who has a good faith defense to payment on the draft.

240.23 ~~(d) By January 15 of each year, the Minnesota Housing Finance Agency must report to~~
240.24 ~~the chairs and ranking minority members of the legislative committees with jurisdiction~~
240.25 ~~over housing finance and policy. The report must specify the amount of funds deposited~~
240.26 ~~under this subdivision in the housing trust fund account established under section 462A.201~~
240.27 ~~during the most recently concluded fiscal year. The report must also include a history of~~
240.28 ~~deposits made under this section, in nominal dollar amounts and in the present value of~~
240.29 ~~those amounts, calculated using the Consumer Price Index-All Items (United States city~~
240.30 ~~average).~~

241.1 Sec. 2. Minnesota Statutes 2022, section 383B.145, subdivision 5, is amended to read:

241.2 Subd. 5. **Set-aside contracts.** (a) Notwithstanding any other law to the contrary, the
241.3 board may set aside an amount, for each fiscal year, for awarding contracts to businesses
241.4 and social services organizations ~~which have a majority of employees~~ that employ persons
241.5 who would be eligible for public assistance or who would require rehabilitative services in
241.6 the absence of their employment. The set-aside amount may not exceed two percent of the
241.7 amount appropriated by the board in the budget for the preceding fiscal year. Failure by the
241.8 board to designate particular procurements for the set-aside program shall not prevent
241.9 vendors from seeking the procurement award through the normal solicitation and bidding
241.10 processes pursuant to the provisions of the Uniform Municipal Contracting Act, section
241.11 471.345.

241.12 (b) The board may elect to use a negotiated price or bid contract procedure in the awarding
241.13 of a procurement contract under the set-aside program. The amount of the award shall not
241.14 exceed by more than five percent the estimated price for the goods or services, if they were
241.15 to be purchased on the open market and not under the set-aside program.

241.16 (c) Before contracting with a business or social service organization under the set-aside
241.17 program, the board or authorized person shall conduct an investigation of the business or
241.18 social service organization with whom it seeks to contract and shall make findings, to be
241.19 contained in the provisions of the contract, that:

241.20 (1) the vendor either:

241.21 (i) has in its employ at least 50 percent of its employees who would be eligible to receive
241.22 some form of public assistance or other rehabilitative services in the absence of the award
241.23 of a contract to the vendor; or

241.24 (ii) if the vendor is a business providing construction services, has in its employ to deliver
241.25 the set-aside contract as many employees who would be eligible to receive some form of
241.26 public assistance or other rehabilitative services in the absence of the award of a contract
241.27 to the vendor as is practicable in consideration of industry safety standards, established
241.28 supervisory ratios for apprentices, and requirements for licensed persons to perform certain
241.29 work;

241.30 (2) the vendor has elected to apply to the board for a contract under the set-aside
241.31 provisions; and

241.32 (3) the vendor is able to perform the set-aside contract.

242.1 (d) The board shall publicize the provisions of the set-aside program, attempt to locate
242.2 vendors able to perform set-aside procurement contracts and otherwise encourage
242.3 participation therein.

242.4 Sec. 3. Minnesota Statutes 2022, section 462A.02, subdivision 10, is amended to read:

242.5 Subd. 10. **Energy conservation, decarbonization, and climate resilience.** It is further
242.6 declared that supplies of conventional energy resources are rapidly depleting in quantity
242.7 and rising in price and that the burden of these occurrences falls heavily upon the citizens
242.8 of Minnesota generally and persons of low and moderate income in particular. These
242.9 conditions are adverse to the health, welfare, and safety of all of the citizens of this state.
242.10 It is further declared that it is a public purpose to ensure the availability of financing to be
242.11 used by all citizens of the state, while giving preference to low and moderate income people,
242.12 to assist in the installation in their dwellings of reasonably priced energy conserving systems
242.13 including the use of alternative energy resources and equipment so that by the improvement
242.14 of the energy efficiency of, clean energy, greenhouse gas emissions reduction, climate
242.15 resiliency, and other qualified projects for all housing, the adequacy of the total energy
242.16 supply may be preserved for the benefit of all citizens.

242.17 Sec. 4. Minnesota Statutes 2023 Supplement, section 462A.05, subdivision 14, is amended
242.18 to read:

242.19 Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate
242.20 in the making, and may enter into commitments for the purchase, making, or participation
242.21 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency
242.22 deems advisable, to persons and families of low and moderate income, and to owners of
242.23 existing residential housing for occupancy by such persons and families, for the rehabilitation
242.24 of existing residential housing owned by them. Rehabilitation may include the addition or
242.25 rehabilitation of a detached accessory dwelling unit. The loans may be insured or uninsured
242.26 and may be made with security, or may be unsecured, as the agency deems advisable. The
242.27 loans may be in addition to or in combination with long-term eligible mortgage loans under
242.28 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness
242.29 secured by the property, if refinancing is determined by the agency to be necessary to permit
242.30 the owner to meet the owner's housing cost without expending an unreasonable portion of
242.31 the owner's income thereon. No loan for rehabilitation shall be made unless the agency
242.32 determines that the loan will be used primarily to make the housing more desirable to live
242.33 in, to increase the market value of the housing, for compliance with state, county or municipal
242.34 building, housing maintenance, fire, health or similar codes and standards applicable to

243.1 housing, or to accomplish energy conservation ~~related improvements,~~ decarbonization,
243.2 climate resiliency, and other qualified projects. In unincorporated areas and municipalities
243.3 not having codes and standards, the agency may, solely for the purpose of administering
243.4 the provisions of this chapter, establish codes and standards. No loan under this subdivision
243.5 for the rehabilitation of owner-occupied housing shall be denied solely because the loan
243.6 will not be used for placing the owner-occupied residential housing in full compliance with
243.7 all state, county, or municipal building, housing maintenance, fire, health, or similar codes
243.8 and standards applicable to housing. Rehabilitation loans shall be made only when the
243.9 agency determines that financing is not otherwise available, in whole or in part, from private
243.10 lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized
243.11 under this subdivision may be made to eligible persons and families without limitations
243.12 relating to the maximum incomes of the borrowers if:

243.13 (1) the borrower or a member of the borrower's family requires a level of care provided
243.14 in a hospital, skilled nursing facility, or intermediate care facility for persons with
243.15 developmental disabilities;

243.16 (2) home care is appropriate; and

243.17 (3) the improvement will enable the borrower or a member of the borrower's family to
243.18 reside in the housing.

243.19 The agency may waive any requirement that the housing units in a residential housing
243.20 development be rented to persons of low and moderate income if the development consists
243.21 of four or fewer dwelling units, one of which is occupied by the owner.

243.22 Sec. 5. Minnesota Statutes 2022, section 462A.05, subdivision 14a, is amended to read:

243.23 Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may
243.24 make loans to persons and families of low and moderate income to rehabilitate or to assist
243.25 in rehabilitating existing residential housing owned and occupied by those persons or
243.26 families. Rehabilitation may include replacement of manufactured homes. No loan shall be
243.27 made unless the agency determines that the loan will be used primarily for rehabilitation
243.28 work necessary for health or safety, essential accessibility improvements, or to improve the
243.29 energy efficiency of, clean energy, greenhouse gas emissions reductions, climate resiliency,
243.30 and other qualified projects in the dwelling. No loan for rehabilitation of owner-occupied
243.31 residential housing shall be denied solely because the loan will not be used for placing the
243.32 residential housing in full compliance with all state, county or municipal building, housing
243.33 maintenance, fire, health or similar codes and standards applicable to housing. The amount
243.34 of any loan shall not exceed the lesser of (a) a maximum loan amount determined under

244.1 rules adopted by the agency not to exceed \$37,500, or (b) the actual cost of the work
244.2 performed, or (c) that portion of the cost of rehabilitation which the agency determines
244.3 cannot otherwise be paid by the person or family without the expenditure of an unreasonable
244.4 portion of the income of the person or family. Loans made in whole or in part with federal
244.5 funds may exceed the maximum loan amount to the extent necessary to comply with federal
244.6 lead abatement requirements prescribed by the funding source. In making loans, the agency
244.7 shall determine the circumstances under which and the terms and conditions under which
244.8 all or any portion of the loan will be repaid and shall determine the appropriate security for
244.9 the repayment of the loan. Loans pursuant to this subdivision may be made with or without
244.10 interest or periodic payments.

244.11 Sec. 6. Minnesota Statutes 2022, section 462A.05, subdivision 14b, is amended to read:

244.12 Subd. 14b. **Energy conservation, decarbonization, and climate resiliency loans.** It
244.13 may agree to purchase, make, or otherwise participate in the making, and may enter into
244.14 commitments for the purchase, making, or participating in the making, of loans to persons
244.15 and families, without limitations relating to the maximum incomes of the borrowers, to
244.16 assist in energy conservation ~~rehabilitation measures~~, decarbonization, climate resiliency,
244.17 and other qualified projects for existing housing owned by those persons or families
244.18 including, but not limited to: weatherstripping and caulking; chimney construction or
244.19 improvement; furnace or space heater repair, cleaning or replacement; central air conditioner
244.20 installation, repair, maintenance, or replacement; air source or geothermal heat pump
244.21 installation, repair, maintenance, or replacement; insulation; windows and doors; and
244.22 structural or other directly related repairs or installations essential for energy conservation,
244.23 decarbonization, climate resiliency, and other qualified projects. Loans shall be made only
244.24 when the agency determines that financing is not otherwise available, in whole or in part,
244.25 from private lenders upon equivalent terms and conditions. Loans under this subdivision
244.26 or subdivision 14 may:

244.27 (1) be integrated with a utility's on-bill repayment program approved under section
244.28 216B.241, subdivision 5d; and

244.29 (2) also be made for the installation of on-site solar energy or energy storage systems.

244.30 Sec. 7. Minnesota Statutes 2022, section 462A.05, subdivision 15, is amended to read:

244.31 Subd. 15. **Rehabilitation grants.** (a) It may make grants to persons and families of low
244.32 and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14,
244.33 or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied

245.1 by such persons or families. For the purposes of this section, persons of low and moderate
 245.2 income include administrators appointed pursuant to section 504B.425, paragraph (d). No
 245.3 grant shall be made unless the agency determines that the grant will be used primarily to
 245.4 make the housing more desirable to live in, to increase the market value of the housing or
 245.5 for compliance with state, county or municipal building, housing maintenance, fire, health
 245.6 or similar codes and standards applicable to housing, or to accomplish energy conservation
 245.7 related improvements, decarbonization, climate resiliency, or other qualified projects. In
 245.8 unincorporated areas and municipalities not having codes and standards, the agency may,
 245.9 solely for the purpose of administering this provision, establish codes and standards. No
 245.10 grant for rehabilitation of owner occupied residential housing shall be denied solely because
 245.11 the grant will not be used for placing the residential housing in full compliance with all
 245.12 state, county or municipal building, housing maintenance, fire, health or similar codes and
 245.13 standards applicable to housing. The amount of any grant shall not exceed the lesser of (a)
 245.14 \$6,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of
 245.15 rehabilitation which the agency determines cannot otherwise be paid by the person or family
 245.16 without spending an unreasonable portion of the income of the person or family thereon.
 245.17 In making grants, the agency shall determine the circumstances under which and the terms
 245.18 and conditions under which all or any portion thereof will be repaid and shall determine the
 245.19 appropriate security should repayment be required.

245.20 (b) The agency may also make grants to rehabilitate or to assist in rehabilitating housing
 245.21 under this subdivision to persons of low and moderate income for the purpose of qualifying
 245.22 as foster parents.

245.23 Sec. 8. Minnesota Statutes 2022, section 462A.05, subdivision 15b, is amended to read:

245.24 Subd. 15b. **Energy conservation, decarbonization, and climate resiliency grants.** (a)
 245.25 It may make grants to assist in energy conservation ~~rehabilitation measures,~~ decarbonization,
 245.26 climate resiliency, and other qualified projects for existing owner occupied housing including,
 245.27 but not limited to: insulation, storm windows and doors, furnace or space heater repair,
 245.28 cleaning or replacement, chimney construction or improvement, weatherstripping and
 245.29 caulking, ~~and structural or other directly related repairs,~~ or installations essential for energy
 245.30 conservation, decarbonization, climate resiliency, and other qualified projects. The grant
 245.31 to any household shall not exceed \$2,000.

245.32 (b) To be eligible for an emergency energy conservation, decarbonization, and climate
 245.33 resiliency grant, a household must be certified as eligible to receive emergency residential
 245.34 heating assistance under either the federal or the state program, and either (1) have had a

246.1 heating cost for the preceding heating season that exceeded 120 percent of the regional
246.2 average for the preceding heating season for that energy source as determined by the
246.3 commissioner of employment and economic development, or (2) be eligible to receive a
246.4 federal energy conservation grant, but be precluded from receiving the grant because of a
246.5 need for directly related repairs that cannot be paid for under the federal program. The
246.6 Housing Finance Agency shall make a reasonable effort to determine whether other state
246.7 or federal loan and grant programs are available and adequate to finance the intended
246.8 improvements. An emergency energy conservation grant may be made in conjunction with
246.9 grants or loans from other state or federal programs that finance other needed rehabilitation
246.10 work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility
246.11 for other Housing Finance Agency loan or grant programs.

246.12 Sec. 9. Minnesota Statutes 2022, section 462A.05, subdivision 21, is amended to read:

246.13 Subd. 21. **Rental property loans.** The agency may make or purchase loans to owners
246.14 of rental property that is occupied or intended for occupancy primarily by low- and
246.15 moderate-income tenants and which does not comply with the standards established in
246.16 section 326B.106, subdivision 1, for the purpose of energy improvements, decarbonization,
246.17 climate resiliency, and other qualified projects necessary to bring the property into full or
246.18 partial compliance with these standards. For property which meets the other requirements
246.19 of this subdivision, a loan may also be used for moderate rehabilitation of the property. The
246.20 authority granted in this subdivision is in addition to and not in limitation of any other
246.21 authority granted to the agency in this chapter. The limitations on eligible mortgagors
246.22 contained in section 462A.03, subdivision 13, do not apply to loans under this subdivision.
246.23 Loans for the improvement of rental property pursuant to this subdivision may contain
246.24 provisions that repayment is not required in whole or in part subject to terms and conditions
246.25 determined by the agency to be necessary and desirable to encourage owners to maximize
246.26 rehabilitation of properties.

246.27 Sec. 10. Minnesota Statutes 2022, section 462A.05, subdivision 23, is amended to read:

246.28 Subd. 23. **Insuring financial institution loans.** The agency may participate in loans or
246.29 establish a fund to insure loans, or portions of loans, that are made by any banking institution,
246.30 savings association, or other lender approved by the agency, organized under the laws of
246.31 this or any other state or of the United States having an office in this state, to owners of
246.32 renter-occupied homes or apartments that do not comply with standards set forth in section
246.33 326B.106, subdivision 1, without limitations relating to the maximum incomes of the owners
246.34 or tenants. The proceeds of the insured portion of the loan must be used to pay the costs of

247.1 improvements, including all related structural and other improvements, that will reduce
247.2 energy consumption, that will decarbonize, and that will ensure the climate resiliency of
247.3 housing.

247.4 Sec. 11. Minnesota Statutes 2023 Supplement, section 462A.05, subdivision 45, is amended
247.5 to read:

247.6 Subd. 45. **Indian Tribes.** Notwithstanding any other provision in this chapter, at its
247.7 discretion the agency may make any federally recognized Indian Tribe in Minnesota, or
247.8 their associated Tribally Designated Housing Entity (TDHE) as defined by United States
247.9 Code, title 25, section 4103(22), eligible for agency funding authorized under this chapter.

247.10 Sec. 12. Minnesota Statutes 2022, section 462A.07, is amended by adding a subdivision
247.11 to read:

247.12 Subd. 18. **Rent and income limits.** Notwithstanding any law to the contrary, to promote
247.13 efficiency in program administration, underwriting, and compliance, the commissioner may
247.14 adjust income or rent limits for any multifamily capital funding program authorized under
247.15 state law to align with federal rent or income limits in sections 42 and 142 of the Internal
247.16 Revenue Code of 1986, as amended. Adjustments made under this subdivision are exempt
247.17 from the rulemaking requirements of chapter 14.

247.18 Sec. 13. Minnesota Statutes 2022, section 462A.07, is amended by adding a subdivision
247.19 to read:

247.20 Subd. 19. **Report to the legislature.** (a) By February 15 each year, the commissioner
247.21 must submit a report to the chairs and ranking minority members of the legislative committees
247.22 having jurisdiction over housing finance and policy containing the following information:

247.23 (1) the total number of applications for funding;

247.24 (2) the amount of funding requested;

247.25 (3) the amounts of funding awarded; and

247.26 (4) the number of housing units that are affected by funding awards, including the number
247.27 of:

247.28 (i) newly constructed owner-occupied units;

247.29 (ii) renovated owner-occupied units;

247.30 (iii) newly constructed rental units; and

248.1 (iv) renovated rental units.

248.2 (b) This reporting requirement applies to appropriations for competitive development
248.3 programs made in Laws 2023 and in subsequent laws.

248.4 Sec. 14. Minnesota Statutes 2022, section 462A.07, is amended by adding a subdivision
248.5 to read:

248.6 Subd. 20. Eligibility for agency programs. The agency may determine that a household
248.7 or project unit meets the rent or income requirements for a program if the household or unit
248.8 receives or participates in income-based state or federal public assistance benefits, including
248.9 but not limited to:

248.10 (1) child care assistance programs under chapter 119B;

248.11 (2) general assistance, Minnesota supplemental aid, or food support under chapter 256D;

248.12 (3) housing support under chapter 256I;

248.13 (4) Minnesota family investment program and diversionary work program under chapter
248.14 256J; and

248.15 (5) economic assistance programs under chapter 256P.

248.16 Sec. 15. Minnesota Statutes 2022, section 462A.21, subdivision 7, is amended to read:

248.17 **Subd. 7. Energy efficiency loans.** The agency may make loans to low and moderate
248.18 income persons who own existing residential housing for the purpose of improving the
248.19 ~~efficient energy utilization~~ decarbonization and climate resiliency of the housing. Permitted
248.20 improvements shall include installation or upgrading of ceiling, wall, floor and duct
248.21 insulation, storm windows and doors, and caulking and weatherstripping. The improvements
248.22 shall not be inconsistent with the energy standards as promulgated as part of the State
248.23 Building Code; provided that the improvements need not bring the housing into full
248.24 compliance with the energy standards. Any loan for such purpose shall be made only upon
248.25 determination by the agency that such loan is not otherwise available, wholly or in part,
248.26 from private lenders upon equivalent terms and conditions. The agency may promulgate
248.27 rules as necessary to implement and make specific the provisions of this subdivision. The
248.28 rules shall be designed to permit the state, to the extent not inconsistent with this chapter,
248.29 to seek federal grants or loans for energy ~~purposes~~ decarbonization, climate resiliency, and
248.30 other qualified projects.

249.1 Sec. 16. Minnesota Statutes 2023 Supplement, section 462A.22, subdivision 1, is amended
249.2 to read:

249.3 Subdivision 1. **Agency debt ceiling capacity.** The aggregate principal amount of general
249.4 obligation bonds and notes which are outstanding at any time, excluding the principal amount
249.5 of any bonds and notes refunded by the issuance of new bonds or notes, shall not exceed
249.6 the sum of ~~\$5,000,000,000~~ \$9,000,000,000.

249.7 Sec. 17. Minnesota Statutes 2022, section 462A.35, subdivision 2, is amended to read:

249.8 Subd. 2. **Expending funds.** The agency may expend the money in the Minnesota
249.9 manufactured home relocation trust fund to the extent necessary to carry out the objectives
249.10 of section 327C.095, subdivision 13, by making payments to manufactured home owners,
249.11 or other parties approved by the third-party neutral, under subdivision 13, paragraphs (a)
249.12 and (e), and to pay the costs of administering the fund. Money in the fund is appropriated
249.13 to the agency for these purposes and ~~to the commissioner of management and budget to pay~~
249.14 ~~costs incurred by the commissioner of management and budget to administer the fund.~~

249.15 Sec. 18. Minnesota Statutes 2023 Supplement, section 462A.37, subdivision 2, is amended
249.16 to read:

249.17 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate
249.18 principal amount of housing infrastructure bonds in one or more series to which the payment
249.19 made under this section may be pledged. The housing infrastructure bonds authorized in
249.20 this subdivision may be issued to fund loans, or grants for the purposes of clauses (4) and
249.21 (7), on terms and conditions the agency deems appropriate, made for one or more of the
249.22 following purposes:

249.23 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
249.24 housing where at least 50 percent of units are set aside for individuals and families who are
249.25 without a permanent residence;

249.26 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
249.27 housing to be used for affordable rental housing or for affordable home ownership and the
249.28 costs of new construction of rental housing on abandoned or foreclosed property where the
249.29 existing structures will be demolished or removed;

249.30 (3) to finance that portion of the costs of acquisition of property that is attributable to
249.31 the land to be leased by community land trusts to low- and moderate-income home buyers;

250.1 (4) to finance the acquisition, improvement, and infrastructure of manufactured home
250.2 parks under section 462A.2035, subdivision 1b;

250.3 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
250.4 of senior housing;

250.5 (6) to finance the costs of acquisition, rehabilitation, and replacement of federally assisted
250.6 rental housing and for the refinancing of costs of the construction, acquisition, and
250.7 rehabilitation of federally assisted rental housing, including providing funds to refund, in
250.8 whole or in part, outstanding bonds previously issued by the agency or another government
250.9 unit to finance or refinance such costs;

250.10 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
250.11 of single-family housing; ~~and~~

250.12 (8) to finance the costs of construction, acquisition, and rehabilitation of permanent
250.13 housing that is affordable to households with incomes at or below 50 percent of the area
250.14 median income for the applicable county or metropolitan area as published by the Department
250.15 of Housing and Urban Development, as adjusted for household size; and

250.16 (9) to finance the costs of construction, acquisition, rehabilitation, conversion, and
250.17 development of cooperatively owned housing created under chapter 308A, 308B, or 308C
250.18 that is affordable to low- and moderate-income households.

250.19 (b) Among comparable proposals for permanent supportive housing, preference shall
250.20 be given to permanent supportive housing for veterans and other individuals or families
250.21 who:

250.22 (1) either have been without a permanent residence for at least 12 months or at least four
250.23 times in the last three years; or

250.24 (2) are at significant risk of lacking a permanent residence for 12 months or at least four
250.25 times in the last three years.

250.26 (c) Among comparable proposals for senior housing, the agency must give priority to
250.27 requests for projects that:

250.28 (1) demonstrate a commitment to maintaining the housing financed as affordable to
250.29 senior households;

250.30 (2) leverage other sources of funding to finance the project, including the use of
250.31 low-income housing tax credits;

251.1 (3) provide access to services to residents and demonstrate the ability to increase physical
251.2 supports and support services as residents age and experience increasing levels of disability;
251.3 and

251.4 (4) include households with incomes that do not exceed 30 percent of the median
251.5 household income for the metropolitan area.

251.6 (d) To the extent practicable, the agency shall balance the loans made between projects
251.7 in the metropolitan area and projects outside the metropolitan area. Of the loans made to
251.8 projects outside the metropolitan area, the agency shall, to the extent practicable, balance
251.9 the loans made between projects in counties or cities with a population of 20,000 or less,
251.10 as established by the most recent decennial census, and projects in counties or cities with
251.11 populations in excess of 20,000.

251.12 (e) Among comparable proposals for permanent housing, the agency must give preference
251.13 to projects that will provide housing that is affordable to households at or below 30 percent
251.14 of the area median income.

251.15 (f) If a loan recipient uses the loan for new construction ~~or substantial rehabilitation~~ as
251.16 defined by the agency on a building containing more than four units, the loan recipient must
251.17 construct, convert, or otherwise adapt the building to include:

251.18 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
251.19 accessible units, ~~as defined by section 1002 of the current State Building Code Accessibility~~
251.20 ~~Provisions for Dwelling Units in Minnesota, and include~~ and each accessible unit includes
251.21 at least one roll-in shower, water closet, and kitchen work surface meeting the requirements
251.22 of section 1002 of the current State Building Code Accessibility Provisions for Dwelling
251.23 Units in Minnesota; and

251.24 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
251.25 sensory-accessible units that include:

251.26 (A) soundproofing between shared walls for first and second floor units;

251.27 (B) no florescent lighting in units and common areas;

251.28 (C) low-fume paint;

251.29 (D) low-chemical carpet; and

251.30 (E) low-chemical carpet glue in units and common areas.

251.31 Nothing in this paragraph relieves a project funded by the agency from meeting other
251.32 applicable accessibility requirements.

252.1 Sec. 19. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision
252.2 to read:

252.3 Subd. 2j. **Additional authorization.** In addition to the amount authorized in subdivisions
252.4 2 to 2i, the agency may issue up to \$50,000,000 in one or more series to which the payments
252.5 under this section may be pledged.

252.6 Sec. 20. Minnesota Statutes 2023 Supplement, section 462A.37, subdivision 5, is amended
252.7 to read:

252.8 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the
252.9 commissioner of management and budget the actual amount of annual debt service on each
252.10 series of bonds issued under this section.

252.11 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
252.12 bonds issued under subdivision 2a, or housing infrastructure bonds issued to refund those
252.13 bonds, remain outstanding, the commissioner of management and budget must transfer to
252.14 the housing infrastructure bond account established under section 462A.21, subdivision 33,
252.15 the amount certified under paragraph (a), not to exceed \$6,400,000 annually. The amounts
252.16 necessary to make the transfers are appropriated from the general fund to the commissioner
252.17 of management and budget.

252.18 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
252.19 bonds issued under subdivision 2b, or housing infrastructure bonds issued to refund those
252.20 bonds, remain outstanding, the commissioner of management and budget must transfer to
252.21 the housing infrastructure bond account established under section 462A.21, subdivision 33,
252.22 the amount certified under paragraph (a), not to exceed \$800,000 annually. The amounts
252.23 necessary to make the transfers are appropriated from the general fund to the commissioner
252.24 of management and budget.

252.25 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
252.26 bonds issued under subdivision 2c, or housing infrastructure bonds issued to refund those
252.27 bonds, remain outstanding, the commissioner of management and budget must transfer to
252.28 the housing infrastructure bond account established under section 462A.21, subdivision 33,
252.29 the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts
252.30 necessary to make the transfers are appropriated from the general fund to the commissioner
252.31 of management and budget.

252.32 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
252.33 bonds issued under subdivision 2d, or housing infrastructure bonds issued to refund those

253.1 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.2 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.3 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.4 appropriated from the general fund to the commissioner of management and budget.

253.5 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
253.6 bonds issued under subdivision 2e, or housing infrastructure bonds issued to refund those
253.7 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.8 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.9 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.10 appropriated from the general fund to the commissioner of management and budget.

253.11 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
253.12 bonds issued under subdivision 2f, or housing infrastructure bonds issued to refund those
253.13 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.14 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.15 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.16 appropriated from the general fund to the commissioner of management and budget.

253.17 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
253.18 bonds issued under subdivision 2g, or housing infrastructure bonds issued to refund those
253.19 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.20 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.21 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.22 appropriated from the general fund to the commissioner of management and budget.

253.23 (i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure
253.24 bonds issued under subdivision 2h, or housing infrastructure bonds issued to refund those
253.25 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.26 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.27 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.28 appropriated from the general fund to the commissioner of management and budget.

253.29 (j) Each July 15, beginning in 2026 and through 2047, if any housing infrastructure
253.30 bonds issued under subdivision 2j, or housing infrastructure bonds issued to refund those
253.31 bonds, remain outstanding, the commissioner of management and budget must transfer to
253.32 the housing infrastructure bond account established under section 462A.21, subdivision 33,
253.33 the amount certified under paragraph (a). The amounts necessary to make the transfers are
253.34 appropriated from the general fund to the commissioner of management and budget.

254.1 ~~(j)~~ (k) The agency may pledge to the payment of the housing infrastructure bonds the
254.2 payments to be made by the state under this section.

254.3 Sec. 21. Minnesota Statutes 2023 Supplement, section 462A.38, subdivision 2, is amended
254.4 to read:

254.5 Subd. 2. **Use of funds.** (a) Grant funds and loans awarded under this program may be
254.6 used for:

254.7 (1) development costs;

254.8 (2) rehabilitation;

254.9 (3) land development; ~~and~~

254.10 (4) affordability gap; and

254.11 ~~(4)~~ (5) residential housing, including storm shelters and related community facilities.

254.12 (b) A project funded through this program shall serve households that meet the income
254.13 limits as provided in section 462A.33, subdivision 5, unless a project is intended for the
254.14 purpose outlined in section 462A.02, subdivision 6.

254.15 Sec. 22. Minnesota Statutes 2023 Supplement, section 462A.39, subdivision 2, is amended
254.16 to read:

254.17 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
254.18 meanings given.

254.19 (b) "Eligible project area" means a home rule charter or statutory city located outside
254.20 of a metropolitan county as defined in section 473.121, subdivision 4, ~~with a population~~
254.21 ~~exceeding 500; a community that has a combined population of 1,500 residents located~~
254.22 ~~within 15 miles of a home rule charter or statutory city located outside a metropolitan county~~
254.23 ~~as defined in section 473.121, subdivision 4; federally recognized Tribal reservations; or~~
254.24 an area served by a joint county-city economic development authority.

254.25 (c) "Joint county-city economic development authority" means an economic development
254.26 authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between
254.27 a city and county and excluding those established by the county only.

254.28 (d) "Market rate residential rental properties" means properties that are rented at market
254.29 value, including new modular homes, new manufactured homes, and new manufactured
254.30 homes on leased land or in a manufactured home park, and may include rental developments
254.31 that have a portion of income-restricted units.

255.1 (e) "Qualified expenditure" means expenditures for market rate residential rental
255.2 properties including acquisition of property; construction of improvements; and provisions
255.3 of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing
255.4 costs.

255.5 Sec. 23. Minnesota Statutes 2023 Supplement, section 462A.395, is amended to read:

255.6 **462A.395 GREATER MINNESOTA HOUSING INFRASTRUCTURE GRANT**
255.7 **PROGRAM.**

255.8 Subdivision 1. **Grant program established.** The commissioner of the Minnesota Housing
255.9 Finance Agency may make grants to counties and cities to provide up to 50 percent of the
255.10 capital costs of public infrastructure necessary for an eligible workforce housing development
255.11 project. The commissioner may make a grant award only after determining that nonstate
255.12 resources are committed to complete the project. The nonstate contribution may be cash,
255.13 other committed grant funds, or in kind. In-kind contributions may include the value of the
255.14 site, whether the site is prepared before or after the law appropriating money for the grant
255.15 is enacted.

255.16 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
255.17 meanings given.

255.18 (b) "City" means a statutory or home rule charter city located outside the metropolitan
255.19 area, as defined in section 473.121, subdivision 2.

255.20 (c) "Housing infrastructure" means publicly owned physical infrastructure necessary to
255.21 support housing development projects, including but not limited to sewers, water supply
255.22 systems, utility extensions, streets, wastewater treatment systems, stormwater management
255.23 systems, and facilities for pretreatment of wastewater to remove phosphorus.

255.24 Subd. 3. **Eligible projects.** Housing projects eligible for a grant under this section may
255.25 be a single-family or multifamily housing development, and either owner-occupied or rental.
255.26 Housing projects eligible for a grant under this section may also be a manufactured home
255.27 development qualifying for homestead treatment under section 273.124, subdivision 3a.

255.28 Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for
255.29 soliciting and reviewing applications for grants under this section. At a minimum, a city or
255.30 county must include in its application a resolution of the county board or city council
255.31 certifying that the required nonstate match is available. The commissioner must evaluate
255.32 complete applications for funding for eligible projects to determine that:

256.1 (1) the project is necessary to increase sites available for housing development that will
256.2 provide adequate housing stock for the current or future workforce; and

256.3 (2) the increase in workforce housing will result in substantial public and private capital
256.4 investment in the county or city in which the project would be located.

256.5 (b) The determination of whether to make a grant for a site is within the discretion of
256.6 the commissioner, subject to this section. The commissioner's decisions and application of
256.7 the criteria are not subject to judicial review, except for abuse of discretion.

256.8 Subd. 5. **Maximum grant amount.** A county or city may receive no more than \$30,000
256.9 \$40,000 per lot for single-family, duplex, triplex, or fourplex housing developed, no more
256.10 than \$60,000 per manufactured housing lot, and no more than \$180,000 per lot for
256.11 multifamily housing with more than four units per building. A county or city may receive
256.12 no more than \$500,000 in two years for one or more housing developments. The \$500,000
256.13 limitation does not apply to use on manufactured housing developments.

256.14 Sec. 24. Minnesota Statutes 2022, section 462A.40, subdivision 2, is amended to read:

256.15 Subd. 2. **Use of funds; grant and loan program.** (a) The agency may award grants and
256.16 loans to be used for multifamily and single family developments for persons and families
256.17 of low and moderate income. Allowable use of the funds include: gap financing, as defined
256.18 in section 462A.33, subdivision 1; new construction; acquisition; rehabilitation; demolition
256.19 or removal of existing structures; construction financing; permanent financing; interest rate
256.20 reduction; and refinancing.

256.21 (b) The agency may give preference for grants and loans to comparable proposals that
256.22 include regulatory changes or waivers that result in identifiable cost avoidance or cost
256.23 reductions, including but not limited to increased density, flexibility in site development
256.24 standards, or zoning code requirements.

256.25 (c) ~~The agency shall separately set aside:~~

256.26 ~~(1) at least ten percent of the financing under this section for housing units located in a~~
256.27 ~~township or city with a population of 2,500 or less that is located outside the metropolitan~~
256.28 ~~area, as defined in section 473.121, subdivision 2;~~

256.29 ~~(2) at least 35 percent of the financing under this section for housing for persons and~~
256.30 ~~families whose income is 50 percent or less of the area median income for the applicable~~
256.31 ~~county or metropolitan area as published by the Department of Housing and Urban~~
256.32 ~~Development, as adjusted for household size; and~~

257.1 ~~(3) at least 25 percent of the financing under this section for single-family housing.~~

257.2 ~~(d) If by September 1 of each year the agency does not receive requests to use all of the~~
257.3 ~~amounts set aside under paragraph (c), the agency may use any remaining financing for~~
257.4 ~~other projects eligible under this section.~~

257.5 Sec. 25. Minnesota Statutes 2022, section 462A.40, subdivision 3, is amended to read:

257.6 Subd. 3. **Eligible recipients; definitions; restrictions; use of funds.** (a) The agency
257.7 may award a grant or a loan to any recipient that qualifies under subdivision 2. The agency
257.8 must not award a grant or a loan to a disqualified individual or disqualified business.

257.9 (b) For the purposes of this subdivision disqualified individual means ~~an individual who~~:

257.10 (1) an individual who or an individual whose immediate family member made a
257.11 contribution to the account in the current or prior taxable year and received a credit certificate;

257.12 (2) an individual who or an individual whose immediate family member owns the housing
257.13 for which the grant or loan will be used ~~and is using that housing as their domicile~~;

257.14 (3) an individual who meets the following criteria:

257.15 (i) the individual is an officer or principal of a business entity; and

257.16 (ii) that business entity made a contribution to the account in the current or previous
257.17 taxable year and received a credit certificate; or

257.18 (4) an individual who meets the following criteria:

257.19 (i) the individual directly owns, controls, or holds the power to vote 20 percent or more
257.20 of the outstanding securities of a business entity; and

257.21 (ii) that business entity made a contribution to the account in the current or previous
257.22 taxable year and received a credit certificate.

257.23 (c) For the purposes of this subdivision disqualified business means a business entity
257.24 that:

257.25 (1) made a contribution to the account in the current or prior taxable year and received
257.26 a credit certificate;

257.27 (2) has an officer or principal who is an individual who made a contribution to the
257.28 account in the current or previous taxable year and received a credit certificate; or

257.29 (3) meets the following criteria:

258.1 (i) the business entity is directly owned, controlled, or is subject to the power to vote 20
258.2 percent or more of the outstanding securities by an individual or business entity; and

258.3 (ii) that controlling individual or business entity made a contribution to the account in
258.4 the current or previous taxable year and received a credit certificate.

258.5 (d) ~~The disqualifications in paragraphs (b) and (c) apply if the taxpayer would be~~
258.6 ~~disqualified either individually or in combination with one or more members of the taxpayer's~~
258.7 ~~family, as defined in the Internal Revenue Code, section 267(c)(4). For purposes of this~~
258.8 subdivision, "immediate family" means the taxpayer's spouse, parent or parent's spouse,
258.9 sibling or sibling's spouse, or child or child's spouse. For a married couple filing a joint
258.10 return, the limitations in this ~~paragraph~~ subdivision apply collectively to the taxpayer and
258.11 spouse. ~~For purposes of determining the ownership interest of a taxpayer under paragraph~~
258.12 ~~(a), clause (4), the rules under sections 267(c) and 267(e) of the Internal Revenue Code~~
258.13 ~~apply.~~

258.14 (e) Before applying for a grant or loan, all recipients must sign a disclosure that the
258.15 disqualifications under this subdivision do not apply. The Minnesota Housing Finance
258.16 Agency must prescribe the form of the disclosure. The Minnesota Housing Finance Agency
258.17 may rely on the disclosure to determine the eligibility of recipients under paragraph (a).

258.18 (f) The agency may award grants or loans to a city as defined in section 462A.03,
258.19 subdivision 21; a federally recognized American Indian tribe or subdivision located in
258.20 Minnesota; a tribal housing corporation; a private developer; a nonprofit organization; a
258.21 housing and redevelopment authority under sections 469.001 to 469.047; a public housing
258.22 authority or agency authorized by law to exercise any of the powers granted by sections
258.23 469.001 to 469.047; or the owner of the housing. The provisions of subdivision 2, and
258.24 paragraphs (a) to (e) and (g) of this subdivision, regarding the use of funds and eligible
258.25 recipients apply to grants and loans awarded under this paragraph.

258.26 (g) ~~Except for the set-aside provided in subdivision 2, paragraph (d),~~ Eligible recipients
258.27 must use the funds to serve households that meet the income limits as provided in section
258.28 462A.33, subdivision 5.

258.29 Sec. 26. Minnesota Statutes 2023 Supplement, section 473.145, is amended to read:

258.30 **473.145 DEVELOPMENT GUIDE.**

258.31 (a) The Metropolitan Council must prepare and adopt, after appropriate study and such
258.32 public hearings as may be necessary, a comprehensive development guide for the
258.33 metropolitan area. It must consist of a compilation of policy statements, goals, standards,

259.1 programs, and maps prescribing guides for the orderly and economical development, public
259.2 and private, of the metropolitan area. The comprehensive development guide must recognize
259.3 and encompass physical, social, or economic needs of the metropolitan area and those future
259.4 developments which will have an impact on the entire area including but not limited to such
259.5 matters as land use, climate mitigation and adaptation, parks and open space land needs,
259.6 the necessity for and location of airports, highways, transit facilities, public hospitals,
259.7 libraries, schools, and other public buildings.

259.8 (b) For the purposes of this section, "climate mitigation and adaptation" includes
259.9 mitigation goals and strategies that meet or exceed the greenhouse gas emissions-reduction
259.10 goals established by the state under section 216H.02, subdivision 1, and transportation
259.11 targets established by the commissioner of transportation, including vehicle miles traveled
259.12 reduction targets established in the statewide multimodal transportation plan under section
259.13 174.03, subdivision 1a, as well as plans and policies to address climate adaptation in the
259.14 region. The commissioner of transportation must consult with the Metropolitan Council on
259.15 transportation targets prior to establishing the targets.

259.16 (c) Notwithstanding any other provision of law, no decision adopting or authorizing a
259.17 comprehensive plan shall be subject to the requirements of chapter 116D. Nothing in this
259.18 paragraph exempts individual projects, as defined by Minnesota Rules, part 4410.0200,
259.19 subpart 65, from the requirements of chapter 116D and applicable rules.

259.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
259.21 final enactment and applies to all comprehensive plans and amendments adopted by any
259.22 local governmental unit, as defined under Minnesota Statutes, section 473.852, subdivision
259.23 7, and authorized by the Metropolitan Council during the most recent decennial review
259.24 under Minnesota Statutes, section 473.864, and for subsequent reviews under Minnesota
259.25 Statutes, section 473.864, thereafter. This section applies in the counties of Anoka, Carver,
259.26 Dakota, Hennepin, Ramsey, Scott, and Washington.

259.27 Sec. 27. Minnesota Statutes 2023 Supplement, section 477A.35, subdivision 2, is amended
259.28 to read:

259.29 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
259.30 meanings given:

259.31 ~~(+)~~ (b) "City distribution factor" means the number of households in a tier I city that are
259.32 cost-burdened divided by the total number of households that are cost-burdened in tier I
259.33 cities. The number of cost-burdened households shall be determined using the most recent

260.1 estimates or experimental estimates provided by the American Community Survey of the
260.2 United States Census Bureau as of May 1 of the aid calculation year;

260.3 ~~(2)~~ (c) "Cost-burdened household" means a household in which gross rent is 30 percent
260.4 or more of household income or in which homeownership costs are 30 percent or more of
260.5 household income;

260.6 ~~(3)~~ (d) "County distribution factor" means the number of households in a county that
260.7 are cost-burdened divided by the total number of households in metropolitan counties that
260.8 are cost-burdened. The number of cost-burdened households shall be determined using the
260.9 most recent estimates or experimental estimates provided by the American Community
260.10 Survey of the United States Census Bureau as of May 1 of the aid calculation year;

260.11 (e) "Locally funded housing expenditures" means expenditures of the aid recipient,
260.12 including expenditures by a public corporation or legal entity created by the aid recipient,
260.13 that are:

260.14 (1) funded from the recipient's general fund, a property tax levy of the recipient or its
260.15 housing and redevelopment authority, or unrestricted money available to the recipient, but
260.16 not including tax increments; and

260.17 (2) expended on one of the following qualifying activities:

260.18 (i) financial assistance to residents in arrears on rent, mortgage, utilities, or property tax
260.19 payments;

260.20 (ii) support services, case management services, and legal services for residents in arrears
260.21 on rent, mortgage, utilities, or property tax payments;

260.22 (iii) down payment assistance or homeownership education, counseling, and training;

260.23 (iv) acquisition, construction, rehabilitation, adaptive reuse, improvement, financing,
260.24 and infrastructure of residential dwellings;

260.25 (v) costs of operating emergency shelter, transitional housing, supportive housing, or
260.26 publicly owned housing, including costs of providing case management services and support
260.27 services; and

260.28 (vi) rental assistance.

260.29 ~~(4)~~ (f) "Metropolitan area" has the meaning given in section 473.121, subdivision 2;

260.30 ~~(5)~~ (g) "Metropolitan county" has the meaning given in section 473.121, subdivision 4;

260.31 ~~(6)~~ (h) "Population" has the meaning given in section 477A.011, subdivision 3; and

261.1 ~~(7)~~(i) "Tier I city" means a statutory or home rule charter city that is a city of the first,
261.2 second, or third class and is located in a metropolitan county.

261.3 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

261.4 Sec. 28. Minnesota Statutes 2023 Supplement, section 477A.35, subdivision 4, is amended
261.5 to read:

261.6 Subd. 4. **Qualifying projects.** (a) Qualifying projects ~~shall~~ include:

261.7 (1) emergency rental assistance for households earning less than 80 percent of area
261.8 median income as determined by the United States Department of Housing and Urban
261.9 Development;

261.10 (2) financial support to nonprofit affordable housing providers in their mission to provide
261.11 safe, dignified, affordable and supportive housing; ~~and~~

261.12 (3) projects designed for the purpose of construction, acquisition, rehabilitation,
261.13 demolition or removal of existing structures, construction financing, permanent financing,
261.14 interest rate reduction, refinancing, and gap financing of housing to provide affordable
261.15 housing to households that have incomes which do not exceed, for homeownership projects,
261.16 115 percent of the greater of state or area median income as determined by the United States
261.17 Department of Housing and Urban Development, and for rental housing projects, 80 percent
261.18 of the greater of state or area median income as determined by the United States Department
261.19 of Housing and Urban Development, except that the housing developed or rehabilitated
261.20 with funds under this section must be affordable to the local work force;

261.21 (4) financing the operations and management of financially distressed residential
261.22 properties;

261.23 (5) funding of supportive services or staff of supportive services providers for supportive
261.24 housing as defined by section 462A.37, subdivision 1. Financial support to nonprofit housing
261.25 providers to finance supportive housing operations may be awarded as a capitalized reserve
261.26 or as an award of ongoing funding; and

261.27 (6) costs of operating emergency shelter facilities, including the costs of providing
261.28 services.

261.29 ~~Projects shall be prioritized~~ (b) Recipients must prioritize projects that provide affordable
261.30 housing to households that have incomes which do not exceed, for homeownership projects,
261.31 80 percent of the greater of state or area median income as determined by the United States
261.32 Department of Housing and Urban Development, and for rental housing projects, 50 percent

262.1 of the greater of state or area median income as determined by the United States Department
262.2 of Housing and Urban Development. Priority may be given to projects that: reduce disparities
262.3 in home ownership; reduce housing cost burden, housing instability, or homelessness;
262.4 improve the habitability of homes; create accessible housing; or create more energy- or
262.5 water-efficient homes.

262.6 ~~(b)~~ (c) Gap financing is either:

262.7 (1) the difference between the costs of the property, including acquisition, demolition,
262.8 rehabilitation, and construction, and the market value of the property upon sale; or

262.9 (2) the difference between the cost of the property and the amount the targeted household
262.10 can afford for housing, based on industry standards and practices.

262.11 ~~(e)~~ (d) If aid under this section is used for demolition or removal of existing structures,
262.12 the cleared land must be used for the construction of housing to be owned or rented by
262.13 persons who meet the income limits of paragraph (a).

262.14 ~~(d)~~ (e) If an aid recipient uses the aid on new construction ~~or substantial rehabilitation~~
262.15 of a building containing more than four units, the loan recipient must construct, convert, or
262.16 otherwise adapt the building to include:

262.17 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
262.18 accessible units, ~~as defined by section 1002 of the current State Building Code Accessibility~~
262.19 ~~Provisions for Dwelling Units in Minnesota, and include~~ and each accessible unit includes
262.20 at least one roll-in shower, water closet, and kitchen work surface meeting the requirements
262.21 of section 1002 of the current State Building Code Accessibility Provisions for Dwelling
262.22 Units in Minnesota; and

262.23 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
262.24 sensory-accessible units that include:

262.25 (A) soundproofing between shared walls for first and second floor units;

262.26 (B) no florescent lighting in units and common areas;

262.27 (C) low-fume paint;

262.28 (D) low-chemical carpet; and

262.29 (E) low-chemical carpet glue in units and common areas.

262.30 Nothing in this paragraph relieves a project funded by this section from meeting other
262.31 applicable accessibility requirements.

263.1 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

263.2 Sec. 29. Minnesota Statutes 2023 Supplement, section 477A.35, subdivision 5, is amended
263.3 to read:

263.4 Subd. 5. **Use of proceeds.** (a) Any funds distributed under this section must be spent on
263.5 a qualifying project. Funds are considered spent on a qualifying project if:

263.6 (1) a tier I city or county demonstrates to the Minnesota Housing Finance Agency that
263.7 the city or county cannot expend funds on a qualifying project by the deadline imposed by
263.8 paragraph (b) due to factors outside the control of the city or county; and

263.9 (2) the funds are transferred to a local housing trust fund.

263.10 Funds transferred to a local housing trust fund under this paragraph must be spent on a
263.11 project or household that meets the affordability requirements of subdivision 4, paragraph
263.12 (a).

263.13 (b) Funds must be spent by December 31 in the third year following the year after the
263.14 aid was received. The requirements of this paragraph are satisfied if funds are:

263.15 (1) committed to a qualifying project by December 31 in the third year following the
263.16 year after the aid was received; and

263.17 (2) expended by December 31 in the fourth year following the year after the aid was
263.18 received.

263.19 (c) An aid recipient may not use aid money to reimburse itself for prior expenditures.

263.20 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

263.21 Sec. 30. Minnesota Statutes 2023 Supplement, section 477A.35, is amended by adding a
263.22 subdivision to read:

263.23 Subd. 5a. **Conditions for receipt.** (a) As a condition of receiving aid under this section,
263.24 a recipient must commit to using funds to supplement, not supplant, existing locally funded
263.25 housing expenditures, so that the recipient is using the funds to create new or to expand
263.26 existing housing programs.

263.27 (b) In the annual report required under subdivision 6, a recipient must certify its
263.28 compliance with this subdivision, including an accounting of locally funded housing
263.29 expenditures in the prior fiscal year. In a tier I city's or county's first report to the Minnesota
263.30 Housing Finance Agency, it must document its locally funded housing expenditures in the
263.31 two prior fiscal years. If a recipient reduces one of its locally funded housing expenditures,

264.1 the recipient must detail the expenditure, the amount of the reduction, and the reason for
264.2 the reduction. The certification required under this paragraph must be made available publicly
264.3 on the website of the recipient.

264.4 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

264.5 Sec. 31. Minnesota Statutes 2023 Supplement, section 477A.35, subdivision 6, is amended
264.6 to read:

264.7 Subd. 6. **Administration.** (a) The commissioner of revenue must compute the amount
264.8 of aid payable to each tier I city and county under this section. By August 1 of each year,
264.9 the commissioner must certify the distribution factors of each tier I city and county to be
264.10 used in the following year. The commissioner must pay local affordable housing aid annually
264.11 at the times provided in section 477A.015, distributing the amounts available on the
264.12 immediately preceding June 1 under the accounts established in section 477A.37, subdivisions
264.13 2 and 3.

264.14 (b) Beginning in 2025, tier I cities and counties shall submit a report annually, no later
264.15 than December 1 of each year, to the Minnesota Housing Finance Agency. The report must
264.16 include documentation of the location of any unspent funds distributed under this section
264.17 and of qualifying projects completed or planned with funds under this section. If a tier I
264.18 city or county fails to submit a report, if a tier I city or county fails to spend funds within
264.19 the timeline imposed under subdivision 5, paragraph (b), ~~or~~ if a tier I city or county uses
264.20 funds for a project that does not qualify under this section, or if a tier I city or county fails
264.21 to meet its requirements of subdivision 5a, the Minnesota Housing Finance Agency shall
264.22 notify the Department of Revenue and the cities and counties that must repay funds under
264.23 paragraph (c) by February 15 of the following year.

264.24 (c) By May 15, after receiving notice from the Minnesota Housing Finance Agency, a
264.25 tier I city or county must pay to the Minnesota Housing Finance Agency funds the city or
264.26 county received under this section if the city or county:

264.27 (1) fails to spend the funds within the time allowed under subdivision 5, paragraph (b);

264.28 (2) spends the funds on anything other than a qualifying project; ~~or~~

264.29 (3) fails to submit a report documenting use of the funds; or

264.30 (4) fails to meet the requirements of subdivision 5a.

264.31 (d) The commissioner of revenue must stop distributing funds to a tier I city or county
264.32 that requests in writing that the commissioner stop payment or that, in three consecutive

265.1 years, the Minnesota Housing Finance Agency has reported, pursuant to paragraph (b), to
 265.2 have failed to use funds, misused funds, or failed to report on its use of funds. A request to
 265.3 stop payment under this paragraph must be submitted to the commissioner in the form and
 265.4 manner prescribed by the commissioner on or before May 1 of the aids payable year the
 265.5 aid recipient wants the commissioner to stop payment of aid. The commissioner shall not
 265.6 stop payment based on a request received after May 1 until the next aids payable year.

265.7 (e) The commissioner may resume distributing funds to a tier I city or county to which
 265.8 the commissioner has stopped payments in the year following the August 1 after the
 265.9 Minnesota Housing Finance Agency certifies that the city or county has submitted
 265.10 documentation of plans for a qualifying project. The commissioner may resume distributing
 265.11 funds to a tier I city or county to which the commissioner has stopped payments at the
 265.12 request of the city or county in the year following the August 1 after the Minnesota Housing
 265.13 Finance Agency certifies that the city or county has submitted documentation of plans for
 265.14 a qualifying project.

265.15 (f) By June 1, any funds paid to the Minnesota Housing Finance Agency under paragraph
 265.16 (c) must be deposited in the housing development fund. Funds deposited under this paragraph
 265.17 are appropriated to the commissioner of the Minnesota Housing Finance Agency for use
 265.18 on the family homeless prevention and assistance program under section 462A.204, the
 265.19 economic development and housing challenge program under section 462A.33, and the
 265.20 workforce and affordable homeownership development program under section 462A.38.

265.21 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2025.

265.22 Sec. 32. Minnesota Statutes 2023 Supplement, section 477A.36, subdivision 1, as amended
 265.23 by Laws 2024, chapter 76, section 4, is amended to read:

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

265.26 ~~(1)~~ (b) "City distribution factor" means the number of households in a tier I city that are
 265.27 cost-burdened divided by the total number of households that are cost-burdened in Minnesota
 265.28 tier I cities. The number of cost-burdened households shall be determined using the most
 265.29 recent estimates or experimental estimates provided by the American Community Survey
 265.30 of the United States Census Bureau as of May 1 of the aid calculation year;

265.31 ~~(2)~~ (c) "Cost-burdened household" means a household in which gross rent is 30 percent
 265.32 or more of household income or in which homeownership costs are 30 percent or more of
 265.33 household income;

266.1 ~~(3)~~ (d) "County distribution factor" means the number of households in a county that
266.2 are cost-burdened divided by the total number of households in Minnesota that are
266.3 cost-burdened. The number of cost-burdened households shall be determined using the most
266.4 recent estimates or experimental estimates provided by the American Community Survey
266.5 of the United States Census Bureau as of May 1 of the aid calculation year;

266.6 ~~(4)~~ (e) "Eligible Tribal Nation" means any of the 11 federally recognized Indian Tribes
266.7 located in Minnesota which submit an application under subdivision 6, paragraph (g);

266.8 (f) "Locally funded housing expenditures" means expenditures of the aid recipient,
266.9 including expenditures by a public corporation or legal entity created by the aid recipient,
266.10 that are:

266.11 (1) funded from the recipient's general fund, a property tax levy of the recipient or its
266.12 housing and redevelopment authority, or unrestricted money available to the recipient, but
266.13 not including tax increments; and

266.14 (2) expended on one of the following qualifying activities:

266.15 (i) financial assistance to residents in arrears on rent, mortgage, utilities, or property tax
266.16 payments;

266.17 (ii) support services, case management services, and legal services for residents in arrears
266.18 on rent, mortgage, utilities, or property tax payments;

266.19 (iii) down payment assistance or homeownership education, counseling, and training;

266.20 (iv) acquisition, construction, rehabilitation, adaptive reuse, improvement, financing,
266.21 and infrastructure of residential dwellings;

266.22 (v) costs of operating emergency shelter, transitional housing, supportive housing, or
266.23 publicly owned housing, including costs of providing case management services and support
266.24 services; and

266.25 (vi) rental assistance.

266.26 ~~(5)~~ (g) "Population" has the meaning given in section 477A.011, subdivision 3;

266.27 ~~(6)~~ (h) "Tier I city" means a statutory or home rule charter city that is a city of the first,
266.28 second, or third class and is not located in a metropolitan county, as defined by section
266.29 473.121, subdivision 4; ~~and.~~

266.30 ~~(7)~~ (i) "Tier II city" means a statutory or home rule charter city that is a city of the fourth
266.31 class and is not located in a metropolitan county, as defined by section 473.121, subdivision
266.32 4.

267.1 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

267.2 Sec. 33. Minnesota Statutes 2023 Supplement, section 477A.36, subdivision 4, is amended
267.3 to read:

267.4 Subd. 4. **Qualifying projects.** (a) Qualifying projects shall include:

267.5 (1) emergency rental assistance for households earning less than 80 percent of area
267.6 median income as determined by the United States Department of Housing and Urban
267.7 Development;

267.8 (2) financial support to nonprofit affordable housing providers in their mission to provide
267.9 safe, dignified, affordable and supportive housing;

267.10 (3) outside the metropolitan counties as defined in section 473.121, subdivision 4,
267.11 development of market rate residential rental properties, as defined in section 462A.39,
267.12 subdivision 2, paragraph (d), if the relevant unit of government submits with the report
267.13 required under subdivision 6 a resolution and supporting documentation showing that the
267.14 area meets the requirements of section 462A.39, subdivision 4, paragraph (a); ~~and~~

267.15 (4) projects designed for the purpose of construction, acquisition, rehabilitation,
267.16 demolition or removal of existing structures, construction financing, permanent financing,
267.17 interest rate reduction, refinancing, and gap financing of housing to provide affordable
267.18 housing to households that have incomes which do not exceed, for homeownership projects,
267.19 115 percent of the greater of state or area median income as determined by the United States
267.20 Department of Housing and Urban Development and, for rental housing projects, 80 percent
267.21 of the greater of state or area median income as determined by the United States Department
267.22 of Housing and Urban Development, except that the housing developed or rehabilitated
267.23 with funds under this section must be affordable to the local work force;

267.24 (5) financing the operations and management of financially distressed residential
267.25 properties;

267.26 (6) funding of supportive services or staff of supportive services providers for supportive
267.27 housing as defined in section 462A.37, subdivision 1. Financial support to nonprofit housing
267.28 providers to finance supportive housing operations may be awarded as a capitalized reserve
267.29 or as an award of ongoing funding; and

267.30 (7) costs of operating emergency shelter facilities, including the costs of providing
267.31 services.

268.1 ~~Projects shall be prioritized~~ (b) Recipients must prioritize projects that provide affordable
268.2 housing to households that have incomes that do not exceed, for homeownership projects,
268.3 80 percent of the greater of state or area median income as determined by the United States
268.4 Department of Housing and Urban Development, and for rental housing projects, 50 percent
268.5 of the greater of state or area median income as determined by the United States Department
268.6 of Housing and Urban Development. Priority may be given to projects that: reduce disparities
268.7 in home ownership; reduce housing cost burden, housing instability, or homelessness;
268.8 improve the habitability of homes; create accessible housing; or create more energy- or
268.9 water-efficient homes.

268.10 ~~(b)~~ (c) Gap financing is either:

268.11 (1) the difference between the costs of the property, including acquisition, demolition,
268.12 rehabilitation, and construction, and the market value of the property upon sale; or

268.13 (2) the difference between the cost of the property and the amount the targeted household
268.14 can afford for housing, based on industry standards and practices.

268.15 ~~(e)~~ (d) If aid under this section is used for demolition or removal of existing structures,
268.16 the cleared land must be used for the construction of housing to be owned or rented by
268.17 persons who meet the income limits of paragraph (a).

268.18 ~~(d)~~ (e) If an aid recipient uses the aid on new construction or substantial rehabilitation
268.19 of a building containing more than four units, the loan recipient must construct, convert, or
268.20 otherwise adapt the building to include:

268.21 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
268.22 accessible units, ~~as defined by section 1002 of the current State Building Code Accessibility~~
268.23 ~~Provisions for Dwelling Units in Minnesota, and include~~ and each accessible unit includes
268.24 at least one roll-in shower, water closet, and kitchen work surface meeting the requirements
268.25 of section 1002 of the current State Building Code Accessibility Provisions for Dwelling
268.26 Units in Minnesota; and

268.27 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
268.28 sensory-accessible units that include:

268.29 (A) soundproofing between shared walls for first and second floor units;

268.30 (B) no florescent lighting in units and common areas;

268.31 (C) low-fume paint;

268.32 (D) low-chemical carpet; and

269.1 (E) low-chemical carpet glue in units and common areas.

269.2 Nothing in this paragraph relieves a project funded by this section from meeting other
269.3 applicable accessibility requirements.

269.4 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

269.5 Sec. 34. Minnesota Statutes 2023 Supplement, section 477A.36, subdivision 5, is amended
269.6 to read:

269.7 Subd. 5. **Use of proceeds.** (a) Any funds distributed under this section must be spent on
269.8 a qualifying project. If a tier I city or county demonstrates to the Minnesota Housing Finance
269.9 Agency that the tier I city or county cannot expend funds on a qualifying project by the
269.10 deadline imposed by paragraph (b) due to factors outside the control of the tier I city or
269.11 county, funds shall be considered spent on a qualifying project if the funds are transferred
269.12 to a local housing trust fund. Funds transferred to a local housing trust fund must be spent
269.13 on a project or household that meets the affordability requirements of subdivision 4,
269.14 paragraph (a).

269.15 (b) ~~Any funds must be returned to the commissioner of revenue if the funds are not spent~~
269.16 ~~by December 31 in the third year following the year after the aid was received.~~ Funds must
269.17 be spent by December 31 in the third year following the year after the aid was received.
269.18 The requirements of this paragraph are satisfied if funds are:

269.19 (1) committed to a qualifying project by December 31 in the third year following the
269.20 year after the aid was received; and

269.21 (2) expended by December 31 in the fourth year following the year after the aid was
269.22 received.

269.23 (c) An aid recipient may not use aid funds to reimburse itself for prior expenditures.

269.24 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

269.25 Sec. 35. Minnesota Statutes 2023 Supplement, section 477A.36, is amended by adding a
269.26 subdivision to read:

269.27 Subd. 5a. **Conditions for receipt.** (a) As a condition of receiving aid under this section,
269.28 a recipient must commit to using money to supplement, not supplant, existing locally funded
269.29 housing expenditures, so that the recipient is using the funds to create new or to expand
269.30 existing housing programs.

270.1 (b) In the annual report required under subdivision 6, a recipient must certify compliance
 270.2 with this subdivision, including an accounting of locally funded housing expenditures in
 270.3 the prior fiscal year. In an aid recipient's first report to the Minnesota Housing Finance
 270.4 Agency, the aid recipient must document its locally funded housing expenditures in the two
 270.5 prior fiscal years. If a recipient reduces one of its locally funded housing expenditures, the
 270.6 recipient must detail the expenditure, the amount of the reduction, and the reason for the
 270.7 reduction. The certification required under this paragraph must be made available publicly
 270.8 on the recipient's website.

270.9 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2024.

270.10 Sec. 36. Minnesota Statutes 2023 Supplement, section 477A.36, subdivision 6, as amended
 270.11 by Laws 2024, chapter 76, section 5, is amended to read:

270.12 Subd. 6. **Administration.** (a) The commissioner of revenue must compute the amount
 270.13 of aid payable to each aid recipient under this section. Beginning with aids payable in
 270.14 calendar year 2024, before computing the amount of aid for counties and after receiving
 270.15 the report required by subdivision 3, paragraph (e), the commissioner shall compute the
 270.16 amount necessary to increase the amount in the account or accounts established under that
 270.17 paragraph to \$1,250,000. The amount calculated under the preceding sentence shall be
 270.18 deducted from the amount available to counties for the purposes of certifying the amount
 270.19 of aid to be paid to counties in the following year. By August 1 of each year, the
 270.20 commissioner must certify the amount to be paid to each tier I city and county in the
 270.21 following year. The commissioner must pay statewide local housing aid to tier I cities and
 270.22 counties annually at the times provided in section 477A.015. Before paying the first
 270.23 installment of aid annually, the commissioner of revenue shall transfer to the Minnesota
 270.24 Housing Finance Agency from the funds available for counties, for deposit in the account
 270.25 or accounts established under subdivision 3, paragraph (e), the amount computed in the
 270.26 prior year to be necessary to increase the amount in the account or accounts established
 270.27 under that paragraph to \$1,250,000.

270.28 (b) Beginning in 2025, aid recipients shall submit a report annually, no later than
 270.29 December 1 of each year, to the Minnesota Housing Finance Agency. The report shall
 270.30 include documentation of the location of any unspent funds distributed under this section
 270.31 and of qualifying projects completed or planned with funds under this section. If an aid
 270.32 recipient fails to submit a report, fails to spend funds within the timeline imposed under
 270.33 subdivision 5, paragraph (b), ~~or~~ uses funds for a project that does not qualify under this
 270.34 section, or if an aid recipient fails to meet the requirements of subdivision 5a, the Minnesota

271.1 Housing Finance Agency shall notify the Department of Revenue and the aid recipient must
271.2 repay funds under paragraph (c) by February 15 of the following year.

271.3 (c) By May 15, after receiving notice from the Minnesota Housing Finance Agency, an
271.4 aid recipient must pay to the Minnesota Housing Finance Agency funds the aid recipient
271.5 received under this section if the aid recipient:

271.6 (1) fails to spend the funds within the time allowed under subdivision 5, paragraph (b);

271.7 (2) spends the funds on anything other than a qualifying project; ~~or~~

271.8 (3) fails to submit a report documenting use of the funds; or

271.9 (4) fails to meet the requirements of subdivision 5a.

271.10 (d) The commissioner of revenue must stop distributing funds to an aid recipient that
271.11 requests in writing that the commissioner stop payment or that the Minnesota Housing
271.12 Finance Agency reports to have, in three consecutive years, failed to use funds, misused
271.13 funds, or failed to report on its use of funds. A request to stop payment under this paragraph
271.14 must be submitted to the commissioner in the form and manner prescribed by the
271.15 commissioner on or before May 1 of the year prior to the aids payable year in which the
271.16 aid recipient wants the commissioner to stop payment of aid. The commissioner shall not
271.17 stop payment based on a request received after May 1 until aids payable based on certification
271.18 in the following calendar year.

271.19 (e) The commissioner may resume distributing funds to an aid recipient to which the
271.20 commissioner has stopped payments in the year following the August 1 after the Minnesota
271.21 Housing Finance Agency certifies that the city or county has submitted documentation of
271.22 plans for a qualifying project. The commissioner may resume distributing funds to an aid
271.23 recipient to which the commissioner has stopped payments at the request of the recipient
271.24 in the year following the August 1 after the Minnesota Housing Finance Agency certifies
271.25 that the recipient has submitted documentation of plans for a qualifying project.

271.26 (f) By June 1, any funds paid to the Minnesota Housing Finance Agency under paragraph
271.27 (c) must be deposited in the housing development fund. Funds deposited under this paragraph
271.28 are appropriated to the commissioner of the Minnesota Housing Finance Agency for use
271.29 on the family homeless prevention and assistance program under section 462A.204, the
271.30 economic development and housing challenge program under section 462A.33, and the
271.31 workforce and affordable homeownership development program under section 462A.38.

271.32 (g) An eligible Tribal Nation may choose to receive an aid distribution under this section
271.33 by submitting an application under this subdivision. An eligible Tribal Nation which has

272.1 not received a distribution in a prior aids payable year may elect to begin participation in
 272.2 the program by submitting an application in the manner and form prescribed by the
 272.3 commissioner of revenue by January 15 of the aids payable year. In order to receive a
 272.4 distribution, an eligible Tribal Nation must certify to the commissioner of revenue the most
 272.5 recent estimate of the total number of enrolled members of the eligible Tribal Nation. The
 272.6 information must be annually certified by March 1 in the form prescribed by the
 272.7 commissioner of revenue. The commissioner of revenue must annually calculate and certify
 272.8 the amount of aid payable to each eligible Tribal Nation on or before August 1 of the aids
 272.9 payable year. The commissioner of revenue must pay statewide local housing aid to eligible
 272.10 Tribal Nations annually by December 27 of the year the aid is certified.

272.11 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2025.

272.12 Sec. 37. Laws 2023, chapter 37, article 1, section 2, subdivision 32, is amended to read:

272.13 Subd. 32. **Northland Foundation** 1,000,000 -0-

272.14 This appropriation is for a grant to Northland
 272.15 Foundation for use on expenditures authorized
 272.16 under Minnesota Statutes, section 462C.16,
 272.17 subdivision 3, to assist and support
 272.18 communities in providing housing locally, and
 272.19 ~~on~~ for assisting local governments to establish
 272.20 local or regional housing trust funds.
 272.21 Northland Foundation may award grants and
 272.22 loans to other entities to expend on authorized
 272.23 expenditures under this section. This
 272.24 appropriation is onetime and available until
 272.25 June 30, 2025.

272.26 Sec. 38. Laws 2023, chapter 37, article 2, section 6, subdivision 1, is amended to read:

272.27 Subdivision 1. **Establishment.** The Minnesota Housing Finance Agency shall establish
 272.28 a community stabilization program to provide grants or loans to preserve naturally occurring
 272.29 affordable housing ~~through acquisition or rehabilitation~~ and support recapitalization of
 272.30 distressed buildings.

273.1 Sec. 39. Laws 2023, chapter 37, article 2, section 6, subdivision 2, is amended to read:

273.2 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
273.3 meanings given.

273.4 (b) "Naturally occurring affordable housing" means:

273.5 (1) multiunit rental housing that:

273.6 (i) is at least 20 years old;

273.7 (ii) has rents in a majority of units that are affordable to households at or below 60
273.8 percent of the greater of state or area median income as determined by the United States
273.9 Department of Housing and Urban Development; and

273.10 (iii) does not currently have federal or state financing or tax credits that require income
273.11 or rent restrictions, except for public housing, as defined in Section 9 of the Housing Act
273.12 of 1937, that is part of a mixed-finance community; or

273.13 ~~(2) owner-occupied housing located in communities where market pressures or significant~~
273.14 ~~deferred rehabilitation needs, as defined by the agency, create opportunities for displacement~~
273.15 ~~or the loss of owner-occupied housing affordable to households at or below 115 percent of~~
273.16 ~~the greater of state or area median income as determined by the United States Department~~
273.17 ~~of Housing and Urban Development.~~

273.18 (2) single-family housing that is:

273.19 (i) one to four units;

273.20 (ii) located in communities where market pressures or significant deferred rehabilitation
273.21 needs, as defined by the agency, create opportunities for displacement or the loss of
273.22 owner-occupied or single-family rental housing; and

273.23 (iii) affordable to owner-occupied households at or below 115 percent or rental
273.24 households at or below 80 percent of the greater of state or area median income as determined
273.25 by the United States Department of Housing and Urban Development.

273.26 (c) "Distressed building" means an existing rental housing building in which the units
273.27 are restricted to households at or below 60 percent of the area median income and that:

273.28 (1) is at imminent risk of foreclosure, closure, or sale that would result in permanent
273.29 loss of affordability;

273.30 (2) has two or more years of negative net operating income, exclusive of financial or
273.31 in-kind operating support from the owner of the property;

274.1 (3) has two or more years with a debt service coverage ratio less than one; or

274.2 (4) has necessary costs of repair, replacement, or maintenance that exceed the project
274.3 reserves available for those purposes.

274.4 (d) "Recapitalization" means financing for the physical and financial needs of a distressed
274.5 building, including restructuring and forgiveness of amortizing and deferred debt, principal
274.6 and interest paydown, interest rate write-down, deferral of debt payments, mortgage payment
274.7 forbearance, deferred maintenance and rehabilitation, funding of reserves, and property
274.8 operating costs including but not limited to supportive services, security services, and
274.9 property insurance. Recapitalization may include financing to sell or transfer ownership of
274.10 a property to a qualified owner that will commit to long-term affordability as determined
274.11 by the commissioner.

274.12 Sec. 40. Laws 2023, chapter 37, article 2, section 6, subdivision 4, is amended to read:

274.13 Subd. 4. **Eligible uses.** (a) The program shall provide grants or loans for the purpose of
274.14 acquisition, rehabilitation, interest rate reduction, or gap financing of housing to support
274.15 the preservation of naturally occurring affordable housing or recapitalization of distressed
274.16 buildings.

274.17 (b) When awarding grants or loans for the acquisition or rehabilitation of naturally
274.18 occurring affordable housing, priority in funding shall be given to proposals that serve
274.19 lower-income households and maintain longer periods of affordability. Funding may be
274.20 used to acquire single-family rental housing that is intended to be converted to affordable
274.21 homeownership.

274.22 (c) When awarding grants or loans for the recapitalization of distressed buildings, to the
274.23 extent practicable, priority in funding shall be given to the following:

274.24 (1) buildings where residents are at or below 30 percent of the area median income;

274.25 (2) buildings at imminent risk of foreclosure, closure, or sale that would result in
274.26 permanent loss of affordability;

274.27 (3) operators who have a path to achieve neutral or positive net operating income within
274.28 five years;

274.29 (4) operators who keep subject properties affordable; and

274.30 (5) buildings that are not eligible or not prioritized for other agency programs.

274.31 (d) The agency may establish funding limits per eligible recipient and require priority
274.32 rankings of eligible recipient proposals.

275.1 (e) Funds may not be used for publicly owned housing.

275.2 Sec. 41. Laws 2023, chapter 37, article 2, section 6, subdivision 5, is amended to read:

275.3 Subd. 5. ~~Owner-occupied~~ Single-family housing income limits. Households served
275.4 through grants or loans related to ~~owner-occupied~~ single-family housing must have, at initial
275.5 occupancy, income that is at or below 115 percent of the greater of state or area median
275.6 income as determined by the United States Department of Housing and Urban Development.

275.7 Sec. 42. Laws 2023, chapter 37, article 2, section 6, is amended by adding a subdivision
275.8 to read:

275.9 Subd. 6a. Private lender participation. Prior to the commissioner executing a grant or
275.10 loan agreement for recapitalization of private debt, a project owner must demonstrate
275.11 receiving a meaningful amount, as determined by the commissioner, of restructuring and
275.12 forgiveness of amortizing and deferred debt, principal and interest paydown, interest rate
275.13 write-down, deferral of debt payments, and mortgage payment forbearance from a private
275.14 lender.

275.15 Sec. 43. Laws 2023, chapter 37, article 2, section 6, is amended by adding a subdivision
275.16 to read:

275.17 Subd. 9. Report. By February 15, 2025, and February 15, 2026, the commissioner shall
275.18 submit a report to the chairs and ranking minority members of the legislative committees
275.19 having jurisdiction over housing and homelessness. The report must include the number of
275.20 applications received, the amount of funding requested, the grants awarded, and the number
275.21 of affordable housing units preserved through awards under this section.

275.22 Sec. 44. Laws 2023, chapter 37, article 2, section 12, subdivision 2, is amended to read:

275.23 Subd. 2. **Eligible homebuyer.** For the purposes of this section, an "eligible homebuyer"
275.24 means an individual:

275.25 (1) whose income is at or below 130 percent of area median income;

275.26 ~~(2) who resides in a census tract where at least 60 percent of occupied housing units are~~
275.27 ~~renter-occupied, based on the most recent estimates or experimental estimates provided by~~
275.28 ~~the American Community Survey of the United States Census Bureau;~~

275.29 ~~(3)~~ (2) who is financing the purchase of an eligible property with an interest-free,
275.30 fee-based mortgage; and

276.1 ~~(4)~~(3) who is a first-time homebuyer as defined by Code of Federal Regulations, title
276.2 24, section 92.2.

276.3 Sec. 45. Laws 2023, chapter 52, article 19, section 120, is amended to read:

276.4 Sec. 120. **EFFECTIVE DATE.**

276.5 Sections 117 ~~to~~ and 119 are effective January 1, 2024. Section 118 is effective January
276.6 1, 2024, and applies to cases filed before, on, or after that date.

276.7 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2024.

276.8 Sec. 46. **SINGLE-EGRESS STAIRWAY APARTMENT BUILDING REPORT.**

276.9 The commissioner of labor and industry must evaluate conditions under which apartment
276.10 buildings with a single means of egress above three stories up to 75 feet would achieve life
276.11 safety outcomes equal to or superior to currently adopted codes. The commissioner must
276.12 use research techniques that include smoke modeling, egress modeling, an analysis of fire
276.13 loss history in jurisdictions that have already adopted similar provisions, and interviews
276.14 with fire services regarding fire suppression and rescue techniques in such buildings. The
276.15 commissioner shall consult with relevant stakeholders, including but not limited to the
276.16 Minnesota Fire Chiefs Association, Minnesota Professional Firefighters Association, Fire
276.17 Marshals Association of Minnesota, Association of Minnesota Building Officials, Housing
276.18 First Minnesota, Center for Building in North America, and faculty from the relevant
276.19 department of a university which grants degrees in fire protection engineering. In addition,
276.20 the commissioner must also contextualize the life safety outcomes from the single-egress
276.21 evaluation to life safety outcomes in other types of housing. The commissioner may contract
276.22 with external experts or an independent third party to develop the report and perform other
276.23 functions required of the commissioner under this section. The report must include
276.24 recommendations for code updates for the single-egress buildings evaluated in this section.
276.25 By December 31, 2025, the commissioner must report on the findings to the chairs and
276.26 ranking minority members of the legislative committees with jurisdiction over housing and
276.27 state building codes.

276.28 Sec. 47. **LOCALLY FUNDED HOUSING EXPENDITURE REPORT.**

276.29 By February 15, 2027, the commissioner of the Minnesota Housing Finance Agency
276.30 shall report to the chairs and ranking minority members of the legislative policy and finance
276.31 committees with jurisdiction over housing and taxes, on the reports received on locally

277.1 funded housing expenditures as required under Minnesota Statutes, sections 477A.35,
277.2 subdivision 5a, and 477A.36, subdivision 5a.

277.3 Sec. 48. **WORKING GROUP ON COMMON INTEREST COMMUNITIES AND**
277.4 **HOMEOWNERS ASSOCIATIONS.**

277.5 Subdivision 1. **Creation; duties.** (a) A working group is created to study the prevalence
277.6 and impact of common interest communities (CICs) and homeowners associations (HOAs)
277.7 in Minnesota and how the existing laws regulating CICs and HOAs help homeowners and
277.8 tenants access safe and affordable housing. The working group shall study:

277.9 (1) how many CICs and HOAs exist, how many people may reside in those housing
277.10 units, and where they are located in the state;

277.11 (2) the governing documents commonly used by CICs and HOAs and whether the
277.12 governing documents or common practices create barriers for participation by homeowners
277.13 in the board of directors for CICs or HOAs;

277.14 (3) the fees and costs commonly associated with CICs and HOAs and how those fees
277.15 have increased, including the cost of outside management, accounting, and attorney fees
277.16 that are assessed to owners and residents;

277.17 (4) whether there should be uniform, statutory standards regarding fees, fines, and costs
277.18 assessed to residents;

277.19 (5) how the organization and management of CICs and HOAs, including boards and
277.20 management companies, impact the affordability of CICs and HOAs;

277.21 (6) the impact of CICs and HOAs on the housing market and housing costs;

277.22 (7) the racial disparity in homeownership as it relates to CICs and HOAs;

277.23 (8) the accessibility and affordability of CICs and HOAs for Minnesotans with disabilities;

277.24 (9) how other states regulate CICs and HOAs and best practices related to board
277.25 transparency, dispute resolution, and foreclosures; and

277.26 (10) how the current laws governing CICs and HOAs may be consolidated and reformed
277.27 for clarity and to improve the experience of homeowners and residents in CICs and HOAs.

277.28 (b) The focus and duties of the working group shall be to recommend legislative reforms
277.29 or other methods to regulate CICs and HOAs, including the consolidation or recodification
277.30 of existing chapters regulating CICs and HOAs.

277.31 Subd. 2. **Membership.** (a) The working group shall consist of the following:

- 278.1 (1) two members of the house of representatives, one appointed by the speaker of the
278.2 house and one appointed by the minority leader;
- 278.3 (2) two members of the senate, one appointed by the senate majority leader and one
278.4 appointed by the senate minority leader;
- 278.5 (3) one member from the Minnesota Homeownership Center;
- 278.6 (4) one member from the Community Associations Institute;
- 278.7 (5) one member from a business association that supports, educates, or provides services
278.8 to CICs and HOAs in Minnesota designated by the commissioner of commerce;
- 278.9 (6) one member from a legal aid association familiar with housing laws and representing
278.10 low-income clients designated by Mid-Minnesota Legal Assistance;
- 278.11 (7) one member from the Minnesota Association of Realtors;
- 278.12 (8) one member who is an attorney who regularly works advising homeowners or
278.13 residents in CICs and HOAs and is familiar with the state foreclosure laws designed by the
278.14 State Bar Association;
- 278.15 (9) one member who is an attorney who regularly works advising CIC and HOA boards
278.16 designated by the State Bar Association;
- 278.17 (10) one member from a metropolitan area government who is familiar with issues
278.18 homeowners and tenants face while living in CICs and HOAs in the metropolitan area
278.19 designated by League of Minnesota Cities;
- 278.20 (11) the commissioner of the Minnesota Housing Finance Agency or the commissioner's
278.21 designee;
- 278.22 (12) one member from the attorney general's office designated by the attorney general;
- 278.23 (13) one member designated by the North Country Cooperative Foundation and one
278.24 member to be designated by the Senior Housing Cooperative Council;
- 278.25 (14) four members who are current or recent owners of a residence that is part of a CIC
278.26 or HOA designated by the Housing Justice Center.
- 278.27 (b) Appointments and designations for members of the working group shall be made by
278.28 July 1, 2024, and information about the appointed and designated members shall be provided
278.29 by the commissioner of housing finance to the chairs and ranking minority members of the
278.30 legislative committees with jurisdiction over housing no later than July 1, 2024.

279.1 Subd. 3. **Facilitation; organization; meetings.** (a) The Legislative Coordinating
279.2 Commission shall facilitate the working group, provide administrative assistance, and
279.3 convene the first meeting by July 15, 2024. Members of the working group may receive
279.4 compensation and reimbursement for expenses as authorized by Minnesota Statutes, section
279.5 15.059, subdivision 3.

279.6 (b) The working group must meet at regular intervals as often as necessary to accomplish
279.7 the goals enumerated under subdivision 1. Meetings of the working group are subject to the
279.8 Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

279.9 Subd. 4. **External consultation.** The working group shall consult with other individuals
279.10 and organizations that have expertise and experience that may assist the working group in
279.11 fulfilling its responsibilities, including entities engaging in additional external stakeholder
279.12 input from those with experience living in CICs and HOAs as well as working with the
279.13 board of directors for CICs and HOAs.

279.14 Subd. 5. **Report required.** The working group shall submit a final report by February
279.15 1, 2025, to the chairs and ranking minority members of the legislative committees with
279.16 jurisdiction over housing finance and policy, commerce, and real property. The report shall
279.17 include recommendations and draft legislation based on the duties and focus for the working
279.18 group provided in subdivision 1.

279.19 Subd. 6. **Expiration.** The working group expires upon submission of the final report in
279.20 subdivision 5, or February 28, 2025, whichever is later.

279.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and
279.22 expires March 1, 2025.

279.23 Sec. 49. **TASK FORCE ON LONG-TERM SUSTAINABILITY OF AFFORDABLE**
279.24 **HOUSING.**

279.25 Subdivision 1. **Establishment.** A task force is established to evaluate issues and provide
279.26 recommendations relating to affordable housing sustainability, including displacement of
279.27 tenants, preservation of housing previously developed with public financing, and long-term
279.28 sustainability of new housing developments.

279.29 Subd. 2. **Membership.** (a) The task force consists of the following members:

279.30 (1) three members appointed by the commissioner of housing;

279.31 (2) one member with expertise in insurance regulation appointed by the commissioner
279.32 of commerce;

280.1 (3) one member from a county that participates in the Interagency Stabilization Group
280.2 appointed by the Association of Minnesota Counties;

280.3 (4) one member from a greater Minnesota county appointed by the Association of
280.4 Minnesota Counties;

280.5 (5) one member with experience developing affordable rental housing appointed by the
280.6 Metropolitan Consortium of Community Developers;

280.7 (6) one member with experience in operating affordable rental housing appointed by
280.8 the Metropolitan Consortium of Community Developers;

280.9 (7) one member of the Minnesota Housing Partnership who has experience developing
280.10 affordable rental housing;

280.11 (8) one member of the Minnesota Housing Partnership who has experience operating
280.12 affordable rental housing;

280.13 (9) one member of the Minnesota Housing Partnership who has experience developing
280.14 and operating affordable rental housing in greater Minnesota;

280.15 (10) one member with experience developing or operating for-profit affordable housing
280.16 appointed by the Minnesota Multi-Housing Association;

280.17 (11) one member appointed by the Family Housing Fund;

280.18 (12) one member appointed by the Greater Minnesota Housing Fund;

280.19 (13) one member with experience in multifamily affordable housing lending appointed
280.20 by the Minnesota Bankers Association;

280.21 (14) one member appointed by the Insurance Federation of Minnesota;

280.22 (15) one member appointed by the Twin Cities United Way;

280.23 (16) one member appointed by the speaker of the house;

280.24 (17) one member appointed by the house minority leader;

280.25 (18) one member appointed by the senate majority leader; and

280.26 (19) one member appointed by the senate minority leader.

280.27 (b) The appointing authorities must make the appointments by June 15, 2024.

280.28 Subd. 3. **Duties.** (a) The task force must assess underlying financial challenges to develop,
280.29 operate, and preserve safe, affordable, and dignified housing, including;

281.1 (1) factors that are leading to increasing operating costs for affordable housing providers,
281.2 including insurance availability and rates, labor costs, and security costs;

281.3 (2) factors that are leading to declining revenues for affordable housing providers, such
281.4 as loss of rent and vacancy issues; and

281.5 (3) the potential impact of the loss of housing units under current conditions, including
281.6 preservation needs of federally rent-assisted properties and tax credit developments with
281.7 expiring contracts.

281.8 (b) The task force must evaluate current financing and administrative tools to develop,
281.9 operate, and preserve safe and affordable housing, including:

281.10 (1) public and private financing programs, and the availability of funding as it relates
281.11 to overall needs; and

281.12 (2) administrative tools including underwriting standards used by public and private
281.13 housing funders and investors.

281.14 (c) The task force must evaluate financial or asset management practices of affordable
281.15 housing providers and support for asset management functions by funder organizations.

281.16 (d) The task force must recommend potential solutions to develop and preserve safe and
281.17 affordable housing, including:

281.18 (1) additional funding for existing programs and administrative tools;

281.19 (2) any new financial tools necessary to meet current financial challenges that cannot
281.20 be met by existing state and local government or private program and administrative tools,
281.21 including new uses, modified implementation, or other improvements to existing programs;
281.22 and

281.23 (3) best practices for changes to financial or asset management practices of affordable
281.24 housing providers and funders.

281.25 (e) The task force may address other topics as identified by task force members during
281.26 the course of its work.

281.27 (f) The task force shall consult with other organizations that have expertise in affordable
281.28 rental housing, including entities engaging in additional external stakeholder input from
281.29 those with lived experience and administrators of emergency assistance, including
281.30 Minnesota's Tribal nations.

282.1 Subd. 4. **Meetings.** (a) The Legislative Coordinating Commission must ensure the first
282.2 meeting of the task force convenes no later than July 1, 2024, and must provide accessible
282.3 physical or virtual meeting space as necessary for the task force to conduct its work.

282.4 (b) At its first meeting, the task force must elect a chair or cochair by a majority vote
282.5 of those members present and may elect a vice-chair as necessary.

282.6 (c) The task force must establish a schedule for meetings and meet as necessary to
282.7 accomplish the duties under subdivision 3.

282.8 (d) The task force is subject to the Minnesota Open Meeting Law under Minnesota
282.9 Statutes, chapter 13D.

282.10 Subd. 5. **Report required.** By February 1, 2025, the task force must submit a report to
282.11 the commissioner of the Minnesota Housing Finance Agency, the Interagency Stabilization
282.12 Group, and the chairs and ranking minority members of the legislative committees having
282.13 jurisdiction over housing finance and policy. At a minimum, the report must:

282.14 (1) summarize the activities of the task force;

282.15 (2) provide findings and recommendations adopted by the task force; and

282.16 (3) include any draft legislation to implement the recommendations.

282.17 Subd. 6. **Expiration.** The task force expires upon submission of the final
282.18 recommendations required under subdivision 5.

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

282.20 Sec. 50. **REPORT ON SECTION 42 SENIOR RENTAL HOUSING.**

282.21 (a) The commissioner of the Minnesota Housing Finance Agency must gather data and
282.22 produce a report on senior renters residing in properties financed by tax credits under Section
282.23 42 of the Internal Revenue Code, and Section 42 properties. To the extent practicable, the
282.24 commissioner must gather data from the past ten years and report on the:

282.25 (1) estimated number of Section 42 properties in which a majority of units are occupied
282.26 by senior households;

282.27 (2) estimated number of senior households living in Section 42 properties and the
282.28 estimated number of senior households living in Section 42 properties that are cost-burdened;

282.29 (3) amount of public resources allocated or awarded to construct Section 42 properties
282.30 in which a majority of units are occupied by senior households;

283.1 (4) annual percentage changes in area median income, Social Security cost-of-living
283.2 adjustments, and inflation; and

283.3 (5) number of times rents were increased to the maximum allowable under HUD
283.4 guidelines in Section 42 properties in which a majority of units occupied by senior
283.5 households.

283.6 (b) By January 15, 2025, the commissioner must report on the data gathered to the chairs
283.7 and ranking minority members of the legislative committees with jurisdiction over housing
283.8 finance. The commissioner must use existing financial resources to review and complete
283.9 this report.

283.10 **Sec. 51. COMPREHENSIVE PLANS; METROPOLITAN AREA CITIES OF THE**
283.11 **FIRST CLASS.**

283.12 Comprehensive plans adopted by cities of the first class in the metropolitan area, as
283.13 defined under Minnesota Statutes, section 473.121, subdivision 2, and authorized by the
283.14 Metropolitan Council for the most recent decennial review under Minnesota Statutes, section
283.15 473.864, shall not constitute conduct that causes or is likely to cause pollution, impairment,
283.16 or destruction as defined under Minnesota Statutes, section 116B.02, subdivision 5.

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

283.20 **Sec. 52. CONTINGENT FEE PAYMENTS.**

283.21 Notwithstanding any law to the contrary, an attorney or financial adviser participating
283.22 in conduit financing through a local unit of government may be paid on a contingent fee
283.23 basis.

283.24 **EFFECTIVE DATE.** This section is effective the day following final enactment and
283.25 expires June 1, 2025.

283.26 **Sec. 53. REVISOR INSTRUCTION.**

283.27 The revisor of statutes shall renumber Minnesota Statutes, section 462A.37, subdivision
283.28 2i, as Minnesota Statutes, section 462A.37, subdivision 3a. The revisor shall also make
283.29 necessary cross-reference changes in Minnesota Statutes.

284.1 Sec. 54. **REPEALER.**

284.2 (a) Minnesota Statutes 2022, section 462A.209, subdivision 8, is repealed.

284.3 (b) Minnesota Statutes 2023 Supplement, section 477A.35, subdivision 1, is repealed.

284.4 **EFFECTIVE DATE.** Paragraph (a) is effective the day following final enactment.

284.5 Paragraph (b) is effective beginning with aids payable in 2024.

284.6 **ARTICLE 16**

284.7 **EXPEDITING RENTAL ASSISTANCE**

284.8 Section 1. **[462A.2096] ANNUAL PROJECTION OF EMERGENCY RENTAL**

284.9 **ASSISTANCE NEEDS.**

284.10 The agency must develop a projection of emergency rental assistance needs in

284.11 consultation with the commissioner of human services and representatives from county and

284.12 Tribal housing administrators and housing nonprofit agencies. The projection must identify

284.13 the amount of funding required to meet all emergency rental assistance needs, including

284.14 the family homelessness prevention and assistance program, the emergency assistance

284.15 program, and emergency general assistance. By January 15 each year, the commissioner

284.16 must submit a report on the projected need for emergency rental assistance to the chairs and

284.17 ranking minority members of the legislative committees having jurisdiction over housing

284.18 and human services finance and policy.

284.19 Sec. 2. **EXPEDITING RENTAL ASSISTANCE; IMPLEMENTATION.**

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

284.21 (1) "culturally responsive" means agencies, programs, and providers of services respond

284.22 respectfully and effectively to people of all cultures, languages, classes, races, ethnic

284.23 backgrounds, disabilities, religions, genders, sexual orientations, and other identities in a

284.24 manner that recognizes, values, and affirms differences and eliminates barriers to access;

284.25 and

284.26 (2) "trauma-informed" means to recognize that many people have experienced trauma

284.27 in their lifetime and that programs must be designed to respond to people with respect and

284.28 accommodate the needs of people who have or are currently experiencing trauma.

284.29 (b) In implementing the sections in this article, the commissioner of the Minnesota

284.30 Housing Finance Agency must ensure the work is culturally responsive and trauma-informed.

285.1 Sec. 3. **DATA COLLECTION TO MEASURE TIMELINESS OF RENTAL**
285.2 **ASSISTANCE.**

285.3 The commissioner of the Minnesota Housing Finance Agency must work with the
285.4 commissioner of human services to develop criteria for measuring the timeliness of
285.5 processing applications for rental assistance. The commissioner of the Minnesota Housing
285.6 Finance Agency must collect data to monitor application speeds of the family homelessness
285.7 prevention and assistance program and use the collected data to inform improvements to
285.8 application processing systems. By January 15, 2027, the commissioner of the Minnesota
285.9 Housing Finance Agency must submit a report to the chairs and ranking minority members
285.10 of the legislative committees having jurisdiction over housing finance and policy. The report
285.11 must include analysis of the data collected and whether goals have been met to (1) process
285.12 an emergency rental assistance application within two weeks of the receipt of a complete
285.13 application, and (2) if approved, make payment to a landlord within 30 days of the receipt
285.14 of a complete application.

285.15 Sec. 4. **E-SIGNATURE OPTIONS FOR RENTAL ASSISTANCE.**

285.16 The commissioner of the Minnesota Housing Finance Agency, working with the
285.17 commissioner of human services, shall develop uniform e-signature options to be used in
285.18 applications for the family homelessness prevention and assistance program. No later than
285.19 June 30, 2026, the commissioner shall require administrators of the family homelessness
285.20 prevention and assistance program to incorporate and implement the developed e-signature
285.21 options. The commissioner must notify the chairs and ranking minority members of the
285.22 legislative committees with jurisdiction over housing of the date when the e-signature options
285.23 are implemented. A copy of this notification must also be filed with the Legislative Reference
285.24 Library in compliance with Minnesota Statutes, section 3.195.

285.25 Sec. 5. **VERIFICATION PROCEDURES FOR RENTAL ASSISTANCE.**

285.26 (a) The commissioner of the Minnesota Housing Finance Agency, working with program
285.27 administrators, must develop recommendations to simplify the process of verifying
285.28 information in applications for the family homelessness prevention and assistance program.
285.29 In developing recommendations, the commissioner must consider:

285.30 (1) allowing self-attestation of emergencies, assets, and income;

285.31 (2) allowing verbal authorization by applicants to allow emergency rental assistance
285.32 administrators to communicate with landlords and utility providers regarding applications
285.33 for assistance; and

286.1 (3) allowing landlords to apply for emergency rental assistance on tenants' behalf.

286.2 (b) The commissioner must:

286.3 (1) prepare recommendations and submit them to the chairs and ranking minority

286.4 members of the legislative committees having jurisdiction over housing finance and policy

286.5 by January 1, 2025;

286.6 (2) adopt any recommendations that have become law; and

286.7 (3) provide technical assistance to counties, Tribes, and other emergency rental assistance

286.8 administrators to implement these recommendations.

286.9 (c) By January 13, 2025, the commissioner must report to the chairs and ranking minority

286.10 members of the legislative committees with jurisdiction over housing detailing the proposed

286.11 recommendations required by this section. By July 7, 2025, the commissioner must report

286.12 to the chairs and ranking minority members of the legislative committees with jurisdiction

286.13 over housing detailing the recommendations adopted as required by this section."

286.14 Delete the title and insert:

286.15 "A bill for an act

286.16 relating to state government; providing a supplemental budget for transportation,
286.17 labor and industry, and housing; modifying transportation policy provisions related
286.18 to greenhouse gas emissions, driver and vehicle services, electric-assisted bicycles,
286.19 traffic safety camera systems; pedestrian malls, high voltage transmission lines,
286.20 railroad safety, and transit; establishing the Minnesota Advisory Council on
286.21 Infrastructure; modifying various labor policy provisions related to combative
286.22 sports, labor and industry, the Bureau of Mediation Services, University of
286.23 Minnesota collective bargaining, and broadband installation safety; modifying
286.24 housing policy provisions related to new and existing programs and expanding
286.25 eligible uses of housing infrastructure bonds; modifying prior appropriations;
286.26 imposing civil penalties; making technical changes; authorizing rulemaking;
286.27 requiring studies; requiring reports; authorizing the sale and issuance of state
286.28 bonds; appropriating money; amending Minnesota Statutes 2022, sections 13.6905,
286.29 by adding a subdivision; 13.824, subdivision 1, by adding a subdivision; 116J.395,
286.30 subdivision 6, by adding subdivisions; 116J.871, subdivision 4; 134A.09,
286.31 subdivision 2a; 134A.10, subdivision 3; 161.089; 161.14, by adding a subdivision;
286.32 161.3203, subdivision 4; 161.45, by adding subdivisions; 161.46, subdivision 1;
286.33 162.02, by adding a subdivision; 162.081, subdivision 4; 162.09, by adding a
286.34 subdivision; 162.145, subdivision 5; 168.09, subdivision 7; 168.092; 168.127;
286.35 168.301, subdivision 3; 168.33, by adding a subdivision; 168A.10, subdivision 2;
286.36 168A.11, subdivisions 1, 2; 168B.035, subdivision 3; 169.011, by adding
286.37 subdivisions; 169.04; 169.06, by adding subdivisions; 169.14, subdivision 10, by
286.38 adding subdivisions; 169.18, by adding a subdivision; 169.21, subdivision 6;
286.39 169.222, subdivisions 2, 6a, 6b; 169.346, subdivision 2; 169.974, subdivision 5;
286.40 169.99, subdivision 1; 171.01, by adding subdivisions; 171.06, subdivision 3b;
286.41 171.061, by adding a subdivision; 171.12, by adding a subdivision; 171.13,
286.42 subdivision 9; 171.16, subdivision 3; 174.02, by adding a subdivision; 174.185,
286.43 subdivisions 2, 3, by adding subdivisions; 174.40, subdivision 3; 174.75,
286.44 subdivisions 1, 2, by adding a subdivision; 177.27, subdivision 3; 179A.041,
286.45 subdivision 2; 179A.09, by adding subdivisions; 179A.11, subdivisions 1, 2, by

287.1 adding a subdivision; 179A.12, subdivision 5; 179A.13, subdivisions 1, 2; 179A.40,
 287.2 subdivision 1; 179A.54, subdivision 5; 181.171, subdivision 1; 181.722; 181.723;
 287.3 181.960, subdivision 3; 216B.17, by adding a subdivision; 216E.02, subdivision
 287.4 1; 221.0255, subdivisions 4, 9, by adding a subdivision; 270B.14, subdivision 17,
 287.5 by adding a subdivision; 297A.815, subdivision 3; 299E.01, subdivision 2;
 287.6 326B.081, subdivisions 3, 6, 8; 326B.082, subdivisions 1, 2, 4, 6, 7, 10, 11, 13,
 287.7 by adding a subdivision; 326B.701; 326B.89, subdivision 5; 341.28, by adding a
 287.8 subdivision; 341.29; 383B.145, subdivision 5; 430.01, subdivision 2; 430.011,
 287.9 subdivisions 1, 2, 3; 430.023; 430.031, subdivision 1; 430.13; 462A.02, subdivision
 287.10 10; 462A.05, subdivisions 14a, 14b, 15, 15b, 21, 23; 462A.07, by adding
 287.11 subdivisions; 462A.21, subdivision 7; 462A.35, subdivision 2; 462A.37, by adding
 287.12 a subdivision; 462A.40, subdivisions 2, 3; 473.13, by adding a subdivision;
 287.13 473.3927; 473.452; 480.15, by adding a subdivision; 626.892, subdivision 10;
 287.14 Minnesota Statutes 2023 Supplement, sections 13.43, subdivision 6; 82.75,
 287.15 subdivision 8; 116J.871, subdivisions 1, as amended, 2; 123B.935, subdivision 1;
 287.16 161.178; 161.46, subdivision 2; 162.146, by adding a subdivision; 168.1259;
 287.17 168.29; 169.011, subdivision 27; 169.223, subdivision 4; 171.06, subdivision 3;
 287.18 171.0705, subdivision 2; 171.301, subdivisions 3, 6; 174.49, subdivision 6; 174.634,
 287.19 subdivision 2, by adding a subdivision; 177.27, subdivisions 1, 2, 4, 7; 177.50, by
 287.20 adding subdivisions; 179A.03, subdivisions 14, 18; 179A.041, subdivision 10;
 287.21 179A.06, subdivision 6; 179A.07, subdivisions 8, 9; 179A.10, subdivision 2;
 287.22 179A.12, subdivisions 2a, 6, 11; 181.032; 181.9445, subdivisions 4, 5, by adding
 287.23 a subdivision; 181.9446; 181.9447, subdivisions 1, 3, 5, 10, 11, by adding a
 287.24 subdivision; 181.9448, subdivisions 1, 2, 3; 219.015, subdivision 2; 297A.993,
 287.25 subdivision 2a; 326B.106, subdivision 1; 341.25; 341.28, subdivision 5; 341.30,
 287.26 subdivision 4; 341.321; 341.33, by adding a subdivision; 341.355; 357.021,
 287.27 subdivision 6; 462A.05, subdivisions 14, 45; 462A.22, subdivision 1; 462A.37,
 287.28 subdivisions 2, 5; 462A.38, subdivision 2; 462A.39, subdivision 2; 462A.395;
 287.29 473.145; 473.3999; 473.4051, by adding a subdivision; 473.412, subdivisions 2,
 287.30 3; 473.4465, subdivision 4; 477A.35, subdivisions 2, 4, 5, 6, by adding a
 287.31 subdivision; 477A.36, subdivisions 1, as amended, 4, 5, 6, as amended, by adding
 287.32 a subdivision; Laws 2021, First Special Session chapter 5, article 1, section 2,
 287.33 subdivision 2; Laws 2023, chapter 37, article 1, section 2, subdivisions 2, 5, 18,
 287.34 25, 29, 32; article 2, sections 6, subdivisions 1, 2, 4, 5, by adding subdivisions;
 287.35 12, subdivision 2; Laws 2023, chapter 52, article 19, section 120; Laws 2023,
 287.36 chapter 53, article 14, section 1; article 19, sections 2, subdivisions 1, 3, 5; 4; Laws
 287.37 2023, chapter 68, article 1, sections 3, subdivision 2; 4, subdivision 3; 20; article
 287.38 4, sections 108; 126; proposing coding for new law in Minnesota Statutes, chapters
 287.39 16B; 161; 168; 169; 181; 219; 325F; 326B; 341; 430; 462A; repealing Minnesota
 287.40 Statutes 2022, sections 168.1297; 179.81; 179.82; 179.83, subdivision 1; 179.84,
 287.41 subdivision 1; 179.85; 462A.209, subdivision 8; Minnesota Statutes 2023
 287.42 Supplement, section 477A.35, subdivision 1; Laws 2023, chapter 37, article 2,
 287.43 section 13; Minnesota Rules, parts 5520.0100; 5520.0110; 5520.0120, subparts 1,
 287.44 2, 3, 4, 5, 6, 7; 5520.0200; 5520.0250, subparts 1, 2, 4; 5520.0300; 5520.0500,
 287.45 subparts 1, 2, 3, 4, 5, 6; 5520.0520; 5520.0540; 5520.0560; 5520.0600; 5520.0620;
 287.46 5520.0700; 5520.0710; 5520.0800."

288.1 We request the adoption of this report and repassage of the bill.

288.2 House Conferees:

288.3

288.4 Frank Hornstein Michael Nelson

288.5

288.6 Michael Howard Brad Tabke

288.7

288.8 John Petersburg

288.9 Senate Conferees:

288.10

288.11 D. Scott Dibble Jennifer McEwen

288.12

288.13 Lindsey Port Kelly Morrison

288.14

288.15 Warren Limmer