

1.1 A bill for an act

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

1.3 money for transportation purposes, including Department of Transportation,

1.4 Department of Public Safety, and Metropolitan Council activities; modifying

1.5 various transportation finance and policy provisions; imposing and modifying

1.6 certain taxes, including to establish a per-kilowatt hour tax on public electric

1.7 vehicle charging, modify calculation of electric vehicle surcharge, and establish

1.8 surcharge on plug-in hybrid electric vehicles; establishing electricity as vehicle

1.9 fuel working group; requiring rulemaking; requiring various transportation and

1.10 transit-related studies; requiring reports; transferring money; making technical and

1.11 conforming changes; amending Minnesota Statutes 2024, sections 4.076,

1.12 subdivisions 4, 5, by adding a subdivision; 13.6905, subdivision 8; 16A.88,

1.13 subdivision 1a; 161.088, subdivision 4a; 161.115, subdivision 177; 161.14, by

1.14 adding subdivisions; 161.178, subdivision 4; 168.002, subdivision 6; 168.013,

1.15 subdivisions 1a, 1m, by adding a subdivision; 168.091; 168.27, subdivisions 8,

1.16 11, 16, 22; 168.33, by adding a subdivision; 168A.11, subdivision 1; 168E.01, by

1.17 adding subdivisions; 168E.05, subdivision 1; 169.011, subdivision 36; 169.06,

1.18 subdivision 5; 169.686, subdivision 1; 169.865, subdivisions 1a, 3; 169.974,

1.19 subdivision 5; 171.01, by adding subdivisions; 171.05, subdivision 1; 171.0605,

1.20 subdivision 2, by adding a subdivision; 171.061, by adding a subdivision; 171.0701,

1.21 by adding a subdivision; 171.0705, by adding a subdivision; 171.071, subdivision

1.22 2; 171.13, subdivisions 1, 7, 8; 171.17, subdivision 1; 171.2405, subdivision 1;

1.23 171.301, subdivisions 1, as amended, 5, 6; 171.306, subdivisions 1, as amended,

1.24 4, as amended, 8; 174.07, subdivision 3; 174.38, subdivision 4; 174.49, subdivision

1.25 6, by adding a subdivision; 174.634, subdivision 2; 289A.51, subdivisions 1, 3, 4;

1.26 296A.01, by adding subdivisions; 296A.02, subdivision 3; 296A.06, subdivision

1.27 2; 296A.061; 296A.19; 296A.22, subdivision 3; 297A.94; 297A.9915, subdivisions

1.28 1, 4, 5; 297A.993, subdivision 2a; 299A.55, subdivisions 2, 4; 360.511, by adding

1.29 subdivisions; 360.55, subdivisions 4, 4a, 8, by adding a subdivision; 398A.04, by

1.30 adding a subdivision; 473.129, by adding a subdivision; 473.13, subdivisions 1,

1.31 6; 473.142; 473.1425; 473.386, subdivision 10; 473.39, subdivision 6, by adding

1.32 subdivisions; 473.408, by adding a subdivision; 473.412, subdivision 3; 473.4465,

1.33 subdivisions 1, 2, 4, by adding subdivisions; Laws 2021, First Special Session

1.34 chapter 5, article 1, section 2, subdivision 2, as amended; Laws 2021, First Special

1.35 Session chapter 14, article 11, section 45; Laws 2023, chapter 60, article 10, section

1.36 9; Laws 2023, chapter 68, article 1, sections 2, subdivisions 2, 3; 17, subdivision

1.37 13; article 2, section 2, subdivision 9, as amended; article 4, section 109; Laws

1.38 2024, chapter 127, article 1, section 2, subdivision 3; Laws 2025, chapter 29,

2.1 section 13, subdivisions 5, 6; proposing coding for new law in Minnesota Statutes,  
2.2 chapters 137; 162; 168; 168A; 171; 174; 296A; repealing Minnesota Statutes 2024,  
2.3 section 473.452.

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

## ARTICLE 1

## TRANSPORTATION APPROPRIATIONS

2.7 Section 1. **TRANSPORTATION APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. Unless specified otherwise, the amounts in fiscal year 2027 under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "Each year" is each of fiscal years 2026 and 2027. "The biennium" is fiscal years 2026 and 2027. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund.

2.20	<b><u>APPROPRIATIONS</u></b>	
2.21	<b><u>Available for the Year</u></b>	
2.22	<b><u>Ending June 30</u></b>	
2.23	<b>2026</b>	<b>2027</b>

2.24     **Sec. 2. DEPARTMENT OF**  
2.25     **TRANSPORTATION**

2.26	Subdivision 1. <b>Total Appropriation</b>	\$	<b>4,929,145,000</b>	\$	<b>4,013,528,000</b>
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## 2.27 Appropriations by Fund

2.28	2026	2027
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2.29	General	28,513,000	28,618,000
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2.30	Airports	35,318,000	35,168,000
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2.31	C.S.A.H.	1,112,067,000	1,144,590,000
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2.32	M.S.A.S.	282,281,000	288,852,000
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2.33	Trunk Highway	3,470,966,000	2,516,300,000
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2.34 The appropriations in this section are to the

2.35 commissioner of transportation.

3.1 The amounts that may be spent for each  
3.2 purpose are specified in the following  
3.3 subdivisions.

3.4 Subd. 2. **Multimodal Systems**

3.5 (a) **Aeronautics**

3.6 (1) **Airport Development and Assistance** 27,398,000 27,248,000

3.7 This appropriation is from the state airports  
3.8 fund and must be spent according to  
3.9 Minnesota Statutes, section 360.305,  
3.10 subdivision 4.

3.11 \$5,000,000 in each year is for a grant to the  
3.12 Duluth Airport Authority to design, construct,  
3.13 furnish, and equip a new air traffic control  
3.14 tower base building at the Duluth International  
3.15 Airport, including associated site preparation,  
3.16 building demolition, and utility and  
3.17 stormwater retention system improvements.  
3.18 Notwithstanding Minnesota Statutes, section  
3.19 16B.98, subdivision 14, the commissioner  
3.20 must not use any amount of this appropriation  
3.21 for administrative costs. This is a onetime  
3.22 appropriation and is available until June 30,  
3.23 2028.

3.24 \$150,000 in fiscal year 2026 is for a grant to  
3.25 the city of McGregor to relocate the automated  
3.26 weather station at the McGregor Isedor  
3.27 Iverson Airport. Notwithstanding Minnesota  
3.28 Statutes, section 16B.98, subdivision 14, the  
3.29 commissioner must not use any amount of this  
3.30 appropriation for administrative costs.

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

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

4.3 If the commissioner of transportation  
4.4 determines that a balance remains in the state  
4.5 airports fund following the appropriations  
4.6 made in this article and that the appropriations  
4.7 made are insufficient for advancing airport  
4.8 development and assistance projects, an  
4.9 amount necessary to advance the projects, not  
4.10 to exceed the balance in the state airports fund,  
4.11 is appropriated in each year to the  
4.12 commissioner and must be spent according to  
4.13 Minnesota Statutes, section 360.305,  
4.14 subdivision 4. Within two weeks of a  
4.15 determination under this contingent  
4.16 appropriation, the commissioner of  
4.17 transportation must notify the commissioner  
4.18 of management and budget and the chairs and  
4.19 ranking minority members of the legislative  
4.20 committees with jurisdiction over  
4.21 transportation finance concerning the funds  
4.22 appropriated. Funds appropriated under this  
4.23 contingent appropriation do not adjust the base  
4.24 for fiscal years 2028 and 2029.

4.25 The base is \$22,248,000 in each of fiscal years  
4.26 2028 and 2029.

4.27	<u>(2) Aviation Support Services</u>	<u>9,583,000</u>	<u>9,733,000</u>
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4.28	<u>Appropriations by Fund</u>		
4.29		<u>2026</u>	<u>2027</u>
4.30	<u>General</u>	<u>1,843,000</u>	<u>1,993,000</u>
4.31	<u>Airports</u>	<u>7,740,000</u>	<u>7,740,000</u>

4.32 The base from the state airports fund is  
4.33 \$7,790,000 in each of fiscal years 2028 and  
4.34 2029.

5.1	<b><u>(3) Civil Air Patrol</u></b>	<u>180,000</u>	<u>180,000</u>
5.2	<u>This appropriation is from the state airports</u>		
5.3	<u>fund for the Civil Air Patrol.</u>		
5.4	<b><u>(b) Transit and Active Transportation</u></b>	<u>7,421,000</u>	<u>7,376,000</u>
5.5	<u>This appropriation is from the general fund.</u>		
5.6	<u>\$45,000 in fiscal year 2026 is for a grant to</u>		
5.7	<u>the city of Chatfield for the next phase of</u>		
5.8	<u>development of a transportation management</u>		
5.9	<u>organization in southeastern Minnesota. This</u>		
5.10	<u>appropriation is for: (1) the development of</u>		
5.11	<u>organizational structure, including staffing,</u>		
5.12	<u>an oversight committee, and responsibilities</u>		
5.13	<u>of the host organization; and (2) community</u>		
5.14	<u>outreach and education. Up to \$1,000 of the</u>		
5.15	<u>appropriation is for related administrative costs</u>		
5.16	<u>for the city of Chatfield. Notwithstanding</u>		
5.17	<u>Minnesota Statutes, section 16B.98,</u>		
5.18	<u>subdivision 14, the commissioner must not</u>		
5.19	<u>use any amount of this appropriation for</u>		
5.20	<u>administrative costs. This is a onetime</u>		
5.21	<u>appropriation and is available until June 30,</u>		
5.22	<u>2027.</u>		
5.23	<u>The base is \$18,376,000 in each of fiscal years</u>		
5.24	<u>2028 and 2029.</u>		
5.25	<b><u>(c) Safe Routes to School</u></b>	<u>1,500,000</u>	<u>1,500,000</u>
5.26	<u>This appropriation is from the general fund</u>		
5.27	<u>for the safe routes to school program under</u>		
5.28	<u>Minnesota Statutes, section 174.40.</u>		
5.29	<u>If the appropriation for either year is</u>		
5.30	<u>insufficient, the appropriation for the other</u>		
5.31	<u>year is available for it.</u>		
5.32	<b><u>(d) Passenger Rail</u></b>	<u>5,743,000</u>	<u>5,743,000</u>

6.1 This appropriation is from the general fund  
 6.2 for passenger rail activities under Minnesota  
 6.3 Statutes, sections 174.632 to 174.636.

6.4 **(c) Freight** 9,115,000 9,184,000

6.5 Appropriations by Fund

	<u>2026</u>	<u>2027</u>
6.6 <u>General</u>	<u>2,303,000</u>	<u>2,303,000</u>
6.7 <u>Trunk Highway</u>	<u>6,812,000</u>	<u>6,881,000</u>

6.9 \$900,000 in each year is from the general fund  
 6.10 for staff, operating costs, and maintenance  
 6.11 related to weight and safety enforcement  
 6.12 systems.

6.13 **Subd. 3. State Roads**

6.14 **(a) Operations and Maintenance** 441,805,000 445,274,000

6.15 The base is \$450,274,000 in each of fiscal  
 6.16 years 2028 and 2029.

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

6.18 **(1) Planning and Research** 37,156,000 37,244,000

6.19 The commissioner may use any balance  
 6.20 remaining in this appropriation for program  
 6.21 delivery under clause (2).

6.22 \$3,000,000 in each year is for statewide trunk  
 6.23 highway corridor planning.

6.24 \$150,000 in fiscal year 2026 is to conduct  
 6.25 autonomous mowing research and to purchase  
 6.26 an autonomous mower. The mower must be  
 6.27 purchased from a company based in  
 6.28 Minnesota.

6.29 \$134,000 in fiscal year 2026 and \$135,000 in  
 6.30 fiscal year 2027 are for administrative costs  
 6.31 of the targeted group business program.

7.1 \$300,000 in each year is for grants to  
 7.2 metropolitan planning organizations outside  
 7.3 the seven-county metropolitan area.

7.4 \$900,000 in each year is for grants for  
 7.5 transportation studies outside the metropolitan  
 7.6 area to identify critical concerns, problems,  
 7.7 and issues. These grants are available: (i) to  
 7.8 regional development commissions; (ii) in  
 7.9 regions where no regional development  
 7.10 commission is functioning, to joint powers  
 7.11 boards established under agreement of two or  
 7.12 more political subdivisions in the region to  
 7.13 exercise the planning functions of a regional  
 7.14 development commission; and (iii) in regions  
 7.15 where no regional development commission  
 7.16 or joint powers board is functioning, to the  
 7.17 Department of Transportation district office  
 7.18 for that region.

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

7.20	<u>Appropriations by Fund</u>		
7.21		<u>2026</u>	<u>2027</u>
7.22	<u>General</u>	<u>2,000,000</u>	<u>2,000,000</u>
7.23	<u>Trunk Highway</u>	<u>278,588,000</u>	<u>281,701,000</u>

7.24 This appropriation includes use of consultants  
 7.25 to support development and management of  
 7.26 projects.

7.27 \$2,000,000 in each year is from the general  
 7.28 fund for implementation of climate-related  
 7.29 programs as provided under the federal  
 7.30 Infrastructure Investment and Jobs Act, Public  
 7.31 Law 117-58, or any subsequent federal  
 7.32 appropriations acts.

7.33 \$1,003,000 in fiscal year 2026 and \$1,005,000  
 7.34 in fiscal year 2027 are from the trunk highway

8.1 fund for management of contaminated and  
 8.2 regulated material on property owned by the  
 8.3 Department of Transportation, including  
 8.4 mitigation of property conveyances, facility  
 8.5 acquisition or expansion, chemical release at  
 8.6 maintenance facilities, and spills on the trunk  
 8.7 highway system where there is no known  
 8.8 responsible party. If the appropriation for  
 8.9 either year is insufficient, the appropriation  
 8.10 for the other year is available for it.

8.11	<b><u>(c) State Road Construction</u></b>	<u>2,247,807,000</u>	<u>1,264,407,000</u>
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8.12 This appropriation is for the actual  
 8.13 construction, reconstruction, and improvement  
 8.14 of trunk highways, including design-build  
 8.15 contracts, internal department costs associated  
 8.16 with delivering the construction program,  
 8.17 consultant usage to support these activities,  
 8.18 and the cost of actual payments to landowners  
 8.19 for lands acquired for highway rights-of-way,  
 8.20 payment to lessees, interest subsidies, and  
 8.21 relocation expenses.

8.22 This appropriation includes federal highway  
 8.23 aid. The commissioner of transportation must  
 8.24 notify the chairs and ranking minority  
 8.25 members of the legislative committees with  
 8.26 jurisdiction over transportation finance of any  
 8.27 significant events that cause the estimates of  
 8.28 federal aid to change.

8.29 \$650,000,000 in fiscal year 2026 is for the  
 8.30 John A. Blatnik Bridge between Duluth,  
 8.31 Minnesota, and Superior, Wisconsin. The  
 8.32 commissioner may use up to 17 percent of the  
 8.33 amount for program delivery. This is a  
 8.34 onetime appropriation and is available until  
 8.35 June 30, 2033.



9.1 \$33,250,000 in each year is for priority trunk  
 9.2 highway construction projects, which may  
 9.3 include but are not limited to predesign;  
 9.4 preliminary and final design; engineering;  
 9.5 environmental analysis; right-of-way  
 9.6 acquisition, including easements; construction;  
 9.7 and associated infrastructure improvements.  
 9.8 This is a onetime appropriation and is  
 9.9 available until June 30, 2029.

9.10 The commissioner may expend up to one-half  
 9.11 of one percent of the federal appropriations  
 9.12 under this paragraph as grants to opportunity  
 9.13 industrialization centers and other nonprofit  
 9.14 job training centers for job training programs  
 9.15 related to highway construction.

9.16 The commissioner may transfer up to  
 9.17 \$15,000,000 in each year to the transportation  
 9.18 revolving loan fund.

9.19 The commissioner may receive money  
 9.20 covering other shares of the cost of partnership  
 9.21 projects. These receipts are appropriated to  
 9.22 the commissioner for these projects.

9.23 The base is \$1,286,546,000 in each of fiscal  
 9.24 years 2028 and 2029.

9.25	<u><b>(d) Corridors of Commerce</b></u>	<u>25,000,000</u>	<u>25,000,000</u>
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9.26 This appropriation is for the corridors of  
 9.27 commerce program under Minnesota Statutes,  
 9.28 section 161.088. The commissioner may use  
 9.29 up to 17 percent of the amount in each year  
 9.30 for program delivery.

9.31 The base is \$20,000,000 in fiscal year 2028,  
 9.32 \$20,000,000 in fiscal year 2029, and  
 9.33 \$25,000,000 in fiscal year 2030 and each year  
 9.34 thereafter.

10.1	<b><u>(e) Highway Debt Service</u></b>	<u>297,306,000</u>	<u>315,549,000</u>
10.2	<u>\$294,306,000 in fiscal year 2026 and</u>		
10.3	<u>\$312,549,000 in fiscal year 2027 are for</u>		
10.4	<u>transfer to the state bond fund. If this</u>		
10.5	<u>appropriation is insufficient to make all</u>		
10.6	<u>transfers required in the year for which it is</u>		
10.7	<u>made, the commissioner of management and</u>		
10.8	<u>budget must transfer the deficiency amount</u>		
10.9	<u>as provided under Minnesota Statutes, section</u>		
10.10	<u>16A.641, and notify the chairs and ranking</u>		
10.11	<u>minority members of the legislative</u>		
10.12	<u>committees with jurisdiction over</u>		
10.13	<u>transportation finance and the chairs of the</u>		
10.14	<u>senate Finance Committee and the house of</u>		
10.15	<u>representatives Ways and Means Committee</u>		
10.16	<u>of the amount of the deficiency. Any excess</u>		
10.17	<u>appropriation cancels to the trunk highway</u>		
10.18	<u>fund.</u>		
10.19	<b><u>(f) Statewide Radio Communications</u></b>	<u>7,052,000</u>	<u>7,121,000</u>
10.20	<u>Appropriations by Fund</u>		
10.21	<u>2026</u>	<u>2027</u>	
10.22	<u>General</u>	<u>3,000</u>	<u>3,000</u>
10.23	<u>Trunk Highway</u>	<u>7,049,000</u>	<u>7,118,000</u>
10.24	<u>\$3,000 in each year is from the general fund</u>		
10.25	<u>to equip and operate the Roosevelt signal</u>		
10.26	<u>tower for Lake of the Woods weather</u>		
10.27	<u>broadcasting.</u>		
10.28	<b><u>Subd. 4. Local Roads</u></b>		
10.29	<b><u>(a) County State-Aid Highways</u></b>	<u>1,112,067,000</u>	<u>1,144,590,000</u>
10.30	<u>This appropriation is from the county state-aid</u>		
10.31	<u>highway fund under Minnesota Statutes,</u>		
10.32	<u>sections 161.081, 174.49, and 297A.815,</u>		
10.33	<u>subdivision 3, and chapter 162, and is</u>		
10.34	<u>available until June 30, 2035.</u>		

11.1 If the commissioner of transportation  
 11.2 determines that a balance remains in the  
 11.3 county state-aid highway fund following the  
 11.4 appropriations and transfers made in this  
 11.5 paragraph and that the appropriations made  
 11.6 are insufficient for advancing county state-aid  
 11.7 highway projects, an amount necessary to  
 11.8 advance the projects, not to exceed the balance  
 11.9 in the county state-aid highway fund, is  
 11.10 appropriated in each year to the commissioner.  
 11.11 Within two weeks of a determination under  
 11.12 this contingent appropriation, the  
 11.13 commissioner of transportation must notify  
 11.14 the commissioner of management and budget  
 11.15 and the chairs and ranking minority members  
 11.16 of the legislative committees with jurisdiction  
 11.17 over transportation finance concerning funds  
 11.18 appropriated. The governor must identify in  
 11.19 the next budget submission to the legislature  
 11.20 under Minnesota Statutes, section 16A.11, any  
 11.21 amount that is appropriated under this  
 11.22 paragraph.

11.23	<u><b>(b) Municipal State-Aid Streets</b></u>	<u>282,281,000</u>	<u>288,852,000</u>
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11.24 This appropriation is from the municipal  
 11.25 state-aid street fund under Minnesota Statutes,  
 11.26 chapter 162, and is available until June 30,  
 11.27 2035.

11.28 If the commissioner of transportation  
 11.29 determines that a balance remains in the  
 11.30 municipal state-aid street fund following the  
 11.31 appropriations and transfers made in this  
 11.32 paragraph and that the appropriations made  
 11.33 are insufficient for advancing municipal  
 11.34 state-aid street projects, an amount necessary  
 11.35 to advance the projects, not to exceed the

12.1 balance in the municipal state-aid street fund,  
 12.2 is appropriated in each year to the  
 12.3 commissioner. Within two weeks of a  
 12.4 determination under this contingent  
 12.5 appropriation, the commissioner of  
 12.6 transportation must notify the commissioner  
 12.7 of management and budget and the chairs and  
 12.8 ranking minority members of the legislative  
 12.9 committees with jurisdiction over  
 12.10 transportation finance concerning funds  
 12.11 appropriated. The governor must identify in  
 12.12 the next budget submission to the legislature  
 12.13 under Minnesota Statutes, section 16A.11, any  
 12.14 amount that is appropriated under this  
 12.15 paragraph.

12.16 **(c) Other Local Roads**

12.17 <b><u>(1) Local Transportation Disaster Support</u></b>	<u>1,000,000</u>	<u>1,000,000</u>
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12.18 This appropriation is from the general fund to  
 12.19 provide:

12.20 (i) a cost-share for federal assistance from the  
 12.21 Federal Highway Administration for the  
 12.22 emergency relief program under United States  
 12.23 Code, title 23, section 125; and

12.24 (ii) assistance for roadway damage on the  
 12.25 state-aid or federal-aid system associated with  
 12.26 state or federally declared disasters ineligible  
 12.27 for assistance from existing state and federal  
 12.28 disaster programs.

12.29 <b><u>(2) Traffic Calming Infrastructure</u></b>		
12.30 <b><u>Improvements</u></b>	<u>500,000</u>	<u>500,000</u>

12.31 This appropriation is from the general fund  
 12.32 for grants to cities of the first class for traffic  
 12.33 calming infrastructure improvements, which  
 12.34 may include horizontal and vertical deflection

13.1 elements, intersection improvements, paint,  
 13.2 curb bump-outs, bollards, raised crosswalks,  
 13.3 and other improvements to improve traffic  
 13.4 safety in the right-of-way. Improvements made  
 13.5 on nonmunicipal state-aid streets do not need  
 13.6 to meet municipal state-aid streets standards.

13.7 These are onetime appropriations.

13.8 Notwithstanding Minnesota Statutes, section  
 13.9 16B.98, subdivision 14, the commissioner  
 13.10 must not use any amount of this appropriation  
 13.11 for administrative costs. The commissioner  
 13.12 must distribute the grant aid as follows:

13.13 (i) 50 percent of the funds proportionally based  
 13.14 on each city's share of population, according  
 13.15 to the last federal decennial census, compared  
 13.16 to the total population of all cities of the first  
 13.17 class; and

13.18 (ii) 50 percent of the funds proportionally  
 13.19 based on each city's share of money needs, as  
 13.20 determined under Minnesota Statutes, section  
 13.21 162.13, subdivision 2, compared to the total  
 13.22 money needs of all cities of the first class.

13.23 Subd. 5. **Agency Management**

13.24 (a) **Agency Services** 91,533,000 95,124,000

13.25 Appropriations by Fund

13.26		<u>2026</u>	<u>2027</u>
13.27	<u>General</u>	<u>6,200,000</u>	<u>6,200,000</u>
13.28	<u>Trunk Highway</u>	<u>85,333,000</u>	<u>88,924,000</u>

13.29 (b) **Buildings** 43,510,000 43,602,000

13.30 \$2,000,000 in each year is for maintenance,  
 13.31 improvements, and modernization of  
 13.32 Department of Transportation facilities,  
 13.33 including truck stations and excluding the  
 13.34 central office building.

14.1 Any money appropriated to the commissioner  
 14.2 of transportation for building construction for  
 14.3 any fiscal year before fiscal year 2026 is  
 14.4 available to the commissioner during the  
 14.5 biennium to the extent that the commissioner  
 14.6 spends the money on the building construction  
 14.7 projects for which the money was originally  
 14.8 encumbered during the fiscal year for which  
 14.9 it was appropriated. If the appropriation for  
 14.10 either year is insufficient, the appropriation  
 14.11 for the other year is available for it.

14.12 <u>(c) Tort Claims</u>	<u>600,000</u>	<u>600,000</u>
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14.13 If the appropriation for either year is  
 14.14 insufficient, the appropriation for the other  
 14.15 year is available for it.

14.16 Subd. 6. Transfers; General Authority

14.17 (a) With the approval of the commissioner of  
 14.18 management and budget, the commissioner  
 14.19 of transportation may transfer unencumbered  
 14.20 balances among the appropriations from the  
 14.21 trunk highway fund and the state airports fund  
 14.22 made in this section. Transfers under this  
 14.23 paragraph must not be made: (1) between  
 14.24 funds; (2) from the appropriations for state  
 14.25 road construction or debt service; or (3) from  
 14.26 the appropriations for operations and  
 14.27 maintenance or program delivery, except for  
 14.28 a transfer to state road construction or debt  
 14.29 service.

14.30 (b) The commissioner of transportation must  
 14.31 immediately report transfers under paragraph  
 14.32 (a) to the chairs and ranking minority members  
 14.33 of the legislative committees with jurisdiction  
 14.34 over transportation finance. The authority for

15.1 the commissioner of transportation to make  
 15.2 transfers under Minnesota Statutes, section  
 15.3 16A.285, is superseded by the authority and  
 15.4 requirements under this subdivision.

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

15.6 The commissioner of transportation must  
 15.7 transfer from the flexible highway account in  
 15.8 the county state-aid highway fund:

15.9 (1) \$21,800,000 in fiscal year 2026 to the  
 15.10 trunk highway fund;

15.11 (2) \$22,230,000 in fiscal year 2026 to the  
 15.12 municipal turnback account in the municipal  
 15.13 state-aid street fund; and

15.14 (3) the remainder in each year to the county  
 15.15 turnback account in the county state-aid  
 15.16 highway fund.

15.17 The money transferred under clause (1) is  
 15.18 appropriated in fiscal year 2026 from the trunk  
 15.19 highway fund for highway turnback purposes  
 15.20 as provided under Minnesota Statutes, section  
 15.21 161.081, subdivision 3.

15.22 **Subd. 8. Contingent Appropriations**

15.23 The commissioner of transportation, with the  
 15.24 approval of the governor and the written  
 15.25 approval of at least five members of a group  
 15.26 consisting of the members of the Legislative  
 15.27 Advisory Commission under Minnesota  
 15.28 Statutes, section 3.30, and the ranking minority  
 15.29 members of the legislative committees with  
 15.30 jurisdiction over transportation finance, may  
 15.31 transfer all or part of the unappropriated  
 15.32 balance in the trunk highway fund to an  
 15.33 appropriation: (1) for trunk highway design,

16.1 construction, or inspection in order to take  
16.2 advantage of an unanticipated receipt of  
16.3 income to the trunk highway fund or to take  
16.4 advantage of federal advanced construction  
16.5 funding; (2) for trunk highway maintenance  
16.6 in order to meet an emergency; or (3) to pay  
16.7 tort or environmental claims. Nothing in this  
16.8 subdivision authorizes the commissioner to  
16.9 increase the use of federal advanced  
16.10 construction funding beyond amounts  
16.11 specifically authorized. Any transfer as a result  
16.12 of the use of federal advanced construction  
16.13 funding must include an analysis of the effects  
16.14 on the long-term trunk highway fund balance.  
16.15 The amount transferred is appropriated for the  
16.16 purpose of the account to which it is  
16.17 transferred.

16.18 Sec. 3. **METROPOLITAN COUNCIL**

16.19	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>114,258,000</u></b>	<b><u>\$</u></b>	<b><u>120,091,000</u></b>
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16.20 The appropriations in this section are from the  
16.21 general fund to the Metropolitan Council.

16.22	<b><u>Subd. 2. Transit System Operations</u></b>		<b><u>1,751,000</u></b>		<b><u>1,751,000</u></b>
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16.23 This appropriation is for transit system  
16.24 operations under Minnesota Statutes, sections  
16.25 473.371 to 473.449.

16.26 The base is \$20,014,000 in each of fiscal years  
16.27 2028 and 2029.

16.28	<b><u>Subd. 3. Special Transportation Service</u></b>		<b><u>112,507,000</u></b>		<b><u>118,340,000</u></b>
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16.29 This appropriation is for special transportation  
16.30 service under Minnesota Statutes, section  
16.31 473.386, including Metro Mobility and Metro  
16.32 Move.

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



17.1	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>297,718,000</u></b>	<b><u>\$</u></b>	<b><u>299,229,000</u></b>
17.2	<u>Appropriations by Fund</u>				
17.3		<u>2026</u>	<u>2027</u>		
17.4	<u>General</u>	<u>37,129,000</u>	<u>37,163,000</u>		
17.5	<u>H.U.T.D.</u>	<u>1,382,000</u>	<u>1,395,000</u>		
17.6	<u>Special Revenue</u>	<u>81,287,000</u>	<u>80,754,000</u>		
17.7	<u>Trunk Highway</u>	<u>177,920,000</u>	<u>179,917,000</u>		
17.8	<u>The appropriations in this section are to the</u>				
17.9	<u>commissioner of public safety.</u>				
17.10	<u>The amounts that may be spent for each</u>				
17.11	<u>purpose are specified in the following</u>				
17.12	<u>subdivisions. The commissioner must spend</u>				
17.13	<u>appropriations from the trunk highway fund</u>				
17.14	<u>in subdivision 3 only for State Patrol purposes.</u>				
17.15	<b><u>Subd. 2. Administration and Related Services</u></b>				
17.16	<b><u>(a) Office of Communications</u></b>		<u>1,198,000</u>		<u>1,232,000</u>
17.17	<u>This appropriation is from the general fund.</u>				
17.18	<b><u>(b) Public Safety Support</u></b>		<u>11,429,000</u>		<u>11,473,000</u>
17.19	<u>Appropriations by Fund</u>				
17.20		<u>2026</u>	<u>2027</u>		
17.21	<u>General</u>	<u>6,001,000</u>	<u>6,001,000</u>		
17.22	<u>Trunk Highway</u>	<u>5,428,000</u>	<u>5,472,000</u>		
17.23	<b><u>(c) Public Safety Officer Survivor Benefits</u></b>		<u>1,640,000</u>		<u>1,640,000</u>
17.24	<u>This appropriation is from the general fund</u>				
17.25	<u>for payment of public safety officer survivor</u>				
17.26	<u>benefits under Minnesota Statutes, section</u>				
17.27	<u>299A.44. If the appropriation for either year</u>				
17.28	<u>is insufficient, the appropriation for the other</u>				
17.29	<u>year is available for it.</u>				
17.30	<b><u>(d) Public Safety Officer Reimbursements</u></b>		<u>1,367,000</u>		<u>1,367,000</u>
17.31	<u>This appropriation is from the general fund</u>				
17.32	<u>for transfer to the public safety officer's benefit</u>				
17.33	<u>account. This appropriation is available for</u>				

18.1 reimbursements under Minnesota Statutes,  
 18.2 section 299A.465.

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

18.4 This appropriation is from the general fund  
 18.5 for soft body armor reimbursements under  
 18.6 Minnesota Statutes, section 299A.38.

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

18.8 Appropriations by Fund

18.9 2026 2027

18.10 General 1,743,000 1,743,000

18.11 Trunk Highway 5,387,000 5,387,000

18.12 **Subd. 3. State Patrol**

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

18.14 Appropriations by Fund

18.15 2026 2027

18.16 General 37,000 37,000

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

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

18.19 \$1,045,000 in each year is from the trunk  
 18.20 highway fund for recruitment and hiring  
 18.21 initiatives. Of the base from the trunk highway  
 18.22 fund, \$10,365,000 in each of fiscal years 2028  
 18.23 and 2029 is for this purpose, which includes  
 18.24 funding to conduct an additional annual  
 18.25 trooper academy.

18.26 The base from the trunk highway fund is  
 18.27 \$158,151,000 in each of fiscal years 2028 and  
 18.28 2029.

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

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

18.31 This appropriation is from the general fund.

18.32 The commissioner must not:

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

19.3 (2) permanently transfer any state trooper from  
 19.4 the patrolling highways activity to capitol  
 19.5 security.

19.6 The commissioner must not transfer any  
 19.7 money appropriated to the commissioner under  
 19.8 this section:

19.9 (1) to capitol security; or

19.10 (2) from capitol security.

19.11 **(d) Vehicle Crimes Unit** 1,290,000 1,303,000

19.12 This appropriation is from the highway user  
 19.13 tax distribution fund to investigate:

19.14 (1) registration tax and motor vehicle sales tax  
 19.15 liabilities from individuals and businesses that  
 19.16 currently do not pay all taxes owed; and

19.17 (2) illegal or improper activity related to the  
 19.18 sale, transfer, titling, and registration of motor  
 19.19 vehicles.

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

19.21 **(a) Driver Services** 47,665,000 47,132,000

19.22 This appropriation is from the driver and  
 19.23 vehicle services operating account under  
 19.24 Minnesota Statutes, section 299A.705.

19.25 \$317,000 in fiscal year 2026 is for rulemaking  
 19.26 costs for the ignition interlock device program  
 19.27 under Minnesota Statutes, section 171.306.

19.28 \$218,000 in fiscal year 2026 is for costs of  
 19.29 adding work zone safety information into the  
 19.30 driver's manual and written examination and  
 19.31 related rulemaking.

19.32 **(b) Vehicle Services** 32,179,000 32,179,000

20.1 This appropriation is from the driver and  
 20.2 vehicle services operating account under  
 20.3 Minnesota Statutes, section 299A.705.

20.4 \$2,500,000 in each year is for payments to  
 20.5 deputy registrars under Minnesota Statutes,  
 20.6 section 168.33, subdivision 7a, and to driver's  
 20.7 license agents under Minnesota Statutes,  
 20.8 section 171.061, subdivision 4a.

20.9 Subd. 5. Traffic Safety 5,955,000 5,961,000

20.10 Appropriations by Fund

20.11 2026 2027

20.12 General 4,595,000 4,595,000

20.13 Trunk Highway 1,360,000 1,366,000

20.14 \$1,100,000 in each year is from the general  
 20.15 fund for operations and traffic safety projects,  
 20.16 grants, and other activities of the Advisory  
 20.17 Council on Traffic Safety under Minnesota  
 20.18 Statutes, section 4.076.

20.19 \$485,000 in each year is from the trunk  
 20.20 highway fund for federal match funding  
 20.21 related to planning and administration of  
 20.22 highway safety activities.

20.23 \$2,000,000 in each year is from the general  
 20.24 fund for the drug evaluation and classification  
 20.25 program for drug recognition evaluator  
 20.26 training; phlebotomists; drug recognition  
 20.27 training for peace officers, as defined in  
 20.28 Minnesota Statutes, section 626.84,  
 20.29 subdivision 1, paragraph (c); required  
 20.30 continuing education training for drug  
 20.31 recognition experts; program administration;  
 20.32 grants to local law enforcement divisions; and  
 20.33 grants to eligible employers for drug  
 20.34 evaluation and classification training costs of

21.1 their staff. The commissioner must make  
 21.2 reasonable efforts to reflect the geographic  
 21.3 diversity of the state in making expenditures.  
 21.4 Any balance in the first year does not cancel  
 21.5 but is available in the second year.

21.6 **Subd. 6. Pipeline Safety** 2,003,000 2,003,000

21.7	<u>Appropriations by Fund</u>		
21.8		<u>2026</u>	<u>2027</u>
21.9	<u>General</u>	<u>560,000</u>	<u>560,000</u>
21.10	<u>Special Revenue</u>	<u>1,443,000</u>	<u>1,443,000</u>

21.11 The appropriation from the special revenue  
 21.12 fund is from the pipeline safety account under  
 21.13 Minnesota Statutes, section 299J.18.  
 21.14 \$560,000 in each year is from the general fund  
 21.15 for staff and operating costs related to  
 21.16 oversight of the excavation notice system  
 21.17 under Minnesota Statutes, chapter 216D,  
 21.18 including education, investigation, and  
 21.19 enforcement activities.

21.20 **Sec. 5. APPROPRIATION; BOARD OF WATER AND SOIL RESOURCES.**

21.21 \$3,000,000 in fiscal year 2026 is appropriated from the general fund to the Board of  
 21.22 Water and Soil Resources to acquire land or permanent easements and to restore, create,  
 21.23 enhance, and preserve wetlands to replace those wetlands drained or filled as a result of the  
 21.24 repair, reconstruction, replacement, or rehabilitation of existing public roads as required by  
 21.25 Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m). The board  
 21.26 may vary the priority order of Minnesota Statutes, section 103G.222, subdivision 3, paragraph  
 21.27 (a), to implement an in-lieu fee agreement approved by the United States Army Corps of  
 21.28 Engineers under section 404 of the federal Clean Water Act. The purchase price paid for  
 21.29 acquisition of land or permanent easement must be a fair market value as determined by  
 21.30 the board. The board may enter into agreements with the federal government, other state  
 21.31 agencies, political subdivisions, nonprofit organizations, fee title owners, or other qualified  
 21.32 private entities to acquire wetland replacement credits in accordance with Minnesota Rules,  
 21.33 chapter 8420.

22.1      Sec. 6. **APPROPRIATION; DEPARTMENT OF ADMINISTRATION.**

22.2      \$48,513,000 in fiscal year 2026 and \$48,513,000 in fiscal year 2027 are appropriated  
22.3 from the trunk highway fund to the commissioner of administration to design, construct,  
22.4 remodel, equip, and furnish a central headquarters building and support facilities for the  
22.5 State Patrol. This is a onetime appropriation and is available until June 30, 2030.

22.6      Sec. 7. **APPROPRIATION; DEPARTMENT OF EMPLOYMENT AND ECONOMIC**  
22.7 **DEVELOPMENT.**

22.8      (a) For purposes of this section, unless otherwise specified, "commissioner" means the  
22.9 commissioner of employment and economic development.

22.10      (b) \$250,000 in fiscal year 2026 is appropriated from the general fund to the commissioner  
22.11 for a grant award as provided in this section.

22.12      (c) The commissioner, in consultation with the commissioner of transportation, must  
22.13 award a grant to the East Side Neighborhood Development Company (ESNDC) to provide  
22.14 onetime financial assistance in equal amounts of up to \$5,000 to qualified businesses  
22.15 adversely affected by the Department of Transportation's redesign and construction project  
22.16 along marked Trunk Highway 61, also known as Arcade Street, from East 7th Street to  
22.17 Roselawn Avenue East. The ESNDC must consult with the East Side Area Business  
22.18 Association when providing financial assistance under this section.

22.19      (d) A qualified business must:

22.20      (1) employ no more than 25 full-time equivalent employees;

22.21      (2) be located within 300 feet of the construction project under paragraph (c); and

22.22      (3) experience impairment of road access, parking, or visibility as a result of the project.

22.23      (e) The commissioner may establish requirements in addition to the qualifications under  
22.24 paragraph (d) as necessary to efficiently and equitably provide financial assistance under  
22.25 this section.

22.26      (f) Financial assistance provided under this section may be used for employee payroll  
22.27 expenses, operating expenses, or facilities expenses and must not be used for bonuses; new  
22.28 equipment, furniture, or capital improvements; or construction or expansion.

22.29      (g) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, of the  
22.30 appropriation in paragraph (b), the commissioner may use up to one percent for administrative  
22.31 costs and the East Side Neighborhood Development Company may retain up to four percent  
22.32 for administrative costs.

(h) By January 15, 2026, the commissioner must submit a report on the grants awarded under this section to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. At a minimum, the report must include a complete list of grants awarded, including business names and addresses, types of businesses, and the amount of each award.

Sec. 8. **APPROPRIATION; UNIVERSITY OF MINNESOTA.**

\$2,000,000 in fiscal year 2026 and \$2,000,000 in fiscal year 2027 are appropriated from the general fund to the Board of Regents of the University of Minnesota for the empowering small Minnesota communities program under Minnesota Statutes, section 137.345. This is a onetime appropriation.

Sec. 9. **APPROPRIATION CANCELLATIONS.**

(a) \$3,130,000 of the appropriation in fiscal year 2023 from the general fund for rail corridor service analysis under Laws 2023, chapter 68, article 1, section 10, is canceled to the general fund.

(b) \$3,000,000 of the appropriation in fiscal year 2024 from the general fund for matching federal aid and related state investments for the electric vehicle infrastructure program under Laws 2023, chapter 68, article 1, section 2, subdivision 5, paragraph (a), is canceled to the general fund.

(c) \$45,000 of the appropriation in fiscal year 2024 from the general fund for grants to the city of Chatfield to develop a transportation management organization in southeastern Minnesota under Laws 2023, chapter 68, article 1, section 9, paragraph (d), is canceled to the general fund.

(d) \$3,250,000 of the appropriation in fiscal years 2024 and 2025 from the general fund for projects and activities of the Advisory Council on Traffic Safety under Laws 2023, chapter 68, article 1, section 4, subdivision 5, is canceled to the general fund.

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

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

Subd. 2. **Multimodal Systems**

(a) **Aeronautics**

(1) <b>Airport Development and Assistance</b>	24,198,000	18,598,000
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24.1	Appropriations by Fund		
24.2		2022	2023
24.3	General	5,600,000	-0-
24.4	Airports	18,598,000	18,598,000

24.5 This appropriation is from the state airports  
24.6 fund and must be spent according to  
24.7 Minnesota Statutes, section 360.305,  
24.8 subdivision 4.

24.9 \$5,600,000 in fiscal year 2022 is from the  
24.10 general fund for a grant to the city of Karlstad  
24.11 for the acquisition of land, predesign, design,  
24.12 engineering, and construction of a primary  
24.13 airport runway. This appropriation is for Phase  
24.14 1 of the project.

24.15 Notwithstanding Minnesota Statutes, section  
24.16 16A.28, subdivision 6, this appropriation is  
24.17 available for five years after the year of the  
24.18 appropriation. If the appropriation for either  
24.19 year is insufficient, the appropriation for the  
24.20 other year is available for it.

24.21 If the commissioner of transportation  
24.22 determines that a balance remains in the state  
24.23 airports fund following the appropriations  
24.24 made in this article and that the appropriations  
24.25 made are insufficient for advancing airport  
24.26 development and assistance projects, an  
24.27 amount necessary to advance the projects, not  
24.28 to exceed the balance in the state airports fund,  
24.29 is appropriated in each year to the  
24.30 commissioner and must be spent according to  
24.31 Minnesota Statutes, section 360.305,  
24.32 subdivision 4. Within two weeks of a  
24.33 determination under this contingent  
24.34 appropriation, the commissioner of  
24.35 transportation must notify the commissioner



25.1 of management and budget and the chairs,  
25.2 ranking minority members, and staff of the  
25.3 legislative committees with jurisdiction over  
25.4 transportation finance concerning the funds  
25.5 appropriated. Funds appropriated under this  
25.6 contingent appropriation do not adjust the base  
25.7 for fiscal years 2024 and 2025.

25.8

**(2) Aviation Support Services**

8,332,000

8,340,000

25.9	Appropriations by Fund		
25.10		2022	2023
25.11	General	1,650,000	1,650,000
25.12	Airports	6,682,000	6,690,000

25.13 \$28,000 in fiscal year 2022 and \$36,000 in  
25.14 fiscal year 2023 are from the state airports  
25.15 fund for costs related to regulating unmanned  
25.16 aircraft systems.

25.17

**(3) Civil Air Patrol**

80,000

80,000

25.18 This appropriation is from the state airports  
25.19 fund for the Civil Air Patrol.

25.20

**(b) Transit and Active Transportation**

23,501,000

18,201,000

25.21 This appropriation is from the general fund.  
25.22 \$5,000,000 in fiscal year 2022 is for the active  
25.23 transportation program under Minnesota  
25.24 Statutes, section 174.38. This is a onetime  
25.25 appropriation and is available until June 30,  
25.26 2025.

25.27 \$300,000 in fiscal year 2022 is for a grant to  
25.28 the 494 Corridor Commission. The  
25.29 commissioner must not retain any portion of  
25.30 the funds appropriated under this section. The  
25.31 commissioner must make grant payments in  
25.32 full by December 31, 2021. Funds under this  
25.33 grant are for programming and service

26.1 expansion to assist companies and commuters  
26.2 in telecommuting efforts and promotion of  
26.3 best practices. A grant recipient must provide  
26.4 telework resources, assistance, information,  
26.5 and related activities on a statewide basis. This  
26.6 is a onetime appropriation.

26.7	(c) <b>Safe Routes to School</b>	5,500,000	500,000
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26.8 This appropriation is from the general fund  
26.9 for the safe routes to school program under  
26.10 Minnesota Statutes, section 174.40.

26.11 If the appropriation for either year is  
26.12 insufficient, the appropriation for the other  
26.13 year is available for it.

26.14	(d) <b>Passenger Rail</b>	10,500,000	500,000
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26.15 This appropriation is from the general fund  
26.16 for passenger rail activities under Minnesota  
26.17 Statutes, sections 174.632 to 174.636.

26.18 \$10,000,000 in fiscal year 2022 is for final  
26.19 design and construction to provide for a  
26.20 second daily Amtrak train service between  
26.21 Minneapolis and St. Paul and Chicago. The  
26.22 commissioner may expend funds for program  
26.23 delivery and administration from this amount.  
26.24 This is a onetime appropriation and is  
26.25 available until June 30, ~~2025~~ 2028.

26.26	(e) <b>Freight</b>	8,342,000	7,323,000
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26.27	Appropriations by Fund		
26.28		2022	2023
26.29	General	2,464,000	1,445,000
26.30	Trunk Highway	5,878,000	5,878,000

26.31 \$1,000,000 in fiscal year 2022 is from the  
26.32 general fund for procurement costs of a  
26.33 statewide freight network optimization tool.

27.1 This is a onetime appropriation and is  
27.2 available until June 30, 2023.  
  
27.3 \$350,000 in fiscal year 2022 and \$287,000 in  
27.4 fiscal year 2023 are from the general fund for  
27.5 two additional rail safety inspectors in the state  
27.6 rail safety inspection program under  
27.7 Minnesota Statutes, section 219.015. In each  
27.8 year, the commissioner must not increase the  
27.9 total assessment amount under Minnesota  
27.10 Statutes, section 219.015, subdivision 2, from  
27.11 the most recent assessment amount.

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

27.13 Sec. 11. Laws 2021, First Special Session chapter 14, article 11, section 45, is amended  
27.14 to read:

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

27.16 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner  
27.17 of transportation for project development of a land bridge freeway lid over marked Interstate  
27.18 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.  
27.19 This amount is available to match federal funds and for project planning and development,  
27.20 including area planning, community and land use planning, economic development planning,  
27.21 design, and project management and analysis. From this amount, the commissioner may  
27.22 make grants to Reconnect Rondo to perform any eligible project development activities.  
27.23 This is a onetime appropriation and is available until June 30, ~~2025~~ 2026.

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

27.25 Sec. 12. Laws 2023, chapter 60, article 10, section 9, is amended to read:

27.26 Sec. 9. **DEPARTMENT OF**  
27.27 **TRANSPORTATION**

\$ 310,000 \$ -0-

27.28 \$310,000 the first year is ~~for awarding grants~~  
27.29 to assist manufacturers to obtain  
27.30 environmental product declarations for certain  
27.31 construction materials used to build roads and  
27.32 other transportation infrastructure under

28.1 Minnesota Statutes, section 16B.312. Of this  
28.2 amount, up to \$10,000 is for the reasonable  
28.3 costs of the department to administer that  
28.4 section. This appropriation is available until  
28.5 June 30, 2027.

28.6 Sec. 13. Laws 2023, chapter 68, article 1, section 2, subdivision 2, is amended to read:

28.7 Subd. 2. **Multimodal Systems**

28.8 (a) **Aeronautics**

28.9	(1) <b>Airport Development and Assistance</b>	69,598,000	18,598,000
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28.10	Appropriations by Fund		
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28.11		2024	2025
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28.12	General	36,000,000	-0-
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28.13	Airports	33,598,000	18,598,000
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28.14 The appropriation from the state airports fund  
28.15 must be spent according to Minnesota Statutes,  
28.16 section 360.305, subdivision 4.

28.17 \$36,000,000 in fiscal year 2024 is from the  
28.18 general fund for matches to federal aid and  
28.19 state investments related to airport  
28.20 infrastructure projects. This is a onetime  
28.21 appropriation and is available until June 30,  
28.22 2027.

28.23 \$15,000,000 in fiscal year 2024 is from the  
28.24 state airports fund for system maintenance of  
28.25 critical airport safety systems, equipment, and  
28.26 essential airfield technology.

28.27 Notwithstanding Minnesota Statutes, section  
28.28 16A.28, subdivision 6, the appropriation from  
28.29 the state airports fund is available for five  
28.30 years after the year of the appropriation. If the  
28.31 appropriation for either year is insufficient,  
28.32 the appropriation for the other year is available  
28.33 for it.

29.1 If the commissioner of transportation  
29.2 determines that a balance remains in the state  
29.3 airports fund following the appropriations  
29.4 made in this article and that the appropriations  
29.5 made are insufficient for advancing airport  
29.6 development and assistance projects, an  
29.7 amount necessary to advance the projects, not  
29.8 to exceed the balance in the state airports fund,  
29.9 is appropriated in each year to the  
29.10 commissioner and must be spent according to  
29.11 Minnesota Statutes, section 360.305,  
29.12 subdivision 4. Within two weeks of a  
29.13 determination under this contingent  
29.14 appropriation, the commissioner of  
29.15 transportation must notify the commissioner  
29.16 of management and budget and the chairs,  
29.17 ranking minority members, and staff of the  
29.18 legislative committees with jurisdiction over  
29.19 transportation finance concerning the funds  
29.20 appropriated. Funds appropriated under this  
29.21 contingent appropriation do not adjust the base  
29.22 for fiscal years 2026 and 2027.

29.23	<b>(2) Aviation Support Services</b>	15,397,000	8,431,000
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29.24	Appropriations by Fund		
29.25		2024	2025
29.26	General	8,707,000	1,741,000
29.27	Airports	6,690,000	6,690,000

29.28 \$7,000,000 in fiscal year 2024 is from the  
29.29 general fund to purchase two utility aircraft  
29.30 for the Department of Transportation.

29.31	<b>(3) Civil Air Patrol</b>	80,000	80,000
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29.32 This appropriation is from the state airports  
29.33 fund for the Civil Air Patrol.

29.34	<b>(b) Transit and Active Transportation</b>	58,478,000	18,374,000
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30.1 This appropriation is from the general fund.

30.2 \$200,000 in fiscal year 2024 and \$50,000 in

30.3 fiscal year 2025 are for a grant to the city of

30.4 Rochester to implement demand response

30.5 transit service using electric transit vehicles.

30.6 The money is available for mobile software

30.7 application development; vehicles and

30.8 equipment, including accessible vehicles;

30.9 associated charging infrastructure; and capital

30.10 and operating costs.

30.11 \$40,000,000 in fiscal year 2024 is for matches

30.12 to federal aid and state investments related to

30.13 transit and active transportation projects. This

30.14 is a onetime appropriation and is available

30.15 until June 30, 2027.

30.16 **(c) Safe Routes to School**

15,297,000

10,500,000

30.17 This appropriation is from the general fund

30.18 for the safe routes to school program under

30.19 Minnesota Statutes, section 174.40.

30.20 If the appropriation for either year is

30.21 insufficient, the appropriation for the other

30.22 year is available for it. The appropriations in

30.23 each year are available until June 30, 2027.

30.24 The base for this appropriation is \$1,500,000

30.25 in each of fiscal years 2026 and 2027.

30.26 **(d) Passenger Rail**

197,521,000

4,226,000

30.27 This appropriation is from the general fund

30.28 for passenger rail activities under Minnesota

30.29 Statutes, sections 174.632 to 174.636.

30.30 \$194,700,000 in fiscal year 2024 is for capital

30.31 improvements and betterments for the

30.32 Minneapolis-Duluth Northern Lights Express

30.33 intercity passenger rail project, including

31.1 preliminary engineering, design, engineering,  
31.2 environmental analysis and mitigation,  
31.3 acquisition of land and right-of-way,  
31.4 equipment and rolling stock, and construction.  
31.5 From this appropriation, the amount necessary  
31.6 is for: (1) Coon Rapids station improvements  
31.7 to establish a joint station that provides for  
31.8 Amtrak train service on the Empire Builder  
31.9 line between Chicago and Seattle; and (2)  
31.10 acquisition of equipment and rolling stock for  
31.11 purposes of participation in the Midwest fleet  
31.12 pool to provide for service on Northern Lights  
31.13 Express and expanded Amtrak train service  
31.14 between Minneapolis and St. Paul and  
31.15 Chicago. The commissioner of transportation  
31.16 must not approve additional stops or stations  
31.17 beyond those included in the Federal Railroad  
31.18 Administration's January 2018 Finding of No  
31.19 Significant Impact and Section 4(f)  
31.20 Determination if the commissioner determines  
31.21 that the resulting speed reduction would  
31.22 negatively impact total ridership. This  
31.23 appropriation is onetime and is available until  
31.24 June 30, 2028.

31.25 \$1,833,000 in fiscal year 2024 and \$3,238,000  
31.26 in fiscal year 2025 are for a match to federal  
31.27 aid for capital and operating costs for  
31.28 expanded Amtrak train service between  
31.29 Minneapolis and St. Paul and Chicago. These  
31.30 amounts are available until June 30, 2028.

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

31.33	(e) <b>Freight</b>	14,650,000	9,066,000
31.34	Appropriations by Fund		
31.35	2024	2025	

32.1	General	8,283,000	2,400,000
32.2	Trunk Highway	6,367,000	6,666,000

32.3 \$5,000,000 in fiscal year 2024 is from the  
32.4 general fund for matching federal aid grants  
32.5 for improvements, engineering, and  
32.6 administrative costs for the Stone Arch Bridge  
32.7 in Minneapolis. This is a onetime  
32.8 appropriation and is available until June 30,  
32.9 2027.

32.10 \$1,000,000 in each year is from the general  
32.11 fund for staff, operating costs, and  
32.12 maintenance related to weight and safety  
32.13 enforcement systems.

32.14 \$974,000 in fiscal year 2024 is from the  
32.15 general fund for procurement costs of a  
32.16 statewide freight network optimization tool  
32.17 under Laws 2021, First Special Session  
32.18 chapter 5, article 4, section 133. This is a  
32.19 onetime appropriation and is available until  
32.20 June 30, 2025.

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

32.22 Sec. 14. Laws 2023, chapter 68, article 1, section 2, subdivision 3, is amended to read:

32.23 Subd. 3. **State Roads**

32.24	<b>(a) Operations and Maintenance</b>	414,220,000	425,341,000
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32.25	Appropriations by Fund		
32.26		2024	2025
32.27	General	2,000,000	-0-
32.28	Trunk Highway	412,220,000	425,341,000

32.29 \$1,000,000 in fiscal year 2024 is from the  
32.30 general fund for the highways for habitat  
32.31 program under Minnesota Statutes, section  
32.32 160.2325. This amount is available until June  
32.33 30, 2027.



33.1 \$248,000 in each year is from the trunk  
33.2 highway fund for living snow fence  
33.3 implementation and maintenance activities.

33.4 \$1,000,000 in fiscal year 2024 is from the  
33.5 general fund for safe road zones under  
33.6 Minnesota Statutes, section 169.065, including  
33.7 development and delivery of public awareness  
33.8 and education campaigns about safe road  
33.9 zones.

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

33.11 <b>(1) Planning and Research</b>	32,679,000	33,465,000
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33.12 The commissioner may use any balance  
33.13 remaining in this appropriation for program  
33.14 delivery under clause (2).

33.15 \$130,000 in each year is available for  
33.16 administrative costs of the targeted group  
33.17 business program.

33.18 \$266,000 in each year is available for grants  
33.19 to metropolitan planning organizations outside  
33.20 the seven-county metropolitan area.

33.21 \$900,000 in each year is available for grants  
33.22 for transportation studies outside the  
33.23 metropolitan area to identify critical concerns,  
33.24 problems, and issues. These grants are  
33.25 available: (i) to regional development  
33.26 commissions; (ii) in regions where no regional  
33.27 development commission is functioning, to  
33.28 joint powers boards established under  
33.29 agreement of two or more political  
33.30 subdivisions in the region to exercise the  
33.31 planning functions of a regional development  
33.32 commission; and (iii) in regions where no  
33.33 regional development commission or joint

34.1 powers board is functioning, to the Department  
34.2 of Transportation district office for that region.

34.3	(2) <b>Program Delivery</b>	274,451,000	273,985,000
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34.4	Appropriations by Fund		
34.5		2024	2025
34.6	General	2,250,000	2,000,000
34.7	Trunk Highway	272,201,000	271,985,000

34.8 This appropriation includes use of consultants  
34.9 to support development and management of  
34.10 projects.

34.11 \$10,000,000 in fiscal year 2024 is from the  
34.12 trunk highway fund for roadway design and  
34.13 related improvements that reduce speeds and  
34.14 eliminate intersection interactions on rural  
34.15 high-risk roadways. The commissioner must  
34.16 identify roadways based on crash information  
34.17 and in consultation with the Advisory Council  
34.18 on Traffic Safety under Minnesota Statutes,  
34.19 section 4.076, and local traffic safety partners.

34.20 This is a onetime appropriation and is  
34.21 available until June 30, 2026.

34.22 \$2,000,000 in each year is from the general  
34.23 fund for implementation of climate-related  
34.24 programs as provided under the federal  
34.25 Infrastructure Investment and Jobs Act, Public  
34.26 Law 117-58.

34.27 \$1,193,000 in fiscal year 2024 is from the  
34.28 trunk highway fund for costs related to the  
34.29 property conveyance to the Upper Sioux  
34.30 Community of state-owned land within the  
34.31 boundaries of Upper Sioux Agency State Park,  
34.32 including fee purchase, property purchase,  
34.33 appraisals, and road and bridge demolition

35.1 and related engineering. This amount is  
35.2 available until June 30, 2027.

35.3 \$250,000 in fiscal year 2024 is from the  
35.4 general fund for costs related to the Clean  
35.5 Transportation Fuel Standard Working Group  
35.6 established under article 4, section 124.

35.7 \$1,000,000 in each year is available from the  
35.8 trunk highway fund for management of  
35.9 contaminated and regulated material on  
35.10 property owned by the Department of  
35.11 Transportation, including mitigation of  
35.12 property conveyances, facility acquisition or  
35.13 expansion, chemical release at maintenance  
35.14 facilities, and spills on the trunk highway  
35.15 system where there is no known responsible  
35.16 party. If the appropriation for either year is  
35.17 insufficient, the appropriation for the other  
35.18 year is available for it.

35.19	(c) <b>State Road Construction</b>	1,207,013,000	1,174,045,000
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35.20	Appropriations by Fund		
35.21		2024	2025
35.22	General	1,800,000	-0-
35.23	Trunk Highway	1,205,213,000	1,174,045,000

35.24 This appropriation is for the actual  
35.25 construction, reconstruction, and improvement  
35.26 of trunk highways, including design-build  
35.27 contracts, internal department costs associated  
35.28 with delivering the construction program,  
35.29 consultant usage to support these activities,  
35.30 and the cost of actual payments to landowners  
35.31 for lands acquired for highway rights-of-way,  
35.32 payment to lessees, interest subsidies, and  
35.33 relocation expenses.

36.1 This appropriation includes federal highway  
36.2 aid. The commissioner of transportation must  
36.3 notify the chairs, ranking minority members,  
36.4 and staff of the legislative committees with  
36.5 jurisdiction over transportation finance of any  
36.6 significant events that cause the estimates of  
36.7 federal aid to change.

36.8 \$1,500,000 in fiscal year 2024 is from the  
36.9 general fund for living snow fence  
36.10 implementation, including: acquiring and  
36.11 planting trees, shrubs, native grasses, and  
36.12 wildflowers that are climate adaptive to  
36.13 Minnesota; improvements; contracts;  
36.14 easements; rental agreements; and program  
36.15 delivery.

36.16 \$300,000 in fiscal year 2024 is from the  
36.17 general fund for additions and modifications  
36.18 to work zone design or layout to reduce  
36.19 vehicle speeds in a work zone. This  
36.20 appropriation is available following a  
36.21 determination by the commissioner that the  
36.22 initial work zone design or layout  
36.23 insufficiently provides for reduced vehicle  
36.24 speeds.

36.25 The commissioner may expend up to one-half  
36.26 of one percent of the federal appropriations  
36.27 under this paragraph as grants to opportunity  
36.28 industrialization centers and other nonprofit  
36.29 job training centers for job training programs  
36.30 related to highway construction.

36.31 The commissioner may transfer up to  
36.32 \$15,000,000 in each year to the transportation  
36.33 revolving loan fund.

37.1	The commissioner may receive money		
37.2	covering other shares of the cost of partnership		
37.3	projects. These receipts are appropriated to		
37.4	the commissioner for these projects.		
37.5	The base from the trunk highway fund is		
37.6	\$1,161,813,000 in each of fiscal years 2026		
37.7	and 2027.		
37.8	<b>(d) Corridors of Commerce</b>	25,000,000	25,000,000
37.9	This appropriation is for the corridors of		
37.10	commerce program under Minnesota Statutes,		
37.11	section 161.088. The commissioner may use		
37.12	up to 17 percent of the amount in each year		
37.13	for program delivery.		
37.14	<b>(e) Highway Debt Service</b>	268,336,000	291,394,000
37.15	\$265,336,000 in fiscal year 2024 and		
37.16	\$288,394,000 in fiscal year 2025 are for		
37.17	transfer to the state bond fund. If this		
37.18	appropriation is insufficient to make all		
37.19	transfers required in the year for which it is		
37.20	made, the commissioner of management and		
37.21	budget must transfer the deficiency amount		
37.22	as provided under Minnesota Statutes, section		
37.23	16A.641, and notify the chairs, ranking		
37.24	minority members, and staff of the legislative		
37.25	committees with jurisdiction over		
37.26	transportation finance and the chairs of the		
37.27	senate Finance Committee and the house of		
37.28	representatives Ways and Means Committee		
37.29	of the amount of the deficiency. Any excess		
37.30	appropriation cancels to the trunk highway		
37.31	fund.		
37.32	<b>(f) Statewide Radio Communications</b>	8,653,000	6,907,000
37.33	Appropriations by Fund		
37.34		2024	2025

38.1	General	2,003,000	3,000
38.2	Trunk Highway	6,650,000	6,904,000

38.3 \$3,000 in each year is from the general fund  
38.4 to equip and operate the Roosevelt signal  
38.5 tower for Lake of the Woods weather  
38.6 broadcasting.

38.7 \$2,000,000 in fiscal year 2024 is from the  
38.8 general fund for Allied Radio Matrix for  
38.9 Emergency Response (ARMER) tower  
38.10 building improvements and replacement.

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

38.12 Sec. 15. Laws 2023, chapter 68, article 1, section 17, subdivision 13, is amended to read:

38.13 Subd. 13. **Trunk Highway 5; Chanhassen and Victoria.** \$20,000,000 in fiscal year  
38.14 2024 is appropriated from the general fund to the commissioner of transportation for a grant  
38.15 to Carver County to complete the preliminary engineering, environmental documentation,  
38.16 final design, right-of-way acquisition, and construction of improvements to marked Trunk  
38.17 Highway 5 from ~~Minnewashta Parkway to marked Trunk Highway 41~~ 80th Street in the  
38.18 city of Victoria to Century Boulevard in the city of Chanhassen, including mainline highway  
38.19 expansion, cross streets, off-street trails, a bridge over Lake Minnewashta wetlands, utility  
38.20 relocations, and installations. This is a onetime appropriation and is available until June 30,  
38.21 2027.

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

38.23 Sec. 16. Laws 2023, chapter 68, article 2, section 2, subdivision 9, as amended by Laws  
38.24 2024, chapter 104, article 1, section 105, is amended to read:

38.25 Subd. 9. **U.S. Highway 8; Chisago County** 42,000,000

38.26 This appropriation is for predesign, design,  
38.27 engineering, and reconstruction of marked  
38.28 U.S. Highway 8 from Karmel Avenue in  
38.29 Chisago City to marked Interstate Highway  
38.30 35, including pedestrian and bike trails along  
38.31 and crossings of this segment of marked U.S.  
38.32 Highway 8. The reconstruction project may

39.1 include expanding segments of marked U.S.  
39.2 Highway 8 to four lanes, constructing or  
39.3 reconstructing frontage roads and backage  
39.4 roads, and realigning local roads to  
39.5 consolidate, remove, and relocate access onto  
39.6 and off of U.S. Highway 8. This appropriation  
39.7 is for the portion of the project that is eligible  
39.8 for use of proceeds of trunk highway bonds.  
39.9 Notwithstanding Minnesota Statutes, section  
39.10 16A.642, the bond sale authorization and  
39.11 appropriation of bond sale proceeds for this  
39.12 project are available until December 31, 2029.

39.13 Sec. 17. Laws 2024, chapter 127, article 1, section 2, subdivision 3, is amended to read:

39.14 Subd. 3. **State Roads**

39.15 (a) <b>Operations and Maintenance</b>	-0-	2,405,000
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39.16 \$300,000 in fiscal year 2025 is for rumble  
39.17 strips under Minnesota Statutes, section  
39.18 161.1258.

39.19 \$1,000,000 in fiscal year 2025 is for  
39.20 landscaping improvements located within  
39.21 trunk highway rights-of-way ~~under the~~  
39.22 ~~Department of Transportation's community~~  
39.23 ~~roadside landscape partnership program~~, with  
39.24 prioritization of tree planting as feasible.

39.25 \$1,000,000 is from the general fund for the  
39.26 traffic safety camera pilot program under  
39.27 Minnesota Statutes, section 169.147, and the  
39.28 evaluation and legislative report under article  
39.29 3, sections 116 and 117. With the approval of  
39.30 the commissioner of transportation, any  
39.31 portion of this appropriation is available to the  
39.32 commissioner of public safety. This is a  
39.33 onetime appropriation and is available until  
39.34 June 30, 2029.

40.1 \$105,000 in fiscal year 2025 is for the cost of  
40.2 staff time to coordinate with the Public  
40.3 Utilities Commission relating to placement of  
40.4 high voltage transmission lines along trunk  
40.5 highways.

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

40.7 \$3,000,000 in fiscal year 2025 is for  
40.8 implementation and development of statewide  
40.9 and regional travel demand modeling related  
40.10 to the requirements under Minnesota Statutes,  
40.11 section 161.178. This is a onetime  
40.12 appropriation and is available until June 30,  
40.13 2026.

40.14 \$800,000 in fiscal year 2025 is for one or more  
40.15 grants to metropolitan planning organizations  
40.16 outside the metropolitan area, as defined in  
40.17 Minnesota Statutes, section 473.121,  
40.18 subdivision 2, for modeling activities related  
40.19 to the requirements under Minnesota Statutes,  
40.20 section 161.178. Notwithstanding Minnesota  
40.21 Statutes, section 16B.98, subdivision 14, the  
40.22 commissioner must not use any amount of this  
40.23 appropriation for administrative costs. This is  
40.24 a onetime appropriation and is available until  
40.25 June 30, 2026.

40.26 \$2,000,000 in fiscal year 2025 is to complete  
40.27 environmental documentation and for  
40.28 preliminary engineering and design for the  
40.29 reconstruction of marked Trunk Highway 55  
40.30 from Hennepin County State-Aid Highway  
40.31 19, north of the city of Loretto to Hennepin  
40.32 County Road 118 near the city of Medina.  
40.33 This is a onetime appropriation and is  
40.34 available until June 30, 2027.



41.1	<b>(c) State Road Construction</b>	-0-	10,900,000
41.2	\$8,900,000 in fiscal year 2025 is for the		
41.3	acquisition, environmental analysis, predesign,		
41.4	design, engineering, construction,		
41.5	reconstruction, and improvement of trunk		
41.6	highway bridges, including design-build		
41.7	contracts, program delivery, consultant usage		
41.8	to support these activities, and the cost of		
41.9	payments to landowners for lands acquired		
41.10	for highway rights-of-way. Projects under this		
41.11	appropriation must follow eligible investment		
41.12	priorities identified in the Minnesota state		
41.13	highway investment plan under Minnesota		
41.14	Statutes, section 174.03, subdivision 1c. The		
41.15	commissioner may use up to 17 percent of this		
41.16	appropriation for program delivery. This is a		
41.17	onetime appropriation and is available until		
41.18	June 30, 2028.		
41.19	\$1,000,000 in fiscal year 2025 is for predesign		
41.20	and design of intersection safety improvements		
41.21	along marked Trunk Highway 65 from the		
41.22	interchange with marked U.S. Highway 10 to		
41.23	99th Avenue Northeast in the city of Blaine.		
41.24	This is a onetime appropriation <u>and is</u>		
41.25	<u>available until June 30, 2028.</u>		
41.26	\$1,000,000 in fiscal year 2025 is to design and		
41.27	construct trunk highway improvements		
41.28	associated with an interchange at U.S.		
41.29	Highway 169, marked Trunk Highway 282,		
41.30	and Scott County State-Aid Highway 9 in the		
41.31	city of Jordan, including accommodations for		
41.32	bicycles and pedestrians and for bridge and		
41.33	road construction. This is a onetime		
41.34	appropriation and is available until June 30,		
41.35	2027.		

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

42.2 This appropriation is for transfer to the state  
 42.3 bond fund. If this appropriation is insufficient  
 42.4 to make all transfers required in the year for  
 42.5 which it is made, the commissioner of  
 42.6 management and budget must transfer the  
 42.7 deficiency amount as provided under  
 42.8 Minnesota Statutes, section 16A.641, and  
 42.9 notify the chairs and ranking minority  
 42.10 members of the legislative committees with  
 42.11 jurisdiction over transportation finance and  
 42.12 the chairs of the senate Finance Committee  
 42.13 and the house of representatives Ways and  
 42.14 Means Committee of the amount of the  
 42.15 deficiency. Any excess appropriation cancels  
 42.16 to the trunk highway fund.

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

42.18 Sec. 18. **TRANSFERS.**

42.19 (a) \$2,655,000 in fiscal year 2026 and \$2,784,000 in fiscal year 2027 are transferred  
 42.20 from the general fund to the active transportation account under Minnesota Statutes, section  
 42.21 174.38. In each forecast prepared under Minnesota Statutes, section 16A.103, from the  
 42.22 effective date of this section through the February 2027 forecast, the commissioner of  
 42.23 management and budget must include a transfer of \$8,284,000 in fiscal year 2028 and in  
 42.24 each fiscal year thereafter from the general fund to the active transportation account.

42.25 (b) \$250,000 in fiscal year 2026 is transferred from the general fund to the local  
 42.26 government road funding gap assistance account under Minnesota Statutes, section 162.175.

42.27 Sec. 19. **ALLOCATION; RUM RIVER DAM PEDESTRIAN BRIDGE.**

42.28 (a) Of the allocation otherwise apportioned to Anoka County under Minnesota Statutes,  
 42.29 section 297A.9915, subdivision 4, paragraph (a), clause (3), the commissioner of  
 42.30 transportation must provide one or more grants that total \$6,200,000 to the city of Anoka.  
 42.31 The amount under this paragraph is in fiscal year 2026 and, to the extent necessary, in fiscal  
 42.32 year 2027.

(b) The grant under paragraph (a) is for predesign, design, engineering, environmental analysis, right-of-way acquisition including easements, and construction of a pedestrian bridge over the Rum River Dam and associated Rum River Dam improvements in the city of Anoka.

(c) Notwithstanding internal Department of Transportation guidelines, policies, or documents relating to grant management, the commissioner must disburse the grant under this section directly to the city of Anoka and may do so without complying with Minnesota laws and policies regarding grant management, including but not limited to the requirement to have an agreement.

(d) This section applies notwithstanding the provisions of Minnesota Statutes, section 297A.9915, subdivision 4.

(e) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner of transportation must not use any of the amount distributed under paragraph (a) for grant administrative costs.

**Sec. 20. ALLOCATIONS; METROPOLITAN COUNCIL; HENNEPIN COUNTY; WASHINGTON AVENUE PEDESTRIAN BRIDGE.**

(a) Of the money allocated to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2, paragraph (a), clause (1), the Metropolitan Council must provide a grant of \$2,000,000 in fiscal year 2026 to the Board of Regents of the University of Minnesota. This paragraph applies notwithstanding the provisions of Minnesota Statutes, section 473.4465, subdivision 3.

(b) Of the money apportioned to Hennepin County under Minnesota Statutes, section 297A.9915, subdivision 4, paragraph (a), clause (3), Hennepin County must provide a grant of \$6,000,000 in fiscal year 2026 to the Board of Regents of the University of Minnesota. This paragraph applies notwithstanding the provisions of Minnesota Statutes, section 473.4465, subdivision 4.

(c) The grants under paragraphs (a) and (b) must be used to design and construct pedestrian enclosure and suicide deterrent barriers on the Washington Avenue pedestrian bridge on the Twin Cities campus, which may include a new railing system, improved integrated lighting, surveillance, signage, and related site and utility improvements. The board must consult with persons affected by suicide at this bridge, suicide prevention organizations, and experts in the field of suicide prevention in designing the project. This money may also be used for improvements to existing temporary barriers on the bridge.

(d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the council must not use any amount of the grant award under paragraph (a) for grant administrative costs.

**APPLICATION.** Paragraph (a) applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 21. **ALLOCATION; METROPOLITAN COUNCIL; TRANSPORTATION MANAGEMENT ORGANIZATIONS.**

(a) Of the money allocated to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2, paragraph (a), clause (2), the Metropolitan Council must provide grants that total \$1,400,000 in fiscal year 2026 to transportation management organizations in the metropolitan area. This section applies notwithstanding the provisions of Minnesota Statutes, section 473.4465, subdivision 2.

(b) The grants must be allocated as follows:

(1) \$350,000 to the I-494 Corridor Commission;

(2) \$350,000 to the St. Paul transportation management organization;

(3) \$350,000 to the downtown Minneapolis transportation management organization;

and

(4) \$350,000 to the Anoka County transportation management organization.

(c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the council must not use any amount of the grant awards under this section for grant administrative costs.

**APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

## ARTICLE 2

### TRANSPORTATION FINANCE AND POLICY

Section 1. Minnesota Statutes 2024, section 4.076, subdivision 4, is amended to read:

Subd. 4. **Duties.** The advisory council must:

(1) advise the governor and heads of state departments and agencies on policies, programs, and services affecting traffic safety;

(2) advise the appropriate representatives of state departments on the activities of the Toward Zero Deaths program, including but not limited to educating the public about traffic safety;

(3) encourage state departments and other agencies to conduct needed research in the field of traffic safety;

(4) review recommendations of the subcommittees and working groups;

(5) review and comment on ~~all grants dealing with traffic safety and on~~ the development and implementation of state and local traffic safety plans; ~~and~~

(6) advise the commissioner of public safety on grant agreements for projects under subdivision 6, paragraph (b); and

(7) make recommendations on safe road zone safety measures under section 169.065.

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

Sec. 2. Minnesota Statutes 2024, section 4.076, subdivision 5, is amended to read:

Subd. 5. **Administration.** (a) The Office of Traffic Safety in the Department of Public Safety, in cooperation with the Departments of Transportation and Health, must serve as the host agency for the advisory council and must manage the administrative and operational aspects of the advisory council's activities. The commissioner of public safety must perform financial management on behalf of the council.

(b) The advisory council must meet no less than four times per year, or more frequently as determined by the chair, a vice chair, or a majority of the council members. The advisory council is subject to chapter 13D. The advisory council may host an annual state traffic safety conference.

(c) The chair must regularly report to the respective commissioners on the activities of the advisory council and on the state of traffic safety in Minnesota.

(d) The terms, compensation, and appointment of members are governed by section 15.059.

(e) The advisory council may appoint subcommittees and working groups. Subcommittees must consist of council members. Working groups may include nonmembers. Nonmembers on working groups must be compensated pursuant to section 15.059, subdivision 3, only for expenses incurred for working group activities.

(f) The commissioner of public safety may enter into contracts and interagency agreements for data, expertise, and research projects to inform the advisory council.

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

Sec. 3. Minnesota Statutes 2024, section 4.076, is amended by adding a subdivision to read:

**Subd. 6. Grant agreements for safety projects.** (a) For purposes of this section, "projects that reduce serious and fatal injury crashes" include but are not limited to the following:

(1) improvements to rural high-risk roads;

(2) traffic safety training for law enforcement;

(3) safe and sober rides home programming;

(4) the study of motorcycle operation rules under the circumstances specified in section 169.974, subdivision 5, paragraph (g);

(5) work zone safety and work zone redesign activities; and

(6) safe work zones.

(b) The commissioner of public safety, in consultation with the advisory council, may enter into grant agreements for projects that reduce serious and fatal injury crashes. Eligible recipients of a grant award are a local traffic safety coalition, local unit of government, nonprofit organization, law enforcement agency, or an educational institution. The commissioner must give priority to local traffic safety coalitions.

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

Sec. 4. Minnesota Statutes 2024, section 13.6905, subdivision 8, is amended to read:

**Subd. 8. Driver's license photograph; exceptions.** Allowing headwear or a medically required covering in a driver's license photograph or allowing driver's license identification other than a photograph, under certain circumstances, are governed under section 171.071.

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

Sec. 5. Minnesota Statutes 2024, section 16A.88, subdivision 1a, is amended to read:

**Subd. 1a. Greater Minnesota transit account.** The greater Minnesota transit account is established within the transit assistance fund in the state treasury. Money in the account is annually appropriated to the commissioner of transportation for assistance to transit

systems outside the metropolitan area under section 174.24. The commissioner may use up to two percent of the available revenues in the account in each fiscal year for administration of the transit program. The commissioner ~~shall~~ must use the account for transit operations as provided in section 174.24 and related program administration. The commissioner may maintain a reserved balance in the account of no more than five percent of the total annual transit assistance fund balance forward from the previous fiscal year.

Sec. 6. **[137.345] EMPOWERING SMALL MINNESOTA COMMUNITIES PROGRAM.**

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

(b) "Program" means the empowering small Minnesota communities program established by the Board of Regents of the University of Minnesota.

(c) "Small community" means a local unit of government having a population of fewer than 15,000 or a collaboration of more than one local unit of government each having a population of fewer than 15,000.

Subd. 2. Program assistance. (a) An appropriation under the program is for small community partnerships on infrastructure project analysis and development as provided in this section.

(b) Support and assistance under the program must be prioritized for political subdivisions and federally recognized Tribal governments based on insufficient capacity to undertake project development and apply for state or federal infrastructure grants.

Subd. 3. Uses. (a) An appropriation under the program is available for:

(1) project partnership activities in the Regional Sustainable Development Partnerships, the Center for Transportation Studies, the Minnesota Design Center, the Humphrey School of Public Affairs, the Center for Urban and Regional Affairs, or other related entities; and

(2) support and assistance to small communities that includes:

(i) methods to incorporate consideration of sustainability, resiliency, and adaptation to the impacts of climate change; and

(ii) identification and cross-sector analysis of any potential associated projects and efficiencies through coordinated investments in other infrastructure or assets.

(b) An agreement with a small community may provide for infrastructure project analysis and development activities that include but are not limited to planning, scoping, analysis, predesign, and design.

Subd. 4. **Program information.** From an appropriation under the program, the regents must maintain information about the program on a website that, at a minimum, must include:

(1) a review of the program and implementation;

(2) a summary of projects under the program;

(3) financial information that identifies sources and uses of funds; and

(4) direction on applications for partnership assistance.

Sec. 7. Minnesota Statutes 2024, section 161.088, subdivision 4a, is amended to read:

Subd. 4a. **Project funding; regional balance.** ~~(a)~~ To ensure regional balance throughout the state, the commissioner must distribute all available funds under the program in each project selection round according to the following regional allocations:

(1) Metro Projects: at least 25 percent and no more than 27.5 percent of the funds are for projects that are located within, on, or directly adjacent to an area bounded by marked Interstate Highways 494 and 694;

(2) Metro Connector Projects: at least 35 percent and no more than 37.5 percent of the funds are for projects that:

(i) are not included in clause (1); and

(ii) are located wholly or primarily within a greater metropolitan county; and

(3) Regional Center Projects: at least 35 percent and no more than 40 percent of the funds are for projects that are not included in clause (1) or (2).

~~(b) The commissioner must calculate the percentages under paragraph (a) using total funds under the program over the current and prior two consecutive project selection rounds. The calculations must include readiness development projects funded under subdivision 4b.~~

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to funds awarded on or after that date regardless of the date of a solicitation.



49.1 Sec. 8. Minnesota Statutes 2024, section 161.115, subdivision 177, is amended to read:

49.2 Subd. 177. **Route No. 246.** Beginning at a point in or adjacent to Nerstrand; thence  
49.3 extending in a general northerly direction to a point westerly of Dennison; thence continuing  
49.4 in a general northwesterly direction to a point ~~on Route No. 1 at or~~ near 110th Street East  
49.5 near Northfield.

49.6 **EFFECTIVE DATE.** This section is effective the day after the commissioner of  
49.7 transportation notifies the revisor of statutes electronically or in writing of the effective  
49.8 date.

49.9 Sec. 9. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to  
49.10 read:

49.11 Subd. 108. **Officer Jason B. Meyer Memorial Highway.** The segment of marked U.S.  
49.12 Highway 63 from the intersection with marked Trunk Highway 16 to the southerly city  
49.13 limit of Racine is designated as "Officer Jason B. Meyer Memorial Highway." Subject to  
49.14 section 161.139, the commissioner must adopt a suitable design to mark this highway and  
49.15 erect appropriate signs.

49.16 Sec. 10. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to  
49.17 read:

49.18 Subd. 109. **Elmstrand \* Finseth \* Ruge Heroes Memorial Bridge.** The bridge on  
49.19 Burnsville Parkway over marked Interstate Highway 35W in the city of Burnsville is  
49.20 designated as "Elmstrand \* Finseth \* Ruge Heroes Memorial Bridge." Subject to section  
49.21 161.139, the commissioner must adopt a suitable design to mark this highway and erect  
49.22 appropriate signs.

49.23 Sec. 11. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to  
49.24 read:

49.25 Subd. 110. **Sergeant Joshua A. Schmit Memorial Highway.** That segment of marked  
49.26 Trunk Highway 23 in Kandiyohi County from the interchange with marked U.S. Highway  
49.27 71 north of Willmar to Lake Avenue South in Spicer is designated as "Sergeant Joshua A.  
49.28 Schmit Memorial Highway." Subject to section 161.139, the commissioner must adopt a  
49.29 suitable design to mark this highway and erect appropriate signs.

50.1 Sec. 12. Minnesota Statutes 2024, section 161.178, subdivision 4, is amended to read:

50.2 Subd. 4. **Impact mitigation; interlinking.** (a) To provide for impact mitigation, the  
50.3 applicable entity must interlink the project or portfolio as provided in this subdivision.

50.4 (b) Impact mitigation is sufficient under subdivision 2, paragraph (b), if the project or  
50.5 portfolio is interlinked to offset actions such that the total greenhouse gas emissions reduction  
50.6 from the offset actions, after accounting for the greenhouse gas emissions otherwise resulting  
50.7 from the project or portfolio, is consistent with meeting the targets specified under subdivision  
50.8 2, paragraph (a). Each comparison under this paragraph must be performed over equal  
50.9 comparison periods.

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

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

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

50.16 (3) active transportation infrastructure;

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

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

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

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

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

50.27 (9) natural systems improvements, including but not limited to ecosystem restoration,  
50.28 prairie restoration, reforestation, afforestation, wetland conservation, restorative agriculture  
50.29 practices, and urban green space; ~~and~~

50.30 (10) land acquisition including easements, restoration, and enhancement for: (i) the  
50.31 outdoor recreation system under section 86A.04, excluding state rest areas; and (ii) regional  
50.32 parks; and

51.1 (11) as specified by the commissioner in the manner provided under paragraph (e).

51.2 (d) An offset action may be identified as interlinked to the project or portfolio if:

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

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

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

51.6 (4) procedures are established to ensure that the mitigation action remains in substantially

51.7 the same form or a revised form that continues to meet the calculation under paragraph (b).

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

51.9 (1) the offset action is reviewed and recommended by the technical advisory committee

51.10 under section 161.1782; and

51.11 (2) the commissioner determines that the offset action is directly related to reduction in

51.12 the transportation sector of greenhouse gas emissions or vehicle miles traveled.

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

51.14 Sec. 13. **[162.175] LOCAL GOVERNMENT ROAD FUNDING GAP ASSISTANCE.**

51.15 Subdivision 1. **Definitions.** For purposes of this section, "eligible recipient" or "recipient"

51.16 means a political subdivision that:

51.17 (1) has a directly elected governing board;

51.18 (2) maintains sole jurisdiction over a roadway system;

51.19 (3) does not receive direct dedicated funding under section 16A.88, 162.07, 162.13,

51.20 162.145, 162.146, or 297A.9915; and

51.21 (4) either:

51.22 (i) has a population greater than 10,000 according to the last two federal decennial

51.23 censuses; or

51.24 (ii) is contained within a city of the first class.

51.25 Subd. 2. **Local government road funding gap assistance account.** A local government

51.26 road funding gap assistance account is created in the special revenue fund. The account

51.27 consists of money donated, allotted, transferred, or otherwise provided to the account. Money

51.28 in the account is annually appropriated to the commissioner of transportation and may only

51.29 be expended as provided under this section. Notwithstanding section 16B.98, subdivision

51.30 14, the commissioner must not use any amount of this appropriation for administrative costs.

52.1 Subd. 3. **Distribution.** The commissioner must annually distribute, transfer, or grant  
52.2 the available money in the local government road funding gap assistance account equally  
52.3 among all eligible recipients.

52.4 Subd. 4. **Use of funds.** Money distributed under this section is available only for design,  
52.5 engineering, construction, reconstruction, and maintenance of roads solely under the  
52.6 jurisdiction of the recipient.

52.7 Sec. 14. Minnesota Statutes 2024, section 168.002, subdivision 6, is amended to read:

52.8 Subd. 6. **Dealer.** "Dealer" means any person, firm, or corporation regularly engaged in  
52.9 the business of manufacturing, or selling, purchasing, and generally dealing in new and  
52.10 unused motor vehicles having an established place of business for the sale, trade, and display  
52.11 of new and unused motor vehicles and having in possession new and unused motor vehicles  
52.12 for the purposes of sale or trade. "Dealer" also includes any person, firm or corporation  
52.13 regularly engaged in the business of manufacturing or selling, purchasing, and generally  
52.14 dealing in new and unused motor vehicle bodies, chassis mounted or not, and having an  
52.15 established place of business for the sale, trade and display of such new and unused motor  
52.16 vehicle bodies, and having in possession new and unused motor vehicle bodies for the  
52.17 purposes of sale or trade. For the purposes of sections 168.27, subdivision 28; 168.33,  
52.18 subdivision 8a; 168.345; and 168.346, the commissioner may designate a motor vehicle  
52.19 dealer licensed under the laws of a contiguous state as a dealer or licensed dealer.

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

52.21 Sec. 15. Minnesota Statutes 2024, section 168.013, subdivision 1a, is amended to read:

52.22 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in  
52.23 section 168.002, subdivision 24, and hearses, except as otherwise provided, the registration  
52.24 tax is calculated as \$10 plus:

52.25 (1) for a vehicle initially registered in Minnesota prior to November 16, 2020, 1.54  
52.26 percent of the manufacturer's suggested retail price of the vehicle and the destination charge,  
52.27 subject to the adjustments in paragraphs (e) and (f); or

52.28 (2) for a vehicle initially registered in Minnesota on or after November 16, 2020, 1.575  
52.29 percent of the manufacturer's suggested retail price of the vehicle, subject to the adjustments  
52.30 in paragraphs (e) and (f).

52.31 (b) The registration tax calculation must not include the cost of each accessory or item  
52.32 of optional equipment separately added to the vehicle and the manufacturer's suggested

53.1 retail price. The registration tax calculation must not include a destination charge, except  
53.2 for a vehicle previously registered in Minnesota prior to November 16, 2020.

53.3 (c) The registrar must determine the manufacturer's suggested retail price:

53.4 (1) using list price information published by the manufacturer or any nationally  
53.5 recognized firm or association compiling such data for the automotive industry;

53.6 (2) if a dealer does not determine the amount, using the retail price label as provided by  
53.7 the manufacturer under United States Code, title 15, section 1232; or

53.8 (3) if the retail price label is not available, using the actual sales price of the vehicle.

53.9 If the registrar is unable to ascertain the manufacturer's suggested retail price of any registered  
53.10 vehicle in the foregoing manner, the registrar may use any other available source or method.

53.11 (d) The registrar must calculate the registration tax using information available to dealers  
53.12 and deputy registrars at the time the initial application for registration is submitted.

53.13 (e) The amount under paragraph (a), clauses (1) and (2), must be calculated based on a  
53.14 percentage of the manufacturer's suggested retail price, as follows:

53.15 (1) during the first year of vehicle life, upon 100 percent of the price;

53.16 (2) for the second year, 95 percent of the price;

53.17 (3) for the third year, 90 percent of the price;

53.18 (4) for the fourth year, 80 percent of the price;

53.19 (5) for the fifth year, 70 percent of the price;

53.20 (6) for the sixth year, 60 percent of the price;

53.21 (7) for the seventh year, 50 percent of the price;

53.22 (8) for the eighth year, 40 percent of the price;

53.23 (9) for the ninth year, 25 percent of the price; and

53.24 (10) for the tenth year, ten percent of the price.

53.25 (f) For the 11th and each succeeding year, the amount under paragraph (a), clauses (1)  
53.26 and (2), must be calculated as \$20.

53.27 (g) Except as provided in subdivision 23, for any vehicle previously registered in  
53.28 Minnesota and regardless of prior ownership, the total amount due under this subdivision  
53.29 ~~and subdivision 1m~~ must not exceed the smallest total amount previously paid or due on  
53.30 the vehicle.

**EFFECTIVE DATE.** This section is effective the day following final enactment, and applies to taxes payable for a registration period starting on or after January 1, 2026.

Sec. 16. Minnesota Statutes 2024, section 168.013, subdivision 1m, is amended to read:

Subd. 1m. **Electric vehicle.** ~~In addition to the tax under subdivision 1a,~~ (a) A surcharge ~~of \$75~~ as provided in paragraph (b) or (c) is imposed for an all-electric vehicle, as defined in section 169.011, subdivision 1a. The surcharge is in addition to the tax under subdivision 1a.

(b) The surcharge is calculated as the greater of the minimum amount specified in paragraph (c) or:

(1) 0.5 percent of the manufacturer's suggested retail price, as determined under subdivision 1a, paragraph (c); multiplied by

(2) the percentage specified under subdivision 1a, paragraph (e), clauses (1) to (10), for the vehicle's year of life, or ten percent for a vehicle in its 11th and each succeeding year of life.

(c) The minimum amount is:

(1) \$150 for a registration period beginning on or after January 1, 2026, and on or before June 30, 2027; or

(2) \$100 for a registration period beginning on or after July 1, 2027.

(d) Notwithstanding subdivision 8, revenue from the fee imposed collected under this subdivision must be deposited in the highway user tax distribution fund.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to taxes payable for a registration period beginning on or after January 1, 2026.

Sec. 17. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision to read:

Subd. 1n. **Plug-in hybrid electric vehicle.** (a) A surcharge as provided in paragraph (b) or (c) is imposed for a plug-in hybrid electric vehicle, as defined in section 169.011, subdivision 54a. The surcharge is in addition to the tax under subdivision 1a.

(b) The surcharge is calculated as the greater of the minimum amount specified under paragraph (c) or:

55.1 (1) 0.25 percent of the manufacturer's suggested retail price, as determined under  
55.2 subdivision 1a, paragraph (c); multiplied by

55.3 (2) the percentage specified under subdivision 1a, paragraph (e), clauses (1) to (10), for  
55.4 the vehicle's year of life, or ten percent for a vehicle in its 11th and each succeeding year  
55.5 of life.

55.6 (c) The minimum amount is:

55.7 (1) \$75 for a registration period beginning on or after January 1, 2026, and on or before  
55.8 June 30, 2027; or

55.9 (2) \$50 for a registration period beginning on or after July 1, 2027.

55.10 (d) Notwithstanding subdivision 8, revenue collected under this subdivision must be  
55.11 deposited in the highway user tax distribution fund.

55.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
55.13 applies to taxes payable for a registration period beginning on or after January 1, 2026.

55.14 Sec. 18. Minnesota Statutes 2024, section 168.091, is amended to read:

55.15 **168.091 ~~31-DAY~~ 60-DAY TEMPORARY VEHICLE PERMIT.**

55.16 Subdivision 1. **Nonresident buyer.** (a) Upon payment of a fee of \$1, the commissioner  
55.17 may issue a permit to a nonresident purchasing a vehicle in this state for the sole purpose  
55.18 of allowing the vehicle to be removed from this state.

55.19 (b) The permit is in lieu of any other registration or taxation for use of the highways and  
55.20 is valid for a period of ~~31~~ 60 days from the date of sale, trade, or gift.

55.21 (c) The permit must be available in an electronic format as determined by the  
55.22 commissioner.

55.23 (d) If the sale, gift, or trade information is electronically transmitted to the commissioner  
55.24 by a dealer or deputy registrar of motor vehicles, the \$1 fee is waived.

55.25 (e) The permit must be affixed to the rear of the vehicle where it is plainly visible. Each  
55.26 permit is valid only for the vehicle for which the permit was issued.

55.27 Subd. 2. **Dealer.** The registrar may issue permits to licensed dealers upon payment of  
55.28 the proper fee for each permit.

55.29 Subd. 3. **Proceeds to highway user fund.** All payments received for such permits ~~shall~~  
55.30 must be paid into the state treasury and credited to the highway user tax distribution fund.

56.1 **EFFECTIVE DATE.** This section is effective October 1, 2025, for permits issued on  
56.2 or after that date.

56.3 Sec. 19. **[168.1289] RENTAL MOTOR VEHICLE PLATES.**

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

56.6 (b) "Auto rental company" means a corporation, partnership, individual, or other person  
56.7 that is engaged primarily in the renting of at least 50 rental motor vehicles at per diem rates.

56.8 (c) "Rental motor vehicle" means a passenger automobile, noncommercial one-ton pickup  
56.9 truck, motorcycle, motorized bicycle, or recreational vehicle made available for rental by  
56.10 an auto rental company.

56.11 Subd. 2. **Issuance of plates.** (a) An auto rental company may, but is not required to,  
56.12 apply for rental motor vehicle plates under this section.

56.13 (b) Upon proper application, the commissioner must issue rental motor vehicle plates  
56.14 or a single motorcycle plate to an auto rental company that:

56.15 (1) is a registered owner of a rental motor vehicle;

56.16 (2) pays license plate fees under section 168.12, subdivision 5, for each set of plates for  
56.17 each rental motor vehicle, along with any other fees required by this chapter;

56.18 (3) pays the registration tax for each rental motor vehicle as required under section  
56.19 168.013;

56.20 (4) pays the fees required under this chapter; and

56.21 (5) complies with section 168.017 and rules governing registration of rental motor  
56.22 vehicles.

56.23 (c) Rental motor vehicle plates issued under this section are issued for a seven-year  
56.24 period and must be replaced as required under section 168.12, subdivision 1, paragraph (f),  
56.25 clause (2), except that rental motor vehicle plates issued for a motorcycle or motorized  
56.26 bicycle are for the life of the vehicle.

56.27 (d) Each set of rental motor vehicle plates issued under this section is only valid if the  
56.28 plates are registered to a single rental motor vehicle.

56.29 Subd. 3. **Design.** The commissioner must adopt a suitable plate design that includes the  
56.30 phrase "RENTAL MOTOR VEHICLE."



57.1 Subd. 4. **Plates transfer.** (a) On application to the commissioner and payment of a  
57.2 transfer fee of \$5 for each set of plates, rental motor vehicle plates may be transferred to  
57.3 another qualified rental motor vehicle that is registered to the same auto rental company to  
57.4 which the rental motor vehicle plates were originally issued.

57.5 (b) A deputy registrar who collects the \$5 transfer fee under paragraph (a) must retain  
57.6 the fee.

57.7 (c) Rental motor vehicle plates issued under this section must be removed from the rental  
57.8 motor vehicle if the vehicle is held for resale under section 168A.11.

57.9 Subd. 5. **Exemptions.** (a) Rental motor vehicle plates issued under this section are not  
57.10 subject to section 168.1293, subdivision 2.

57.11 (b) Notwithstanding sections 168.09, subdivision 4, and 169.79, subdivision 8, rental  
57.12 motor vehicle plates issued under this section are not required to display validation stickers  
57.13 issued pursuant to section 168.12, subdivision 1.

57.14 Subd. 6. **Application.** This section applies on the earlier of July 1, 2026, or the date the  
57.15 commissioner makes rental motor vehicle plates available.

57.16 Sec. 20. Minnesota Statutes 2024, section 168.27, subdivision 8, is amended to read:

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

57.20 (b) Isolated or occasional sales or leases of new or used motor vehicles are exempt from  
57.21 this section. A person who makes only isolated or occasional sales or leases is not required  
57.22 to be licensed under this section, is not considered to be in the business of selling or leasing  
57.23 motor vehicles, and does not qualify to receive dealer plates under subdivision 16. "Isolated  
57.24 or occasional sales or leases" means: (1) the sale or lease of a motor vehicle with an actual  
57.25 cash value of \$1,000 or less made by a charitable organization; (2) the sale, purchase, or  
57.26 lease of not more than five motor vehicles in a 12-month period, other than pioneer or classic  
57.27 motor vehicles as defined in section 168.10, subdivisions 1a and 1b<sub>2</sub>; or (3) sales by a  
57.28 licensed auctioneer selling motor vehicles at an auction if, in the ordinary course of the  
57.29 auctioneer's business, the sale of motor vehicles is incidental to the sale of other real or  
57.30 personal property. For purposes of this subdivision, charitable organization means a nonprofit  
57.31 charitable organization that qualifies for tax exemption under section 501(c)(3) of the Internal  
57.32 Revenue Code.

(c) A person whose sales of new and used motor vehicles consist solely of sales to political subdivisions and their agencies of vehicles used solely as firefighting equipment is not required to obtain a license under this section. The person may apply for and receive in-transit plates under subdivision 17 in the same manner as licensed motor vehicle dealers for the purpose of allowing firefighting equipment to be transported from the dealer's source of supply or other place of storage to the dealer's place of business, to another place of storage, or directly to the purchaser.

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

Sec. 21. Minnesota Statutes 2024, section 168.27, subdivision 11, is amended to read:

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

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

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

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

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

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

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

(f) A license may be denied if a dealer is not in compliance with location requirements under subdivision 10 or has intentionally misrepresented any information on the dealer license application that would be grounds for suspension or revocation under subdivision 12.

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

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

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

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

(k) Section 13.87 applies to data collected, created, maintained, and disseminated under paragraphs (i) and (j).

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

Sec. 22. Minnesota Statutes 2024, section 168.27, subdivision 16, is amended to read:

Subd. 16. **Dealer plates: distinguishing number, fee, tax, use.** (a) The registrar ~~shall~~ must issue to every motor vehicle dealer, upon a request from the motor vehicle dealer licensed as provided in subdivision 2 or 3, one or more plates displaying a general distinguishing number. This subdivision does not apply to a scrap metal processor, a used vehicle parts dealer, or a vehicle salvage pool.

60.1 (b) At any point in time, a dealer must not possess more than 50 plates issued under this  
60.2 subdivision.

60.3 (c) The fee for each of the first four plates is \$75 per registration year, of which \$60  
60.4 must be paid to the registrar and the remaining \$15 is payable as sales tax on motor vehicles  
60.5 under section 297B.035. For each additional plate, the dealer ~~shall~~ must pay the registrar a  
60.6 fee of \$25 and a sales tax on motor vehicles of \$15 per registration year. The registrar ~~shall~~  
60.7 must deposit the tax in the state treasury to be credited as provided in section 297B.09.  
60.8 Replacement plates are subject to the fees in section 168.12.

60.9 (d) Motor vehicles, new or used, owned by the motor vehicle dealership and bearing the  
60.10 number plate, except vehicles leased to the user who is not an employee of the dealer during  
60.11 the term of the lease, held for hire, or used by the dealer as a tow truck, service truck, or  
60.12 parts vehicle, may be driven upon the streets and highways of this state:

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

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

60.17 (3) for use as a courtesy vehicle provided to a customer of the dealership while the  
60.18 customer's vehicle is being repaired;

60.19 (4) for demonstration purposes by any prospective buyer for a period of ~~48 hours or in~~  
60.20 ~~the case of a truck, truck tractor, or semitrailer, for a period of seven~~ 14 days; or

60.21 ~~(4)~~ (5) in a promotional event that lasts no longer than four days in which at least three  
60.22 motor vehicles are involved.

60.23 ~~(b)~~ (e) A new or used motor vehicle sold by the motor vehicle dealer and bearing the  
60.24 motor vehicle dealer's number plate may be driven upon the public streets and highways  
60.25 for a period of 72 hours by the buyer for either of the following purposes: (1) removing the  
60.26 vehicle from this state for registration in another state; or (2) permitting the buyer to use  
60.27 the motor vehicle before the buyer receives number plates pursuant to registration. Use of  
60.28 a motor vehicle by the buyer under clause (2) before the buyer receives number plates  
60.29 pursuant to registration constitutes a use of the public streets or highways for the purpose  
60.30 of the time requirements for registration of motor vehicles. The requirements under this  
60.31 paragraph do not apply to a courtesy vehicle used as provided under paragraph (d), clause  
60.32 (3).

61.1 (f) A vehicle displaying a dealer plate issued under this subdivision must carry written  
61.2 documentation within the vehicle that includes:

61.3 (1) a valid driver's license;

61.4 (2) proof of insurance;

61.5 (3) the reason for use; and

61.6 (4) if the vehicle is for use as a courtesy vehicle under paragraph (d), clause (3), a courtesy  
61.7 vehicle user agreement that includes a list of authorized drivers for the vehicle and their  
61.8 driver's license numbers and the start and end dates of use.

61.9 (g) For purposes of this subdivision, "courtesy vehicle" means a passenger-class motor  
61.10 vehicle that a motor vehicle dealer temporarily provides at no or minimal cost to customers  
61.11 for customer service or mobility purposes while the customer's vehicle is serviced, repaired,  
61.12 or maintained.

61.13 Sec. 23. Minnesota Statutes 2024, section 168.27, subdivision 22, is amended to read:

61.14 Subd. 22. **Dealer license for trailers, motorized bicycles; plates, fees; exemptions.** (a)  
61.15 Any person, copartnership, or corporation having a permanent enclosed commercial building  
61.16 or structure either owned in fee or leased and engaged in the business, either exclusively or  
61.17 in addition to any other occupation, of selling motorized bicycles, boat trailers, horse trailers,  
61.18 or snowmobile trailers, may apply to the registrar for a dealer's license. Upon payment of  
61.19 a \$10 fee the registrar ~~shall~~ must license the applicant as a dealer for the remainder of the  
61.20 calendar year in which the application was received. The license may be renewed on or  
61.21 before the second day of January of each succeeding year by payment of a fee of \$10.

61.22 (b) The registrar ~~shall~~ must issue to each dealer, upon request of the dealer, up to 50  
61.23 dealer plates as provided in subdivision 16 upon payment of \$5 for each plate, and. The  
61.24 plates may be used in the same manner and for the same purposes as is provided in  
61.25 subdivision 16. Except for motorized bicycle dealers, the registrar ~~shall~~ must also issue to  
61.26 the dealer, upon request of the dealer, "in-transit" plates as provided in subdivision 17 upon  
61.27 payment of a fee of \$5 for each plate.

61.28 (c) This subdivision does not abrogate any of the provisions of this section relating to  
61.29 the duties, responsibilities, and requirements of persons, copartnerships, or corporations  
61.30 engaged in the business, either exclusively or in addition to other occupations, of selling  
61.31 motor vehicles or manufactured homes, except that a seller of boat trailers, utility trailers,  
61.32 or snowmobile trailers who is licensed under this subdivision is not required to have a  
61.33 contract or franchise with a manufacturer or distributor of new boat trailers, utility trailers,

or new snowmobile trailers the seller proposes to sell, broker, wholesale, or auction. This section does not require a manufacturer of snowmobile trailers whose manufacturing facility is located outside of the metropolitan area as defined in section 473.121 to have a dealer's license to transport the snowmobile trailers to dealers or retail outlets in the state.

Sec. 24. Minnesota Statutes 2024, section 168.33, is amended by adding a subdivision to read:

Subd. 7a. **Reimbursements.** (a) The commissioner must issue payment to a deputy registrar as follows:

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

(2) \$4 for the following transactions:

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

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

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

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

(v) marking a vehicle as junked;

(3) \$8 for the following transactions:

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

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

(iii) providing a duplicate title;

(iv) issuing International Fuel Tax Agreement decals;

(v) managing an International Fuel Tax Agreement license; and

(vi) administrative review requests; and

(4) an amount that equals the fee established under subdivision 7, paragraph (a), clause (2), for the following transactions:

(i) vehicle renewal for veterans with a total service-connected disability;

(ii) plate change for veterans with a total service-connected disability;

(iii) correcting or changing title and vehicle details;

- 63.1 (iv) issuing a new disability parking certificate;
- 63.2 (v) new title and registration for veterans with a total service-connected disability;
- 63.3 (vi) transferring title and registration for veterans with a total service-connected disability;
- 63.4 and
- 63.5 (vii) replacing plates, stickers, or registration cards.
- 63.6 (b) The following transactions for which no filing fee under subdivision 7 is collected
- 63.7 are not eligible for payment of any kind:
- 63.8 (1) collection of another fee type, including but not limited to a record request fee or a
- 63.9 fast track fee;
- 63.10 (2) voluntary waiver of a fee by the deputy registrar; and
- 63.11 (3) ancillary to a transaction for which a filing fee may be imposed.
- 63.12 (c) If the amount appropriated for payments under this subdivision is insufficient, the
- 63.13 commissioner must prorate the payments.
- 63.14 **EFFECTIVE DATE.** This section is effective August 1, 2025.

63.15 Sec. 25. Minnesota Statutes 2024, section 168A.11, subdivision 1, is amended to read:

63.16 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who

63.17 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring

63.18 the vehicle to another person, other than by the creation of a security interest, the dealer

63.19 must promptly execute the assignment and warranty of title by a dealer, showing the names

63.20 and addresses of the transferee and of any secured party holding a security interest created

63.21 or reserved at the time of the resale, and the date of the security agreement in the spaces

63.22 provided on the certificate of title or secure reassignment.

63.23 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the

63.24 dealer need not register the vehicle but must pay one month's registration tax. If a dealer

63.25 elects to apply for a certificate of title on a vehicle held for resale, the commissioner must

63.26 not place any legend on the title that no motor vehicle sales tax was paid by the dealer but

63.27 may indicate on the title whether the vehicle is a new or used vehicle.

63.28 (c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer

63.29 must also, in the space provided on the certificate of title or secure reassignment, state the

63.30 true cumulative mileage registered on the odometer or that the exact mileage is unknown

63.31 if the odometer reading is known by the transferor to be different from the true mileage.

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

(e) With respect to vehicles sold to buyers who will remove the vehicle from this state, the dealer must remove any license plates from the vehicle, issue a ~~31-day~~ 60-day temporary permit pursuant to section 168.091, and notify the commissioner within 48 hours of the sale that the vehicle has been removed from this state. The notification must be made in an electronic format prescribed by the commissioner. The dealer may contract with a deputy registrar for the notification of sale to an out-of-state buyer. The deputy registrar may charge a fee of \$7 per transaction to provide this service.

**EFFECTIVE DATE.** This section is effective October 1, 2025, for permits issued on or after that date.

Sec. 26. **[168A.1502] INSURER APPLICATION FOR TITLE.**

**Subdivision 1. Authorization.** When an insurer licensed to conduct business in Minnesota acquires ownership of a vehicle through payment of damages and the owner fails to deliver the vehicle's title to the insurer within 15 days of payment of the claim, the insurer or a designated agent may apply to the commissioner for a certificate of title as provided in this section. This section only applies to vehicles with a title issued by this state.

**Subd. 2. Notice.** At least 15 days prior to applying for a certificate of title under this section, the insurer or a designated agent must notify the owner and any lienholders of record of the insurer's intent to apply for a title. The notice must be sent to the last known address of the owner and any lienholders by certified mail or by a commercial delivery service that provides evidence of delivery.

**Subd. 3. Application; issuance.** (a) At least 15 days after notifying the owner and any lienholders under subdivision 2, the insurer may apply for a certificate of title from the commissioner. The application must attest that the insurer or a designated agent:

(1) paid the claim;

(2) requested the title or other necessary transfer documents from the owner; and

(3) provided notice to the owner and any lienholders as required under subdivision 2.



(b) If the insurer or a designated agent does not attest to completing the requirements under paragraph (a), clauses (1) to (3), the commissioner must reject the application.

(c) Notwithstanding any outstanding liens, upon proper application and payment of applicable fees, the commissioner must issue a certificate of title in the name of the insurer. Issuance of a certificate of title extinguishes all existing liens against the vehicle. If the vehicle is sold, the insurer or a designated agent must assign the title to the buyer, and the vehicle is transferred without any liens.

**EFFECTIVE DATE.** This section is effective September 1, 2025.

**Sec. 27. [168A.1503] REQUIREMENTS UPON UNPAID INSURANCE VEHICLE CLAIM.**

Subdivision 1. **Definition.** For purposes of this section, "salvage vehicle auction company" or "auction company" means a business, organization, or individual that sells salvage vehicles on behalf of insurers.

Subd. 2. **Notice to auction company.** (a) If an insurance company licensed to conduct business in Minnesota requests an auction company to take possession of a salvage vehicle that is subject to an insurance claim and the insurance company does not subsequently take ownership of the vehicle, the insurance company may direct the auction company to release the vehicle to the owner or lienholder.

(b) The insurance company must provide the auction company notice by commercial delivery service, email, or a proprietary electronic system accessible by both the insurance company and the auction company authorizing the auction company to release the vehicle to the vehicle's owner or lienholder.

Subd. 3. **Notice to owner or lienholder.** (a) Upon receiving notice from an insurance company under subdivision 2, the auction company must send two notices a minimum of 14 days apart to the owner of the vehicle and any lienholders stating that the vehicle is available to be recovered from the auction company within 30 days of the date the first notice was sent. Each notice must include an invoice for any outstanding charges owed to the auction company that must be paid before the vehicle may be recovered.

(b) Notice under this subdivision must be sent to the address of the owner and any lienholder on record with the commissioner by certified mail or a commercially available delivery service that provides proof of delivery.

Subd. 4. **Vehicle deemed abandoned.** (a) If the owner or any lienholder does not recover the vehicle within 30 days of the date on which the first notice was sent under subdivision 3:

(1) the vehicle is considered abandoned;

(2) the vehicle's certificate of title is deemed assigned to the auction company; and

(3) without surrendering the certificate of title, the auction company may request, on a form provided by the commissioner, that the commissioner issue a certificate of title that is free of liens.

(b) A request under paragraph (a) must be accompanied by a copy of (1) the notice sent by the insurance company required under subdivision 2, and (2) evidence of delivery of the notices sent to the owner and any lienholders required under subdivision 3 or evidence that the notices were undeliverable.

(c) Notwithstanding any outstanding liens against the vehicle, upon proper application and receipt of any fees charged under section 168A.29, the commissioner must issue a certificate of title that is free of liens to the auction company in possession of the vehicle.

**EFFECTIVE DATE.** This section is effective September 1, 2025.

Sec. 28. Minnesota Statutes 2024, section 168E.01, is amended by adding a subdivision to read:

Subd. 8a. **Fuel products.** "Fuel products" means liquefied natural gas or liquefied petroleum gas, as defined in section 296A.01, subdivisions 30 and 31.

**EFFECTIVE DATE.** This section is effective the day following final enactment for retail deliveries made after June 30, 2025.

Sec. 29. Minnesota Statutes 2024, section 168E.01, is amended by adding a subdivision to read:

Subd. 15a. **Road construction materials.** "Road construction materials" has the meaning given in section 169.869, subdivision 1.

**EFFECTIVE DATE.** This section is effective the day following final enactment for retail deliveries made after June 30, 2025.

67.1 Sec. 30. Minnesota Statutes 2024, section 168E.05, subdivision 1, is amended to read:

67.2 Subdivision 1. **Transactions.** The following retail deliveries are exempt from the fee  
67.3 imposed by this chapter:

67.4 (1) a retail delivery to a purchaser who is exempt from tax under chapter 297A;

67.5 (2) a retail delivery on a motor vehicle for which a permit issued by the commissioner  
67.6 of transportation or a road authority is required under chapter 169 or 221 and the retailer  
67.7 has maintained books and records through reasonable and verifiable standards that the retail  
67.8 delivery was on a qualifying vehicle;

67.9 (3) a retail delivery resulting from a retail sale of food and food ingredients or prepared  
67.10 food;

67.11 (4) a retail delivery resulting from a retail sale by a food and beverage service  
67.12 establishment, regardless of whether the retail delivery is made by a third party other than  
67.13 the food and beverage service establishment; ~~and~~

67.14 (5) a retail delivery resulting from a retail sale of drugs and medical devices, accessories  
67.15 and supplies, or baby products;

67.16 (6) a retail delivery resulting from a retail sale of fuel products purchased by and delivered  
67.17 to a political subdivision or a trade or business; and

67.18 (7) a retail delivery resulting from a retail sale of road construction materials purchased  
67.19 by and delivered to a political subdivision or a trade or business.

67.20 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
67.21 retail deliveries made after June 30, 2025.

67.22 Sec. 31. Minnesota Statutes 2024, section 169.011, subdivision 36, is amended to read:

67.23 Subd. 36. **Intersection.** ~~(a)~~ "Intersection" means the area embraced within the  
67.24 prolongation or connection of the lateral curb lines or, if none, then the lateral boundary  
67.25 lines of the roadways of two highways which join one another at, or approximately at, right  
67.26 angles or the area within which vehicles traveling upon different highways joining at any  
67.27 other angle may come in conflict.

67.28 ~~(b) Where a highway includes two roadways 30 feet or more apart, then every crossing~~  
67.29 ~~of each roadway of such divided highway by an intersecting highway shall be regarded as~~  
67.30 ~~a separate intersection. In the event such intersecting highway also includes two roadways~~  
67.31 ~~30 feet or more apart, then every crossing of two roadways of such highways shall be~~  
67.32 ~~regarded as a separate intersection.~~

68.1 Sec. 32. Minnesota Statutes 2024, section 169.06, subdivision 5, is amended to read:

68.2 Subd. 5. **Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control  
68.3 signals exhibiting different colored lights, or colored lighted arrows, successively one at a  
68.4 time or in combination, only the colors Green, Red, and Yellow ~~shall~~ are permitted to be  
68.5 used, except for special pedestrian signals carrying a word or ~~legend~~ symbol. The  
68.6 traffic-control signal lights or colored lighted arrows indicate and apply to drivers of vehicles  
68.7 and pedestrians as follows:

68.8 (1) Green indication:

68.9 (i) Vehicular traffic facing a circular green signal may proceed straight through or turn  
68.10 right or left unless a sign prohibits either turn. But vehicular traffic, including vehicles  
68.11 turning right or left, ~~shall~~ must yield the right-of-way to other vehicles and to pedestrians  
68.12 lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited.  
68.13 Vehicular traffic turning left or making a U-turn to the left ~~shall~~ must yield the right-of-way  
68.14 to other vehicles approaching from the opposite direction so closely as to constitute an  
68.15 immediate hazard.

68.16 (ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with  
68.17 another indication, may cautiously enter the intersection only to make the movement indicated  
68.18 by the arrow, or other movement as permitted by other indications shown at the same time.  
68.19 Vehicular traffic ~~shall~~ must yield the right-of-way to pedestrians lawfully within an adjacent  
68.20 crosswalk and to other traffic lawfully using the intersection.

68.21 (iii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision  
68.22 6, pedestrians facing any green signal, except when the sole green signal is a turn arrow,  
68.23 may proceed across the roadway within any marked or unmarked crosswalk. Every driver  
68.24 of a vehicle ~~shall~~ must yield the right-of-way to such pedestrian, except that the pedestrian  
68.25 ~~shall~~ must yield the right-of-way to vehicles lawfully within the intersection at the time that  
68.26 the green signal indication is first shown.

68.27 (2) Steady yellow indication:

68.28 (i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby  
68.29 warned that the related green movement or flashing yellow movement is being terminated  
68.30 or that a red indication will be exhibited immediately thereafter when vehicular traffic must  
68.31 not enter the intersection, except for the continued movement allowed by any green arrow  
68.32 indication simultaneously exhibited.

(ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, are thereby advised that there is insufficient time to cross the roadway before a red indication is shown and ~~no~~ a pedestrian ~~shall~~ must not then start to cross the roadway.

(3) Steady red indication:

(i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and ~~shall~~ must remain standing until a green indication is shown, except as follows:

(A) the driver of a vehicle stopped as close as practicable at the entrance to the crosswalk on the near side of the intersection or, if none, then at the entrance to the intersection in obedience to a red or stop signal, and with the intention of making a right turn may make the right turn, after stopping, unless an official sign has been erected prohibiting such movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection; or

(B) the driver of a vehicle on a one-way street intersecting another one-way street on which traffic moves to the left ~~shall~~ must stop in obedience to a red or stop signal and may then make a left turn into the one-way street, unless an official sign has been erected prohibiting the movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(ii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing a steady red signal alone ~~shall~~ must not enter the roadway.

(iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a movement indicated by the arrow, must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and must remain standing until a permissive signal indication permitting the movement indicated by the red arrow is displayed, except as follows: when an official sign has been erected permitting a turn on a red arrow signal, the vehicular traffic facing a red arrow signal indication is permitted to enter the intersection to turn right, or to turn left from a one-way street into a one-way street on which traffic moves to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section are applicable except those which

70.1 can have no application. Any stop required must be made at a sign or marking on the  
70.2 pavement indicating where the stop must be made, but in the absence of any such sign or  
70.3 marking the stop must be made at the signal.

70.4 (c) When a traffic-control signal indication or indications placed to control a certain  
70.5 movement or lane are so identified by placing a sign near the indication or indications, no  
70.6 other traffic-control signal indication or indications within the intersection controls vehicular  
70.7 traffic for that movement or lane.

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

70.9 Sec. 33. Minnesota Statutes 2024, section 169.686, subdivision 1, is amended to read:

70.10 Subdivision 1. **Seat belt requirement.** (a) Except as provided in section 169.685, a  
70.11 properly adjusted and fastened seat belt, including both the shoulder and lap belt when the  
70.12 vehicle is so equipped, ~~shall~~ must be worn by the driver and passengers of a passenger  
70.13 vehicle, commercial motor vehicle, type III vehicle, and type III Head Start vehicle.  
70.14 Notwithstanding the equipment exemption in section 169.685, subdivision 1, this paragraph  
70.15 applies to the driver and passengers of an autocycle equipped with seat belts. This paragraph  
70.16 applies to the operator and passengers of a class 2 all-terrain vehicle, as defined in section  
70.17 84.92, subdivision 10, when operated on or within the right-of-way of a public road when  
70.18 the all-terrain vehicle is factory-equipped with seat belts.

70.19 (b) A person who is 15 years of age or older and who violates paragraph (a) is subject  
70.20 to a fine of \$25. The driver of the vehicle in which a violation occurs is subject to a \$25  
70.21 fine for each violation of paragraph (a) by the driver or by a passenger under the age of 15,  
70.22 but the court may not impose more than one surcharge under section 357.021, subdivision  
70.23 6, on the driver. The Department of Public Safety ~~shall~~ must not record a violation of this  
70.24 subdivision on a person's driving record.

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

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

71.1 Sec. 34. Minnesota Statutes 2024, section 169.865, subdivision 1a, is amended to read:

71.2 Subd. 1a. **Definition.** For purposes of this section, "qualifying agricultural products"  
71.3 means:

71.4 (1) agricultural crops, including but not limited to corn, soybeans, oats, grain, and  
71.5 by-products of agricultural crops;

71.6 (2) livestock, including but not limited to cattle, hogs, and poultry;

71.7 (3) food crops, including but not limited to sugar beets, potatoes, carrots, and onions;

71.8 (4) fluid milk;

71.9 (5) seed and material used for or in livestock and poultry feed;

71.10 (6) livestock manure; ~~and~~

71.11 (7) raw or processed grass seed; and

71.12 (8) before January 1, 2031, crude soybean oil.

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

71.14 Sec. 35. Minnesota Statutes 2024, section 169.865, subdivision 3, is amended to read:

71.15 Subd. 3. **Requirements; restrictions.** (a) A vehicle or combination of vehicles operating  
71.16 under this section:

71.17 (1) is subject to axle weight limitations under section 169.824, subdivision 1;

71.18 (2) is subject to seasonal load restrictions under section 169.87;

71.19 (3) is subject to bridge load limits posted under section 169.84;

71.20 (4) may only be operated on paved streets and highways other than interstate highways;

71.21 (5) may not be operated with loads that exceed the manufacturer's gross vehicle weight  
71.22 rating as affixed to the vehicle, or other certification of gross vehicle weight rating complying  
71.23 with Code of Federal Regulations, title 49, sections 567.4 to 567.7;

71.24 (6) must be issued a permit from each road authority having jurisdiction over a road on  
71.25 which the vehicle is operated, if required;

71.26 (7) must comply with the requirements of section 169.851, subdivision 4; and

71.27 (8) must have brakes on all wheels.

71.28 (b) The percentage allowances for exceeding gross weights if transporting unfinished  
71.29 forest products under section 168.013, subdivision 3, paragraph (b), or for the first haul of

72.1 unprocessed or raw farm products or unfinished forest products under section 168.013,  
72.2 subdivision 3, paragraph (d), clause (3), do not apply to a vehicle or combination of vehicles  
72.3 operated under this section.

72.4 (c) Notwithstanding paragraph (a), clause (4), a vehicle or combination of vehicles  
72.5 hauling fluid milk under a permit issued by the commissioner of transportation may also  
72.6 operate on interstate highways as provided under United States Code, title 23, section 127.

72.7 (d) A vehicle or combination of vehicles hauling crude soybean oil under this section  
72.8 may only be operated in this state to perform transportation between soybean processing  
72.9 facilities located in Mankato and Fairmont on:

72.10 (1) a route on a county highway or county state-aid highway as approved by the county;

72.11 (2) marked Trunk Highways 15, 30, and 60; and

72.12 (3) marked U.S. Highway 169.

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

72.14 Sec. 36. Minnesota Statutes 2024, section 169.974, subdivision 5, is amended to read:

72.15 Subd. 5. **Driving rules.** (a) An operator of a motorcycle must ride only upon a permanent  
72.16 and regular seat which is attached to the vehicle for that purpose. No other person may ride  
72.17 on a motorcycle, except that passengers may ride (1) upon a permanent and regular operator's  
72.18 seat if designed for two persons, (2) upon additional seats attached to or in the vehicle, or  
72.19 (3) in a sidecar attached to the vehicle. The operator of a motorcycle is prohibited from  
72.20 carrying passengers in a number in excess of the designed capacity of the motorcycle or  
72.21 sidecar attached to it. A passenger is prohibited from being carried in a position that interferes  
72.22 with the safe operation of the motorcycle or the view of the operator.

72.23 (b) No person may ride upon a motorcycle as a passenger unless the person can reach  
72.24 the footrests or floorboards with both feet.

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

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



73.1 (e) Motorcycles may, with the consent of both drivers, be operated not more than two  
73.2 abreast in a single traffic lane if the vehicles fit safely within the designated space of the  
73.3 lane.

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

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

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

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

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

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

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

73.13 (h) For the purposes of paragraph (g), traffic lane does not include:

73.14 (1) the approach, drive-through, or exit of a roundabout;

73.15 (2) a school zone established under section 169.14, subdivision 5a;

73.16 (3) a work zone where only a single travel lane is available for use; or

73.17 (4) an on-ramp to a freeway or expressway with or without an active control device

73.18 where moving or stationary vehicles are queued in one or more traffic lanes.

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

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

73.25 ~~(j)~~ (k) Paragraphs (e) and (f) of this subdivision do not apply to police officers in the  
73.26 performance of their official duties.

73.27 ~~(k)~~ (l) No person may operate a motorcycle on a street or highway unless the headlight  
73.28 or headlights are lighted at all times the motorcycle is so operated.

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

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

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

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

74.10 Sec. 37. Minnesota Statutes 2024, section 171.01, is amended by adding a subdivision to  
74.11 read:

74.12 **Subd. 45e. Road test.** "Road test" means the actual physical demonstration of skills and  
74.13 ability to exercise ordinary and reasonable control in the operation of a motor vehicle. As  
74.14 appropriate, a road test includes demonstration of ability to perform an inspection of a  
74.15 vehicle and equipment.

74.16 Sec. 38. Minnesota Statutes 2024, section 171.01, is amended by adding a subdivision to  
74.17 read:

74.18 **Subd. 52. Work zone.** "Work zone" has the meaning given in section 169.011,  
74.19 subdivision 95.

74.20 Sec. 39. Minnesota Statutes 2024, section 171.05, subdivision 1, is amended to read:

74.21 Subdivision 1. **Person 18 or more years of age.** (a) Any person who is 18 or more years  
74.22 of age and who, except for a lack of instruction in operating a motor vehicle, would otherwise  
74.23 be qualified to obtain a class D driver's license under this chapter, may apply for an  
74.24 instruction permit, and the ~~department shall~~ commissioner must issue the permit. The  
74.25 instruction permit entitles the applicant to drive a motor vehicle for which a class D license  
74.26 is valid upon the highways for a period of two years if the permit holder:

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

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

74.30 (b) Any license of a lower class may be used as an instruction permit to operate a vehicle  
74.31 requiring a higher class license for a period of ~~six months~~ one year after passage of the

75.1 written test or tests required for the higher class and when the licensee is accompanied by  
75.2 and receiving instruction from a holder of the appropriate higher class license. A copy of  
75.3 the record of examination taken for the higher class license must be carried by the driver  
75.4 while using the lower class license as an instruction permit.

75.5 Sec. 40. Minnesota Statutes 2024, section 171.0605, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 41. Minnesota Statutes 2024, section 171.0605, is amended by adding a subdivision to read:

Subd. 7. Evidence of name change. The following is satisfactory evidence of an applicant's name change:

(1) a copy of the applicant's certificate of marriage certified by the issuing government jurisdiction;

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

(3) a certified copy of a court-issued divorce decree or dissolution of marriage that specifies the applicant's name change.

77.1 Sec. 42. Minnesota Statutes 2024, section 171.061, is amended by adding a subdivision  
77.2 to read:

77.3 Subd. 4a. **Reimbursements.** (a) The commissioner must issue payment to a driver's  
77.4 license agent as follows:

77.5 (1) \$2 for paying an account balance;

77.6 (2) \$4 for the following transactions:

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

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

77.11 (3) \$8 for the following transactions:

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

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

77.14 (4) an amount that equals the fee established under subdivision 4, paragraph (a), clause  
77.15 (2), for the following transactions:

77.16 (i) addition of court order review;

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

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

77.21 (b) The following transactions for which no filing fee under subdivision 4 is collected  
77.22 are not eligible for payment of any kind:

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

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

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

77.27 (c) If the amount appropriated for payments under this subdivision is insufficient, the  
77.28 commissioner must prorate the payments.

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

78.1 Sec. 43. Minnesota Statutes 2024, section 171.0701, is amended by adding a subdivision  
78.2 to read:

78.3 Subd. 1c. **Driver education; work zone safety.** (a) The commissioner must adopt rules  
78.4 for persons enrolled in driver education programs offered at public schools, private schools,  
78.5 and commercial driver training schools to require inclusion of a section on work zone and  
78.6 road construction worker safety in the course of instruction. The instruction must include  
78.7 information on:

78.8 (1) safe speeds in work zones, including speeds when workers are present;

78.9 (2) the duties of a driver when encountering, entering, traveling through, and exiting a  
78.10 work zone;

78.11 (3) the dangers of distracted driving through work zones;

78.12 (4) the legal markings of a work zone, including flagging, traffic control devices, barrels,  
78.13 lights, or other signage that indicate the segment of street or highway under construction,  
78.14 reconstruction, or maintenance; and

78.15 (5) the safe merger into travel lanes when a lane is closed due to construction,  
78.16 reconstruction, or maintenance.

78.17 (b) This subdivision applies beginning on July 1, 2026.

78.18 Sec. 44. Minnesota Statutes 2024, section 171.0705, is amended by adding a subdivision  
78.19 to read:

78.20 Subd. 2a. **Driver's manual; work zone safety.** The commissioner must include in each  
78.21 edition of the driver's manual published by the department a section relating to work zone  
78.22 safety and road construction worker safety that, at a minimum, includes:

78.23 (1) traffic laws related to work zone safety, including work zone speed limits and the  
78.24 surcharge imposed for a person convicted of speeding in a work zone;

78.25 (2) commonly used work zone markings and traffic control devices;

78.26 (3) traffic laws related to distracted driving, with an emphasis on the dangers of distracted  
78.27 driving in work zones; and

78.28 (4) lane merger benefits and best practices, including information on motorists safely  
78.29 merging from two lanes into a single lane of traffic when a lane is closed due to construction,  
78.30 reconstruction, or maintenance.

79.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
79.2 applies to each edition of the driver's manual published on or after that date.

79.3 Sec. 45. Minnesota Statutes 2024, section 171.071, subdivision 2, is amended to read:

79.4 Subd. 2. **Certain head wear permitted.** If an accident involving a head injury, serious  
79.5 illness, or treatment of the illness has resulted in hair loss or the need to maintain continuous  
79.6 coverage of the head or scalp with a medical covering by an applicant for a driver's license  
79.7 or identification card, the commissioner ~~shall~~ must permit the applicant to wear a hat or  
79.8 similar head wear or the covering in the photograph or electronically produced image. The  
79.9 hat, medically required covering, or head wear must be of an appropriate size and type to  
79.10 allow identification of the holder of the license or card and must not obscure the holder's  
79.11 face.

79.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
79.13 applies to images produced on or after that date.

79.14 Sec. 46. Minnesota Statutes 2024, section 171.13, subdivision 1, is amended to read:

79.15 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**  
79.16 **disabled veterans.** (a) Except as otherwise provided in this section, the commissioner must  
79.17 examine each applicant for a driver's license by such agency as the commissioner directs.  
79.18 This examination must include:

79.19 (1) a test of the applicant's eyesight, provided that this requirement is met by submission  
79.20 of a vision examination certificate under section 171.06, subdivision 7;

79.21 (2) a test of the applicant's ability to read and understand highway signs regulating,  
79.22 warning, and directing traffic;

79.23 (3) a test of the applicant's knowledge of:

79.24 (i) traffic laws;

79.25 (ii) the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely  
79.26 and legally, and of the legal penalties and financial consequences resulting from violations  
79.27 of laws prohibiting the operation of a motor vehicle while under the influence of alcohol  
79.28 or drugs;

79.29 (iii) railroad grade crossing safety;

79.30 (iv) slow-moving vehicle safety;

80.1 (v) laws relating to pupil transportation safety, including the significance of school bus  
80.2 lights, signals, stop arm, and passing a school bus;

80.3 (vi) traffic laws related to bicycles; ~~and~~

80.4 (vii) the circumstances and dangers of carbon monoxide poisoning; and

80.5 (viii) work zone and road construction worker safety, including work zone speed limits,  
80.6 work zone markings, vehicle operation requirements in work zones, and the dangers of  
80.7 distracted driving in work zones;

80.8 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the  
80.9 operation of a motor vehicle; and

80.10 (5) other physical and mental examinations as the commissioner finds necessary to  
80.11 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

80.12 (b) Notwithstanding paragraph (a), the commissioner must not deny an application for  
80.13 a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in  
80.14 color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans  
80.15 operating motor vehicles especially equipped for disabled persons, if otherwise entitled to  
80.16 a license, must be granted such license.

80.17 (c) The commissioner must ensure that an applicant may take an exam either in the  
80.18 county where the applicant resides or in an adjacent county at a reasonably convenient  
80.19 location. The schedule for each exam station must be posted on the department's website.

80.20 (d) The commissioner ~~shall~~ must ensure that an applicant is able to obtain an appointment  
80.21 for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days  
80.22 of the applicant's request if, under the applicable statutes and rules of the commissioner,  
80.23 the applicant is eligible to take the examination.

80.24 (e) The commissioner must provide real-time information on the department's website  
80.25 about the availability and location of exam appointments. The website must show the next  
80.26 available exam dates and times for each exam station. The website must also provide an  
80.27 option for a person to enter an address to see the date and time of the next available exam  
80.28 at each exam station sorted by distance from the address provided.

80.29 (f) The requirements under paragraph (a), clause (3), item (viii), apply on January 1,  
80.30 2027, for examinations administered on or after that date.



81.1 Sec. 47. Minnesota Statutes 2024, section 171.13, subdivision 7, is amended to read:

81.2 Subd. 7. **Examination fees.** (a) A fee of \$10 must be paid by an individual to take a  
81.3 third and any subsequent knowledge test administered by the department if the individual  
81.4 has failed two previous consecutive knowledge tests on the subject.

81.5 (b) A fee of \$20 must be paid by an individual to take a third and any subsequent skills  
81.6 or road test administered by the department if the individual has previously failed two  
81.7 consecutive skill or road tests in a specified class of motor vehicle.

81.8 (c) A fee of ~~\$20~~ \$40 must be paid by an individual who fails to appear for a scheduled  
81.9 ~~skills or road test or who cancels a skills or road test within less than 24 hours of before the~~  
81.10 appointment time. A fee of \$20 must be paid by an individual who cancels a scheduled road  
81.11 test between 24 hours and 72 hours before the appointment time.

81.12 (d) All fees received under this subdivision must be paid into the state treasury and  
81.13 credited to the driver and vehicle services operating account under section 299A.705.

81.14 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to  
81.15 cancellations and failures to appear on or after that date.

81.16 Sec. 48. Minnesota Statutes 2024, section 171.13, subdivision 8, is amended to read:

81.17 Subd. 8. **Test scheduling.** The commissioner must not schedule or reserve recurring  
81.18 time with a public, private, or commercial driver education program for purposes of  
81.19 administering ~~skills or road tests to a class D or commercial driver's license applicant.~~

81.20 Sec. 49. Minnesota Statutes 2024, section 171.17, subdivision 1, is amended to read:

81.21 Subdivision 1. **Offenses.** (a) ~~The department shall~~ commissioner must immediately  
81.22 revoke the license of a driver upon receiving a record of the driver's conviction of:

81.23 (1) manslaughter resulting from the operation of a motor vehicle ~~or~~ under section 609.20  
81.24 or 609.205;

81.25 (2) criminal vehicular homicide or injury under section 609.2112, 609.2113, or 609.2114,  
81.26 or Minnesota Statutes 2012, section 609.21;

81.27 ~~(2)~~ (3) a violation of section 169A.20 or 609.487;

81.28 ~~(3)~~ (4) a felony in the commission of which a motor vehicle was used;

82.1 ~~(4)~~ (5) failure to stop and disclose identity and render aid, as required under section  
82.2 169.09, in the event of a motor vehicle accident, resulting in the death or personal injury of  
82.3 another;

82.4 ~~(5)~~ (6) perjury or the making of a false affidavit or statement to the ~~department~~  
82.5 commissioner under any law relating to the application, ownership, or operation of a motor  
82.6 vehicle, including on the certification required under section 171.05, subdivision 2, paragraph  
82.7 (a), clause (1), item (ii), subitem (C), to issue an instruction permit to a homeschool student;

82.8 ~~(6)~~ (7) except as this section otherwise provides, three charges of violating within a  
82.9 period of 12 months any of the provisions of chapter 169 or of the rules or municipal  
82.10 ordinances enacted in conformance with chapter 169, for which the accused may be punished  
82.11 upon conviction by imprisonment;

82.12 ~~(7)~~ (8) two or more violations, within five years, of the misdemeanor offense described  
82.13 in section 169.444, subdivision 2, paragraph (a);

82.14 ~~(8)~~ (9) the gross misdemeanor offense described in section 169.444, subdivision 2,  
82.15 paragraph (b);

82.16 ~~(9)~~ (10) an offense in another state that, if committed in this state, would be grounds for  
82.17 revoking the driver's license; or

82.18 ~~(10)~~ (11) a violation of an applicable speed limit by a person driving in excess of 100  
82.19 miles per hour. The person's license must be revoked for six months for a violation of this  
82.20 clause, or for a longer minimum period of time applicable under section 169A.53, 169A.54,  
82.21 or 171.174.

82.22 (b) The ~~department shall~~ commissioner must immediately revoke the school bus  
82.23 endorsement of a driver upon receiving a record of the driver's conviction of the misdemeanor  
82.24 offense described in section 169.443, subdivision 7.

82.25 Sec. 50. Minnesota Statutes 2024, section 171.2405, subdivision 1, is amended to read:

82.26 Subdivision 1. **Establishment.** (a) A city or county may establish a license reinstatement  
82.27 diversion program for holders of class D drivers' licenses who have been charged with  
82.28 violating section 171.24, subdivision 1 or 2. An individual charged with driving after  
82.29 revocation under section 171.24, subdivision 2, is eligible for diversion only if the revocation  
82.30 was due to a violation of section 169.791; 169.797; 169A.52; 169A.54; 171.17, subdivision  
82.31 1, paragraph (a), clause ~~(6)~~ (7); or 171.177. An individual who is a holder of a commercial  
82.32 driver's license or who has committed an offense in a commercial motor vehicle is not  
82.33 eligible to participate in the diversion program. Nothing in this section authorizes the issuance

83.1 of a driver's license to a diversion program participant during the underlying suspension or  
83.2 revocation period at issue in the violation of section 171.24, subdivision 1 or 2.

83.3 (b) Notwithstanding any law or ordinance to the contrary, a city or county may contract  
83.4 with a third party to create and administer the diversion program under this section. Any  
83.5 participating city or county, at its own expense, may request an audit of the administrator.

83.6 (c) For purposes of this section, "administrator" means the city, county, or administrator  
83.7 of the program.

83.8 Sec. 51. Minnesota Statutes 2024, section 171.301, subdivision 1, as amended by Laws  
83.9 2025, chapter 20, section 174, is amended to read:

83.10 Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a reintegration  
83.11 driver's license to any person:

83.12 (1) who is 18 years of age or older;

83.13 (2) who has been released from a period of at least 180 consecutive days of confinement  
83.14 or incarceration in:

83.15 (i) an adult correctional facility under the control of the commissioner of corrections or  
83.16 licensed by the commissioner of corrections under section 241.021;

83.17 (ii) a federal correctional facility for adults; or

83.18 (iii) an adult correctional facility operated under the control or supervision of any other  
83.19 state; and

83.20 (3) whose license has been suspended or revoked under the circumstances listed in  
83.21 section 171.30, subdivision 1, paragraph (a), clauses (1) to (4), for a violation that occurred  
83.22 before the individual was incarcerated for the period described in clause (2).

83.23 (b) If the person's driver's license or permit to drive has been revoked under section  
83.24 169.792 or 169.797, the commissioner may only issue a reintegration driver's license to the  
83.25 person after the person has presented an insurance identification card, policy, or written  
83.26 statement indicating that the driver or owner has insurance coverage satisfactory to the  
83.27 commissioner.

83.28 (c) If the person's driver's license or permit to drive has been suspended under section  
83.29 171.186, the commissioner may only issue a reintegration driver's license to the person after  
83.30 the commissioner receives notice of a court order provided pursuant to section 518A.65,  
83.31 paragraph (h), showing that the person's driver's license or operating privileges should no  
83.32 longer be suspended.

(d) If the person's driver's license has been revoked under section 171.17, subdivision 1, paragraph (a), clause (1) or (2), the commissioner may only issue a reintegration driver's license to the person after the person has completed the applicable revocation period.

(e) The commissioner must not issue a reintegration driver's license:

(1) to any person described in section 171.04, subdivision 1, clause (7), (8), (10), or (11);

(2) to any person described in section 169A.55, subdivision 5;

(3) if the person has committed a violation after the person was released from custody that results in the suspension, revocation, or cancellation of a driver's license, including suspension for nonpayment of child support or maintenance payments as described in section 171.186, subdivision 1; or

(4) if the issuance would conflict with the requirements of the nonresident violator compact.

(f) The commissioner must not issue a class A, class B, or class C reintegration driver's license.

Sec. 52. Minnesota Statutes 2024, section 171.301, subdivision 5, is amended to read:

Subd. 5. **Expiration.** A reintegration driver's license expires ~~15~~ 24 months from the date of issuance of the license. A reintegration driver's license may not be renewed.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to reintegration licenses issued on or after that date.

Sec. 53. Minnesota Statutes 2024, section 171.301, subdivision 6, is amended to read:

Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license to a person who possesses a reintegration driver's license if:

(1) the person has possessed the reintegration driver's license for at least one full year;

(2) the reintegration driver's license has not been canceled under subdivision 4 and has not been expired for more than 90 days from the date under subdivision 5;

(3) the person meets the application requirements under section 171.06, including payment of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and 2a, and 171.061, subdivision 4; and

85.1 (4) issuance of the license does not conflict with the requirements of the nonresident  
85.2 violator compact.

85.3 (b) The commissioner must forgive any outstanding balance due on a reinstatement fee  
85.4 or surcharge under sections 171.20, subdivision 4, and 171.29, subdivision 2, for a person  
85.5 who is eligible and applies for a license under paragraph (a).

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

85.7 Sec. 54. Minnesota Statutes 2024, section 171.306, subdivision 1, as amended by Laws  
85.8 2025, chapter 29, section 17, is amended to read:

85.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision  
85.10 have the meanings given.

85.11 (b) "Ignition interlock device" or "device" means equipment that is designed to measure  
85.12 breath alcohol concentration and to prevent a motor vehicle's ignition from being started  
85.13 by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

85.14 (c) "Location tracking capabilities" means the ability of an electronic or wireless device  
85.15 to identify and transmit its geographic location through the operation of the device.

85.16 (d) "Program participant" means a person who has qualified to take part in the ignition  
85.17 interlock program under this section, and whose driver's license has been:

85.18 (1) revoked, canceled, or denied under section 169A.52; 169A.54; 171.04, subdivision  
85.19 1, clause (10); 171.17, subdivision 1, paragraph (a), clause ~~(9)~~ (10), for conviction of an  
85.20 offense in another state that would be grounds for revocation in this state under section  
85.21 169A.54, subdivision 1; or 171.177; or

85.22 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause ~~(1)~~ (2), or  
85.23 suspended under section 171.187, for a violation of section 609.2112, subdivision 1,  
85.24 paragraph (a), clause (2), item (i) or (iv), (3), or (4); 609.2113, subdivision 1, clause (2),  
85.25 item (i) or (iv), (3), or (4); subdivision 2, clause (2), item (i) or (iv), (3), or (4); or subdivision  
85.26 3, clause (2), item (i) or (iv), (3), or (4); or 609.2114, subdivision 1, paragraph (a), clause  
85.27 (2), item (i) or (iv), (3), or (4); or subdivision 2, clause (2), item (i) or (iv), (3), or (4),  
85.28 resulting in bodily harm, substantial bodily harm, great bodily harm, or death.

85.29 (e) "Qualified prior impaired driving incident" has the meaning given in section 169A.03,  
85.30 subdivision 22.

86.1 Sec. 55. Minnesota Statutes 2024, section 171.306, subdivision 4, as amended by Laws  
86.2 2025, chapter 29, section 19, is amended to read:

86.3 Subd. 4. **Issuance of restricted license.** (a) The commissioner shall issue a class D  
86.4 driver's license, subject to the applicable limitations and restrictions of this section, to a  
86.5 program participant who meets the requirements of this section and the program guidelines.  
86.6 Notwithstanding any law to the contrary, the commissioner must not require a program  
86.7 participant to pay the reinstatement fee and surcharge described in section 171.29, subdivision  
86.8 2, before issuing a restricted license under this section. A program participant is not eligible  
86.9 for full reinstatement of driving privileges until the person pays the full reinstatement fee  
86.10 and surcharge. The commissioner shall not issue a license unless the program participant  
86.11 has provided satisfactory proof that:

86.12 (1) a certified ignition interlock device has been installed on the participant's motor  
86.13 vehicle at an installation service center designated by the device's manufacturer; and

86.14 (2) the participant has insurance coverage on the vehicle equipped with the ignition  
86.15 interlock device. If the participant has previously been convicted of violating section 169.791,  
86.16 169.793, or 169.797 or the participant's license has previously been suspended, revoked, or  
86.17 canceled under section 169.792 or 169.797, the commissioner shall require the participant  
86.18 to present an insurance identification card that is certified by the insurance company to be  
86.19 noncancelable for a period not to exceed 12 months.

86.20 (b) A license issued under authority of this section must contain a restriction prohibiting  
86.21 the program participant from driving, operating, or being in physical control of any motor  
86.22 vehicle not equipped with a functioning ignition interlock device certified by the  
86.23 commissioner. A participant may drive an employer-owned vehicle not equipped with an  
86.24 interlock device while in the normal course and scope of employment duties pursuant to  
86.25 the program guidelines established by the commissioner and with the employer's written  
86.26 consent.

86.27 (c) A program participant may apply for conditional reinstatement of the driver's license,  
86.28 subject to the ignition interlock restriction, if the program participant's driver's license was:

86.29 (1) revoked, canceled, or denied under section:

86.30 (i) 169A.52, subdivision 3, paragraph (a), or subdivision 4, paragraph (a);

86.31 (ii) 169A.54, subdivision 1;

87.1 (iii) 171.17, subdivision 1, paragraph (a), clause ~~(9)~~ (10), for conviction of an offense  
87.2 in another state that would be grounds for revocation in this state under section 169A.54,  
87.3 subdivision 1; or

87.4 (iv) 171.177, subdivision 4, paragraph (a), or subdivision 5, paragraph (a);

87.5 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause ~~(1)~~ (2), for a  
87.6 violation of section:

87.7 (i) 609.2112, subdivision 1, paragraph (a), clause (2), item (i) or (iv), (3), or (4);

87.8 (ii) 609.2113, subdivision 1, clause (2), item (i) or (iv), (3), or (4); subdivision 2, clause  
87.9 (2), item (i) or (iv), (3), or (4); or subdivision 3, clause (2), item (i) or (iv), (3), or (4); or

87.10 (iii) 609.2114, subdivision 1, paragraph (a), clause (2), item (i) or (iv), (3), or (4); or  
87.11 subdivision 2, clause (2), item (i) or (iv), (3), or (4); or

87.12 (3) suspended under section 171.187, for a violation of section:

87.13 (i) 609.2112, subdivision 1, paragraph (a), clause (2), item (i) or (iv), (3), or (4);

87.14 (ii) 609.2113, subdivision 1, clause (2), item (i) or (iv), (3), or (4); subdivision 2, clause  
87.15 (2), item (i) or (iv), (3), or (4); or subdivision 3, clause (2), item (i) or (iv), (3), or (4); or

87.16 (iii) 609.2114, subdivision 1, paragraph (a), clause (2), item (i) or (iv), (3), or (4); or  
87.17 subdivision 2, clause (2), item (i) or (iv), (3), or (4).

87.18 (d) As a prerequisite to eligibility for eventual reinstatement of full driving privileges,  
87.19 a participant who either had one qualified prior impaired driving incident within the past  
87.20 20 years, or two or more qualified prior impaired driving incidents when the person's driver's  
87.21 license was revoked, canceled, or denied under the conditions described in paragraph (c),  
87.22 clause (1), or whose driver's license was revoked or suspended under the conditions described  
87.23 in paragraph (c), clause (2) or (3), and whose chemical use assessment recommended  
87.24 treatment or rehabilitation shall complete a licensed substance use disorder treatment or  
87.25 rehabilitation program. If the program participant's ignition interlock device subsequently  
87.26 registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall  
87.27 extend the time period that the participant must participate in the program until the participant  
87.28 has reached the required abstinence period described in section 171.178, subdivision 8.

87.29 (e) Notwithstanding any statute or rule to the contrary, the commissioner has authority  
87.30 to determine when a program participant is eligible for restoration of full driving privileges,  
87.31 except that the commissioner shall not reinstate full driving privileges until the program  
87.32 participant has met all applicable prerequisites for reinstatement under sections 169A.55

88.1 and 171.178 and until the program participant's device has registered no positive breath  
88.2 alcohol concentrations of 0.02 or higher during the preceding 90 days.

88.3 Sec. 56. Minnesota Statutes 2024, section 171.306, subdivision 8, is amended to read:

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

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

88.9 Sec. 57. **[171.397] FLEXIBLE INSTRUCTION PERMITTED.**

88.10 A student may receive a combination of online driver's education instruction under  
88.11 section 171.396, teleconference driver's education instruction under section 171.395, and  
88.12 classroom instruction if:

88.13 (1) the instruction is from a single licensed or authorized driver's education provider;

88.14 (2) the curriculum content is identical between the online, teleconference, and in-person  
88.15 settings; and

88.16 (3) the driver's education provider is authorized by the commissioner to provide students  
88.17 at least two methods of classroom instruction under the requirements of this chapter and  
88.18 Minnesota Rules, chapter 7411, or successor rules.

88.19 **EFFECTIVE DATE.** This section is effective August 1, 2025, for driver's education  
88.20 instruction commenced on or after that date.

88.21 Sec. 58. **[174.065] CONSOLIDATED LOCAL TRANSPORTATION FINANCIALS**  
88.22 **REPORT.**

88.23 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
88.24 the meanings given.

88.25 (b) "Funding source" means an applicable tax or revenue source received by a reporting  
88.26 unit under sections 174.49, subdivision 3, clause (1); 297A.9915, subdivision 4; 297A.993,  
88.27 subdivision 1; and 398A.04, subdivision 8.

88.28 (c) "Reporting unit" means a county, regional railroad authority, or other political  
88.29 subdivision that is specifically required to submit financial information under this section.



89.1 Subd. 2. **Consolidated report.** (a) By March 1 annually, the commissioner must submit  
89.2 a report on consolidated local transportation financials to the chairs and ranking minority  
89.3 members of the legislative committees with jurisdiction over transportation finance and  
89.4 policy.

89.5 (b) At a minimum, the report must include:

89.6 (1) the information specified under subdivision 3 for each funding source;

89.7 (2) additional information as specified under section 174.49, subdivision 7;

89.8 (3) subtotals for each reporting unit that is required to submit financial information under  
89.9 this section; and

89.10 (4) totals for all reporting units.

89.11 (c) The commissioner may establish submission requirements for the financial  
89.12 information, which may include but is not limited to a submission deadline and a format  
89.13 for the fiscal details.

89.14 Subd. 3. **Required financial information.** (a) At a minimum, each reporting unit must  
89.15 submit financial information on each funding source that includes:

89.16 (1) actual allocations or collections to the reporting unit for each of the previous five  
89.17 calendar years;

89.18 (2) balance actuals for each of the previous five calendar years;

89.19 (3) estimates of the amount that is expected to be allocated to or collected by the reporting  
89.20 unit in the current year and for the next five calendar years; and

89.21 (4) for each of the previous five calendar years, the current calendar year, and for the  
89.22 next five calendar years:

89.23 (i) the amount expended or proposed to be expended for each of the following, as  
89.24 applicable:

89.25 (A) planning, project development, construction, operation, or maintenance of guideways,  
89.26 as defined in section 473.4485, subdivision 1, paragraph (d);

89.27 (B) nonguideway transit uses;

89.28 (C) active transportation uses;

89.29 (D) highway uses; and

89.30 (E) uses not otherwise specified in subitems (A) to (D);

90.1 (ii) for each subitem under item (i), an accompanying list of completed, current, planned,  
90.2 and anticipated projects; and

90.3 (iii) an estimated balance of unspent or undesignated amounts from the funding source.

90.4 (b) The listing under paragraph (a), clause (4), item (ii), must include a brief identification  
90.5 or description of each project or program.

90.6 Sec. 59. Minnesota Statutes 2024, section 174.07, subdivision 3, is amended to read:

90.7 Subd. 3. **Exceptions.** This section does not apply to:

90.8 (1) a law that establishes a requirement with general applicability for an agency or  
90.9 agencies to submit a report, including but not limited to reports and information under  
90.10 sections 14.05, subdivision 5, and 14.116;

90.11 (2) a law that specifies a reporting expiration date or a date for the submission of a final  
90.12 report;

90.13 (3) information required by law to be included in a budget submission to the legislature  
90.14 under section 16A.11;

90.15 (4) the plans required under section 174.03, subdivisions 1a, 1b, and 1c;

90.16 (5) the forecast information requirements under section 174.03, subdivision 9; and

90.17 (6) the reports required under sections 161.088, subdivision 7; 161.089; 161.3203,  
90.18 subdivision 4; 165.03, subdivision 8; 174.03, subdivision 12; 174.065; 174.185, subdivision  
90.19 3; 174.247; 174.56, subdivisions 1 and 2; and 174.75, subdivision 3.

90.20 Sec. 60. Minnesota Statutes 2024, section 174.38, subdivision 4, is amended to read:

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

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

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

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

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

90.28 (c) The commissioner must make reasonable efforts to publicize each application  
90.29 solicitation among all eligible recipients. The commissioner must assist applicants to create

91.1 and submit applications, with an emphasis on providing assistance in communities that are  
91.2 historically and currently underrepresented in local or regional planning, including  
91.3 communities of color, low-income households, people with disabilities, and people with  
91.4 limited English proficiency.

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

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

91.8 Sec. 61. Minnesota Statutes 2024, section 174.49, subdivision 6, is amended to read:

91.9 Subd. 6. **Metropolitan counties; use of funds.** (a) A metropolitan county must use  
91.10 funds that are received under subdivision ~~5~~ 3, clause (1), as follows:

91.11 (1) 41.5 percent for:

91.12 (i) active transportation, as defined in section 174.38, subdivision 1; and

91.13 (ii) transportation corridor safety studies;

91.14 (2) 41.5 percent for:

91.15 (i) repair, preservation, and rehabilitation of transportation systems; and

91.16 (ii) roadway replacement to reconstruct, reclaim, or modernize a corridor without adding  
91.17 traffic capacity, except for auxiliary lanes with a length of less than 2,500 feet; and

91.18 (3) 17 percent for any of the following:

91.19 (i) transit purposes, including but not limited to operations, maintenance, capital  
91.20 maintenance, demand response service, and assistance to replacement service providers  
91.21 under section 473.388;

91.22 (ii) complete streets projects, as provided under section 174.75; and

91.23 (iii) projects, programs, or operations activities that meet the requirements of ~~a mitigation~~  
91.24 an offset action under section 161.178, subdivision 4.

91.25 (b) Funds under paragraph (a), clause (3), must supplement and not supplant existing  
91.26 sources of revenue.

91.27 (c) A metropolitan county may use funds that are received under subdivision 5 as debt  
91.28 service for obligations issued by the county in accordance with chapter 475, provided that  
91.29 the obligations are issued for a use allowable under this section.

92.1 Sec. 62. Minnesota Statutes 2024, section 174.49, is amended by adding a subdivision to  
92.2 read:

92.3 Subd. 7. **Metropolitan counties; financial information.** (a) A metropolitan county  
92.4 must annually submit financial information to the commissioner on the funds received under  
92.5 subdivision 3, clause (1). The financial information must be submitted as provided under  
92.6 section 174.065 in the manner and by the dates prescribed by the commissioner.

92.7 (b) In addition to the requirements under section 174.065, subdivision 3, the submitted  
92.8 financial information must include the amount expended or proposed to be expended in  
92.9 each of the allowable uses under subdivision 6 for:

92.10 (1) each of the previous five calendar years;

92.11 (2) the current calendar year; and

92.12 (3) the next five calendar years.

92.13 Sec. 63. Minnesota Statutes 2024, section 174.634, subdivision 2, is amended to read:

92.14 Subd. 2. **Passenger rail account; transfers; appropriation.** (a) A passenger rail account  
92.15 is established in the special revenue fund. The account consists of funds as provided in this  
92.16 subdivision and any other money donated, allotted, transferred, collected, or otherwise  
92.17 provided to the account.

92.18 (b) By July 15 annually beginning in calendar year ~~2027~~ 2029, the commissioner of  
92.19 revenue must transfer an amount from the general fund to the passenger rail account that  
92.20 equals 50 percent of the portion of the state general tax under section 275.025 levied on  
92.21 railroad operating property, as defined under section 273.13, subdivision 24, in the prior  
92.22 calendar year.

92.23 (c) Money in the account is annually appropriated to the commissioner of transportation  
92.24 for the operating and capital maintenance costs of intercity passenger rail, which may include  
92.25 but are not limited to planning, designing, developing, constructing, equipping, administering,  
92.26 operating, promoting, maintaining, and improving passenger rail service within the state,  
92.27 after accounting for operating revenue, federal funds, and other sources.

92.28 (d) By November 1 each year, the commissioner must report on the passenger rail account  
92.29 to the chairs and ranking minority members of the legislative committees with jurisdiction  
92.30 over transportation policy and finance. The report must, at a minimum, include:

92.31 (1) the actual revenue and expenditures in each of the previous two fiscal years;

93.1 (2) the budgeted and forecasted revenue and expenditures in the current fiscal year and  
93.2 each fiscal year within the state forecast period;

93.3 (3) the plan for collection of fees and revenue, as defined and authorized under  
93.4 subdivision 3, in the current fiscal year and each fiscal year within the state forecast period;  
93.5 and

93.6 (4) the uses of expenditures or planned expenditures in each fiscal year included under  
93.7 clauses (1) and (2).

93.8 Sec. 64. Minnesota Statutes 2024, section 289A.51, subdivision 1, is amended to read:

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

93.11 (b) "Electric-assisted bicycle" has the meaning given in section 169.011, subdivision  
93.12 27, except that the term is limited to a new electric-assisted bicycle purchased from an  
93.13 eligible retailer.

93.14 (c) "Eligible expenses" means the amount paid for an electric-assisted bicycle and any  
93.15 qualifying accessories purchased at the same time as the electric-assisted bicycle, inclusive  
93.16 of sales tax but exclusive of any other related charges, including charges for a warranty,  
93.17 service, or delivery.

93.18 (d) "Eligible individual" means an individual who:

93.19 (1) is at least 15 years old;

93.20 (2) is a resident individual taxpayer at the time of application for a rebate certificate and  
93.21 in the two previous calendar year years;

93.22 (3) has filed an income tax return for the two taxable years immediately preceding the  
93.23 calendar year in which the individual applies for a rebate certificate; and

93.24 ~~(3)~~ (4) was not claimed as a dependent on another return in the taxable year described  
93.25 in subdivision 3, paragraph (c).

93.26 (e) "Eligible retailer" means a person who has engaged in the business of retail sales of  
93.27 new electric-assisted bicycles for at least six months prior to receiving the approval of the  
93.28 commissioner under subdivision 5.

93.29 (f) "Person with a disability" means a person who:

94.1 (1) receives social security disability insurance benefits under United States Code, title  
94.2 42, sections 401 to 434, or medical assistance for employed persons with disabilities under  
94.3 section 256B.057, subdivision 9;

94.4 (2) is under the age of 65 and receives supplemental security income benefits under  
94.5 United States Code, title 42, sections 1381 to 1385; or

94.6 (3) receives home and community-based disability waiver services under section  
94.7 256B.092 or 256B.49.

94.8 (g) "Qualifying accessories" means a bicycle helmet, lights, lock, luggage rack, basket,  
94.9 bag or backpack, fenders, or reflective clothing.

94.10 **EFFECTIVE DATE.** This section is effective for rebates after December 31, 2024.

94.11 Sec. 65. Minnesota Statutes 2024, section 289A.51, subdivision 3, is amended to read:

94.12 Subd. 3. **Amount of rebate.** (a) The amount of a rebate under this section equals the  
94.13 lesser of:

94.14 (1) ~~the applicable percentage, multiplied by the amount~~ 75 percent of eligible expenses  
94.15 paid by an eligible individual; or

94.16 (2) ~~\$1,500~~ \$750.

94.17 ~~(b) The applicable percentage equals 75 percent, but is reduced by one percentage point~~  
94.18 ~~until the percentage equals 50 percent, for each \$4,000 of the eligible individual's adjusted~~  
94.19 ~~gross income in excess of:~~

94.20 ~~(1) \$50,000 for a married taxpayer filing a joint return; and~~

94.21 ~~(2) \$25,000 for all other filers.~~

94.22 (b) Eligibility for a rebate under this section is limited to an eligible individual who  
94.23 either:

94.24 (1) meets the income limitation for an eligible individual specified in paragraph (c); or

94.25 (2) is a person with a disability.

94.26 (c) The income limitation for an eligible individual under paragraph (b), clause (1), must  
94.27 not exceed:

94.28 (1) \$78,000 in the case of a married eligible individual who filed a joint return;

94.29 (2) \$62,000 for an individual who filed a return as a head of household; or

94.30 (3) \$41,000 for all other individuals.

(e) (d) For the purposes of determining the ~~applicable percentage~~ income limitation under paragraph ~~(b) and subdivision 4, paragraph (a)~~ (c), the commissioner must use the eligible individual's adjusted gross income for the taxable year ending in the calendar year prior to the year in which the individual applied for a rebate certificate.

**EFFECTIVE DATE.** This section is effective for rebates after December 31, 2024.

Sec. 66. Minnesota Statutes 2024, section 289A.51, subdivision 4, is amended to read:

Subd. 4. **Commissioner to issue rebate certificates.** (a) To qualify for a rebate under this section, an eligible individual must apply to the commissioner for a rebate certificate in the manner specified by the commissioner prior to purchasing an electric-assisted bicycle. As part of the application, the eligible individual must include proof of the individual's adjusted gross income for the taxable year specified in subdivision 3, paragraph ~~(e)~~ (d). The commissioner must issue a rebate certificate to an eligible individual stating the issuance date, the applicable percentage, and the maximum rebate for which the taxpayer is eligible. For a married taxpayer filing a joint return, each spouse may apply to the commissioner separately, and the commissioner must issue each spouse a separate rebate certificate.

(b) The commissioner of revenue may determine the date on which to open applications for a rebate certificate, and applications must not be submitted before the date determined by the commissioner. Beginning July 1, 2024, and July 1 of each subsequent calendar year for which there is an allocation of rebate certificates, the commissioner must allocate rebate certificates ~~on a first-come, first-served basis. The commissioner must reserve 40 percent of the certificates for a married taxpayer filing a joint return with an adjusted gross income of less than \$78,000 or any other filer with an adjusted gross income of less than \$41,000. Any portion of the reserved amount under this paragraph that is not allocated by September 30 is available for allocation to other rebate certificate applications beginning on October 1.~~ to applicants. If the number of total applicants exceeds the available allocation of rebate certificates, the commissioner must allocate certificates through a random lottery.

(c) If a random lottery is used to allocate certificates as provided in paragraph (b), the commissioner must, by August 1, 2025, determine a suitable randomized method to allocate the certificates to eligible individuals and must:

(1) detail the commissioner's anticipated timeline for the lottery, including when applications for the lottery by an applicant must be made and when the commissioner anticipates distributing the certificates;

(2) establish a method for an applicant to apply for placement into the lottery; and

96.1 (3) provide the amount of certificates available to be distributed by the commissioner.

96.2 (d) The commissioner must not issue rebate certificates totaling more than \$2,000,000  
96.3 in each of calendar years 2024 and 2025, except any amount authorized but not allocated  
96.4 in any calendar year does not cancel and is added to the allocation for the next calendar  
96.5 year. When calculating the amount of remaining allocations, the commissioner must assume  
96.6 that each allocated but unclaimed certificate reduces the available allocations by ~~\$1,500~~  
96.7 \$750.

96.8 ~~(d)~~ (e) A rebate certificate that is not assigned to a retailer expires two months after the  
96.9 date the certificate was issued and may not be assigned to a retailer after expiration. The  
96.10 amount of any expired rebate certificates is added to the available allocation under paragraph  
96.11 ~~(e)~~ (d).

96.12 **EFFECTIVE DATE.** This section is effective for rebates after December 31, 2024.

96.13 Sec. 67. Minnesota Statutes 2024, section 296A.01, is amended by adding a subdivision  
96.14 to read:

96.15 Subd. 19a. **Electric vehicle.** "Electric vehicle" has the meaning given in section 169.011,  
96.16 subdivision 26a.

96.17 Sec. 68. Minnesota Statutes 2024, section 296A.01, is amended by adding a subdivision  
96.18 to read:

96.19 Subd. 19b. **Electric vehicle supply equipment.** "Electric vehicle supply equipment"  
96.20 means any equipment used to deliver electricity sold as vehicle fuel to an electric vehicle.

96.21 Sec. 69. Minnesota Statutes 2024, section 296A.01, is amended by adding a subdivision  
96.22 to read:

96.23 Subd. 19c. **Electricity as vehicle fuel.** "Electricity as vehicle fuel" or "electricity sold  
96.24 as vehicle fuel" means electrical energy that is transferred to or stored onboard an electric  
96.25 vehicle in exchange for payment and is used primarily to propel the electric vehicle.

96.26 Sec. 70. Minnesota Statutes 2024, section 296A.01, is amended by adding a subdivision  
96.27 to read:

96.28 Subd. 43a. **Public charging station.** "Public charging station" means a facility at which  
96.29 a person conducts for-profit business using electric vehicle supply equipment for the delivery



97.1 of electricity sold as vehicle fuel to an electric vehicle and charges the customer for the  
97.2 electricity delivered.

97.3 Sec. 71. Minnesota Statutes 2024, section 296A.01, is amended by adding a subdivision  
97.4 to read:

97.5 Subd. 43b. **Public charging station operator.** "Public charging station operator" means  
97.6 any person who owns or operates a public charging station in this state.

97.7 Sec. 72. Minnesota Statutes 2024, section 296A.02, subdivision 3, is amended to read:

97.8 Subd. 3. **Rules; administration and enforcement.** The commissioner may adopt rules  
97.9 relating to the administration and enforcement of laws regulating the sale, distribution, and  
97.10 use of petroleum products, electricity sold as vehicle fuel, and special fuel. The rules shall  
97.11 be reasonable and consistent with the law.

97.12 Sec. 73. **[296A.051] PUBLIC CHARGING STATION OPERATOR'S LICENSE;**  
97.13 **REQUIREMENTS.**

97.14 Subdivision 1. **General.** On or after July 1, 2027, a person may not act as a public  
97.15 charging station operator without having been licensed by the commissioner as a public  
97.16 charging station operator.

97.17 Subd. 2. **Qualifications.** (a) Upon application to the commissioner, the commissioner  
97.18 must issue a public charging station operator's license to any person who applies and qualifies  
97.19 as a public charging station operator.

97.20 (b) The commissioner must not issue or renew a license to a person otherwise eligible  
97.21 under this subdivision if the person:

97.22 (1) has unpaid tax due under this chapter;

97.23 (2) has unfiled tax returns or reports due under this chapter;

97.24 (3) has had a license issued pursuant to this chapter revoked within the last five years;

97.25 or

97.26 (4) has had an equivalent license issued by another state or Canadian province revoked  
97.27 within the last five years for failure to pay a tax or file a tax return or report.

97.28 Subd. 3. **Licensing period; expiration.** Each licensing period is for one year, ending  
97.29 on June 30.

98.1        Subd. 4. **Surrender of license.** When a licensee voluntarily or involuntarily sells, disposes  
98.2 of, or discontinues business during the licensing period, the licensee must immediately  
98.3 notify the commissioner in writing and, within ten days, surrender the license in a manner  
98.4 prescribed by the commissioner.

98.5        Sec. 74. Minnesota Statutes 2024, section 296A.06, subdivision 2, is amended to read:

98.6        Subd. 2. **Suspension of license.** (a) Notwithstanding subdivision 1, the license of a  
98.7 distributor, special fuel dealer, public charging station operator, or bulk purchaser that has  
98.8 not filed a tax return or report or paid a delinquent tax or fee within five days after notice  
98.9 and demand by the commissioner is suspended. The suspension remains in effect until the  
98.10 demanded tax return or report has been filed and the tax and fees shown on that return or  
98.11 report have been paid. If the commissioner determines that the failure to file or failure to  
98.12 pay is due to reasonable cause, then a license must not be suspended, or if suspended, must  
98.13 be reinstated.

98.14        (b) A licensee whose license is suspended under this subdivision may request a contested  
98.15 case hearing under chapter 14. Any such hearing must be held within 20 days of the issuance  
98.16 of the notice and demand issued under paragraph (a), unless the parties agree to a later  
98.17 hearing date. The administrative law judge's report must be issued within 20 days after the  
98.18 close of the hearing record, unless the parties agree to a later report issuance date. The  
98.19 commissioner must issue a final decision within 30 days after receipt of the report of the  
98.20 administrative law judge and subsequent exceptions and argument under section 14.61. The  
98.21 suspension imposed under paragraph (a) remains in effect during any contested case hearing  
98.22 process requested pursuant to this paragraph.

98.23        Sec. 75. Minnesota Statutes 2024, section 296A.061, is amended to read:

98.24        **296A.061 CANCELLATION OR NONRENEWAL OF LICENSES.**

98.25        The commissioner may cancel a license or not renew a license if one of the following  
98.26 conditions occurs:

98.27        (1) the license holder has not filed a petroleum or other tax return or report for at least  
98.28 one year;

98.29        (2) the license holder has not reported any petroleum or other tax liability on the license  
98.30 holder's returns or reports for at least one year; or

98.31        (3) the license holder requests cancellation of the license.

99.1        **Sec. 76. [296A.075] ELECTRICITY AS VEHICLE FUEL TAX.**

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

99.4            (b) "Electric utility" has the meaning given in section 216B.38, subdivision 5.

99.5            (c) "Legacy charger" means a public charging station in operation before October 1,  
99.6 2023, that does not utilize electric vehicle supply equipment capable of measuring electricity  
99.7 delivered as vehicle fuel to an electric vehicle.

99.8            (d) "Residence" means the place where a person resides, permanently or temporarily.

99.9            **Subd. 2. Tax imposed on electricity sold as vehicle fuel.** (a) On and after July 1, 2027,  
99.10 a tax is imposed on all public charging station operators for electricity sold as vehicle fuel  
99.11 at a public charging station at a rate of five cents per kilowatt hour of electricity.

99.12            (b) On or before the 23rd of each month, a person who is required to pay the tax imposed  
99.13 under this section must file with the commissioner a report, in the form and manner prescribed  
99.14 by the commissioner, showing the number of kilowatt hours of electricity sold as vehicle  
99.15 fuel delivered during the preceding calendar month, and other information the commissioner  
99.16 may require. The return must be accompanied by a remittance for the full unpaid tax liability  
99.17 shown by the return. All remittances must be made by electronic means.

99.18            **Subd. 3. Requirement.** Any public charging station that first begins delivering electricity  
99.19 sold as vehicle fuel on or after July 1, 2027, must be capable of imposing the cost of  
99.20 electricity sold as vehicle fuel on a per-kilowatt-hour basis.

99.21            **Subd. 4. Deposit of revenues.** The commissioner must deposit the proceeds from the  
99.22 tax imposed in this section in the highway user tax distribution fund.

99.23            **Subd. 5. Exemptions.** (a) A legacy charger is exempt from the tax imposed under this  
99.24 section for electricity sold as vehicle fuel through December 31, 2031. On and after January  
99.25 1, 2032, a legacy charger must be capable of imposing the cost of electricity sold as vehicle  
99.26 fuel on a per-kilowatt-hour basis.

99.27            (b) The tax imposed under this section is not applicable to:

99.28            (1) electric vehicles charged at a private residence that uses electric power paid for by  
99.29 the owner or occupant of the residence and that is supplied to the residence by an electric  
99.30 utility;

99.31            (2) public charging stations with a charging capacity of less than 50 kilowatts; or

100.1 (3) public charging stations that do not require payment for the delivery of electricity  
100.2 as vehicle fuel.

100.3 Sec. 77. Minnesota Statutes 2024, section 296A.19, is amended to read:

100.4 **296A.19 REQUIRED RECORDS.**

100.5 Subdivision 1. **Retention.** (a) All distributors, dealers, special fuel dealers, bulk  
100.6 purchasers, dealers of aviation gasoline, and all users of special fuel ~~shall~~ must keep a true  
100.7 and accurate record of all purchases, transfers, sales, and use of petroleum products and  
100.8 special fuel, including copies of all sales tickets issued, in a form and manner approved by  
100.9 the commissioner, and ~~shall~~ must retain all such records for 3-1/2 years.

100.10 (b) All public charging station operators must keep a true and accurate record of all  
100.11 electricity sold as vehicle fuel to and from public charging stations, in a form and manner  
100.12 approved by the commissioner, and must retain all such records for 3-1/2 years.

100.13 Subd. 2. **Accessibility.** (a) The books and records of all carriers of petroleum products,  
100.14 distributors, dealers, and persons selling or using special fuel ~~shall~~ must be made accessible  
100.15 to the commissioner or an authorized representative.

100.16 (b) The books and records of all public charging station operators, and the books and  
100.17 records of the entity that supplied electricity sold as vehicle fuel by the public charging  
100.18 station operator, must be made accessible to the commissioner or an authorized representative.

100.19 Subd. 3. **Examination.** (a) The commissioner ~~shall~~ must make periodic examinations  
100.20 of all records kept by distributors, special fuel dealers, bulk purchasers, or other persons  
100.21 selling or using gasoline or special fuel.

100.22 (b) The commissioner must make periodic examinations of all records kept by public  
100.23 charging station operators that sell electricity as vehicle fuel through a public charging  
100.24 station.

100.25 Sec. 78. Minnesota Statutes 2024, section 296A.22, subdivision 3, is amended to read:

100.26 Subd. 3. **Operating without license.** If any person operates as a distributor, special fuel  
100.27 dealer, bulk purchaser, public charging station operator, or motor carrier without first  
100.28 securing the license required under this chapter, any tax or fee imposed by this chapter shall  
100.29 become immediately due and payable. A penalty of 25 percent is imposed upon the tax and  
100.30 fee due. The tax and fees shall bear interest at the rate specified in section 270C.40. The  
100.31 penalty imposed in this subdivision shall bear interest from the date provided in section  
100.32 270C.40, subdivision 3, to the date of payment of the penalty.

101.1 Sec. 79. Minnesota Statutes 2024, section 297A.94, is amended to read:

101.2 **297A.94 DEPOSIT OF REVENUES.**

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

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

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

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

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

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

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

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

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

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

101.31 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit  
101.32 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and

102.1 credit to the highway user tax distribution fund an amount equal to the estimated revenues  
102.2 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or  
102.3 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The  
102.4 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph  
102.5 based on the amount of revenue deposited under paragraph (d).

102.6 (g) The commissioner must deposit the revenues derived from the taxes imposed under  
102.7 section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and  
102.8 replacement parts in the state treasury and credit:

102.9 (1) ~~43.5 percent in each fiscal year~~ a percentage to the highway user tax distribution  
102.10 fund; as follows:

102.11 (i) 43.5 percent in each of fiscal years 2024 and 2025;

102.12 (ii) 43 percent in fiscal year 2026;

102.13 (iii) 41 percent in fiscal year 2027;

102.14 (iv) 36 percent in fiscal year 2028;

102.15 (v) 30 percent in fiscal year 2029;

102.16 (vi) 36 percent in each of fiscal years 2030 to 2034;

102.17 (vii) 38.5 percent in fiscal year 2035;

102.18 (viii) 41 percent in fiscal year 2036; and

102.19 (ix) 43.5 percent in fiscal year 2037 and thereafter;

102.20 (2) a percentage to the transportation advancement account under section 174.49 as  
102.21 follows:

102.22 (i) 3.5 percent in fiscal year 2024;

102.23 (ii) 4.5 percent in fiscal year 2025;

102.24 (iii) 5.5 percent in fiscal year 2026;

102.25 (iv) 7.5 percent in fiscal year 2027;

102.26 (v) 14.5 percent in fiscal year 2028;

102.27 (vi) 21.5 percent in fiscal year 2029;

102.28 (vii) 28.5 percent in fiscal year 2030;

102.29 (viii) 36.5 percent in fiscal year 2031;

103.1 (ix) 44.5 percent in fiscal year 2032; and

103.2 (x) 56.5 percent in fiscal year 2033 and thereafter; and

103.3 (3) the remainder in each fiscal year to the general fund.

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

103.11 (h) 81.56 percent of the revenues, including interest and penalties, transmitted to the  
103.12 commissioner under section 297A.65, must be deposited by the commissioner in the state  
103.13 treasury as follows:

103.14 (1) 47.5 percent of the receipts must be deposited in the heritage enhancement account  
103.15 in the game and fish fund, and may be spent only on activities that improve, enhance, or  
103.16 protect fish and wildlife resources, including conservation, restoration, and enhancement  
103.17 of land, water, and other natural resources of the state;

103.18 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
103.19 be spent only for state parks and trails;

103.20 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
103.21 be spent only on metropolitan park and trail grants;

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

103.24 (5) two percent of the receipts must be deposited in the natural resources fund, and may  
103.25 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,  
103.26 and the Duluth Zoo; and

103.27 (6) 2.5 percent of the receipts must be deposited in the pollinator account established in  
103.28 section 103B.101, subdivision 19.

103.29 (i) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
103.30 commissioner under section 297A.65 must be deposited in a regional parks and trails account  
103.31 in the natural resources fund and may only be spent for parks and trails of regional  
103.32 significance outside of the seven-county metropolitan area under section 85.535, based on

104.1 recommendations from the Greater Minnesota Regional Parks and Trails Commission under  
104.2 section 85.536.

104.3 (j) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
104.4 commissioner under section 297A.65 must be deposited in an outdoor recreational  
104.5 opportunities for underserved communities account in the natural resources fund and may  
104.6 only be spent on projects and activities that connect diverse and underserved Minnesotans  
104.7 through expanding cultural environmental experiences, exploration of their environment,  
104.8 and outdoor recreational activities.

104.9 (k) The revenue dedicated under paragraph (h) may not be used as a substitute for  
104.10 traditional sources of funding for the purposes specified, but the dedicated revenue shall  
104.11 supplement traditional sources of funding for those purposes. Land acquired with money  
104.12 deposited in the game and fish fund under paragraph (h) must be open to public hunting  
104.13 and fishing during the open season, except that in aquatic management areas or on lands  
104.14 where angling easements have been acquired, fishing may be prohibited during certain times  
104.15 of the year and hunting may be prohibited. At least 87 percent of the money deposited in  
104.16 the game and fish fund for improvement, enhancement, or protection of fish and wildlife  
104.17 resources under paragraph (h) must be allocated for field operations.

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

104.22 (1) 25 percent to the volunteer fire assistance grant account established under section  
104.23 88.068;

104.24 (2) 25 percent to the fire safety account established under section 297I.06, subdivision  
104.25 3; and

104.26 (3) the remainder to the general fund.

104.27 For purposes of this paragraph, the percentage of total sales and use tax revenue derived  
104.28 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be  
104.29 sold to persons 18 years old or older and are not prohibited from use by the general public  
104.30 under section 624.21, is a set percentage of the total sales and use tax revenues collected in  
104.31 the state, with the percentage determined under Laws 2017, First Special Session chapter  
104.32 1, article 3, section 39.



105.1 (m) The revenues deposited under paragraphs (a) to (l) do not include the revenues,  
105.2 including interest and penalties, generated by the sales tax imposed under section 297A.62,  
105.3 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,  
105.4 article XI, section 15.

105.5 Sec. 80. Minnesota Statutes 2024, section 297A.9915, subdivision 1, is amended to read:

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

105.8 (b) "Metropolitan area" and "metropolitan counties" means the counties of Anoka,  
105.9 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

105.10 (c) "Metropolitan Council" or "council" means the Metropolitan Council established by  
105.11 section 473.123.

105.12 (d) "Regional transportation sales tax" means the regional transportation sales and use  
105.13 tax imposed under this section.

105.14 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
105.15 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
105.16 Scott, and Washington.

105.17 Sec. 81. Minnesota Statutes 2024, section 297A.9915, subdivision 4, is amended to read:

105.18 Subd. 4. **Deposit Distribution.** (a) Proceeds of the regional transportation sales tax must  
105.19 be allocated as follows:

105.20 (1) 83 percent to the Metropolitan Council for the purposes specified under section  
105.21 473.4465, subdivisions 2 and 3, subject to section 473.39, subdivision 3a; and

105.22 (2) 8.5 percent to the Metropolitan Council for the purposes specified under section  
105.23 473.4465, subdivision 3a; and

105.24 ~~17 (3) 8.5 percent to metropolitan counties, as defined in section 174.49, subdivision 1,~~  
105.25 ~~in the manner provided under section 174.49, subdivision 5~~ for the purposes specified under  
105.26 section 473.4465, subdivision 4.

105.27 (b) Funds under paragraph (a), clause (3), are appropriated to the commissioner of  
105.28 transportation for distribution to metropolitan counties as provided under section 174.49,  
105.29 subdivision 5.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment for sales and purchases made on or after July 1, 2025, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 82. Minnesota Statutes 2024, section 297A.9915, subdivision 5, is amended to read:

Subd. 5. **Revenue bonds.** (a) In addition to other authority granted in this section, and notwithstanding section 473.39, subdivision 7, or any other law to the contrary, the council may, by resolution, authorize the sale and issuance of revenue bonds, notes, or obligations to provide funds to (1) implement the council's transit capital improvement program, and (2) refund bonds issued under this subdivision.

(b) The bonds are payable from and secured by a pledge of all or part of the revenue received under subdivision 4, ~~clause~~ paragraph (a), clauses (1) and (2), and associated investment earnings on debt proceeds. The council may, by resolution, authorize the issuance of the bonds as general obligations of the council. The bonds must be sold, issued, and secured in the manner provided in chapter 475, and the council has the same powers and duties as a municipality and its governing body in issuing bonds under chapter 475, except that no election is required and the net debt limitations in chapter 475 do not apply to such bonds. The proceeds of the bonds may also be used to fund necessary reserves and to pay credit enhancement fees, issuance costs, and other financing costs during the life of the debt.

(c) The bonds may be secured by a bond resolution, or a trust indenture entered into by the council with a corporate trustee within or outside the state, which must define the revenues and bond proceeds pledged for the payment and security of the bonds. The pledge must be a valid charge on the revenues received under section 297A.99, subdivision 11. Neither the state, nor any municipality or political subdivision except the council, nor any member or officer or employee of the council, is liable on the obligations. No mortgage or security interest in any tangible real or personal property is granted to the bondholders or the trustee, but they have a valid security interest in the revenues and bond proceeds received by the council and pledged to the payment of the bonds. In the bond resolution or trust indenture, the council may make such covenants as it determines to be reasonable for the protection of the bondholders.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

107.1 Sec. 83. Minnesota Statutes 2024, section 297A.993, subdivision 2a, is amended to read:

107.2 Subd. 2a. **Uses reporting.** ~~By February 15 of each even-numbered year,~~ A metropolitan  
107.3 county, as defined in section 473.121, subdivision 4, that imposes the taxes under this section  
107.4 must annually submit a report to the chairs and ranking minority members of the legislative  
107.5 committees with jurisdiction over transportation policy and finance financial information  
107.6 to the commissioner of transportation as provided under section 174.065 in the manner and  
107.7 by the dates prescribed by the commissioner.

107.8 ~~At a minimum, the report must include:~~

107.9 ~~(1) actual transportation sales tax collections by the county over the previous five calendar~~  
107.10 ~~years;~~

107.11 ~~(2) an estimation of the total sales tax revenue that is estimated to be collected by the~~  
107.12 ~~county in the current year and for the next ten calendar years; and~~

107.13 ~~(3) for each of the previous five calendar years, the current calendar year, and for the~~  
107.14 ~~next ten calendar years;~~

107.15 ~~(i) the amount of sales tax revenue expended or proposed to be expended for each of~~  
107.16 ~~the following;~~

107.17 ~~(A) planning, construction, operation, or maintenance of guideways, as defined in section~~  
107.18 ~~473.4485, subdivision 1, paragraph (d);~~

107.19 ~~(B) nonguideway transit and active transportation uses;~~

107.20 ~~(C) highway uses; and~~

107.21 ~~(D) uses not otherwise specified in subitems (A) to (C);~~

107.22 ~~(ii) completed, current, planned, and eligible projects for each category under item (i);~~  
107.23 ~~and~~

107.24 ~~(iii) an estimated balance of unspent or undesignated county sales tax revenue.~~

107.25 Sec. 84. Minnesota Statutes 2024, section 299A.55, subdivision 2, is amended to read:

107.26 Subd. 2. **Railroad and pipeline safety account.** (a) A railroad and pipeline safety  
107.27 account is created in the special revenue fund. The account consists of funds collected under  
107.28 subdivision 4 and funds donated, allotted, transferred, or otherwise provided to the account.

107.29 ~~(b) \$560,000 is annually appropriated from the railroad and pipeline safety account to~~  
107.30 ~~the commissioner of the Pollution Control Agency for environmental protection activities~~  
107.31 ~~related to railroad discharge preparedness under chapter 115E.~~

108.1 ~~(e) \$750,000 in fiscal year 2024 and \$1,500,000 in each subsequent fiscal year are~~  
108.2 ~~transferred from the railroad and pipeline safety account to the grade crossing safety account~~  
108.3 ~~under section 219.1651.~~

108.4 ~~(d) Following the appropriation in paragraph (b) and the transfer in paragraph (e), the~~  
108.5 ~~remaining money in the account is annually appropriated to the commissioner of public~~  
108.6 ~~safety for the purposes specified in subdivision 3.~~

108.7 ~~(e) (b)~~ By January 15, 2026, the commissioner of public safety must submit a report on  
108.8 the railroad and pipeline safety account to the chairs and ranking minority members of the  
108.9 legislative committees with jurisdiction over transportation policy and finance. The report  
108.10 must list detailed revenues to and expenditures from the account for the previous two fiscal  
108.11 years and must include information on the purpose of each expenditure.

108.12 ~~(f) (c)~~ If the balance of the account at the end of a fiscal biennium is greater than  
108.13 \$2,000,000, the amount above \$2,000,000 must be transferred to the grade crossing safety  
108.14 account under section 219.1651.

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

108.16 Sec. 85. Minnesota Statutes 2024, section 299A.55, subdivision 4, is amended to read:

108.17 Subd. 4. **Assessments.** (a) The commissioner of public safety must annually assess  
108.18 ~~\$4,000,000~~ \$3,418,000 to railroad and pipeline companies based on the formula specified  
108.19 ~~in paragraph (b). The commissioner must deposit funds collected under this subdivision in~~  
108.20 ~~the railroad and pipeline safety account under subdivision 2.~~

108.21 ~~(b) The assessment for each railroad is 70 percent of the total annual assessment amount,~~  
108.22 ~~divided in equal proportion between among applicable rail carriers based on route miles~~  
108.23 ~~operated in Minnesota. The assessment for each pipeline company is 30 percent of the total~~  
108.24 ~~annual assessment amount~~ Of the amount collected annually under this paragraph:

108.25 (1) \$560,000 is deposited in the railroad and pipeline safety account and appropriated  
108.26 to the commissioner of the Pollution Control Agency for environmental protection activities  
108.27 related to railroad discharge preparedness under chapter 115E;

108.28 (2) \$1,500,000 is deposited in the grade crossing safety account under section 219.1651;  
108.29 and

108.30 (3) the remainder is deposited in the railroad and pipeline safety account and appropriated  
108.31 to the commissioner of public safety for the purposes specified in subdivision 3.

(b) The commissioner of public safety must annually assess \$582,000 to pipeline companies, divided in equal proportion ~~between~~ among companies based on the yearly aggregate gallons of oil and other hazardous substances transported by pipeline in Minnesota. Money collected under this paragraph is deposited in the railroad and pipeline safety account and appropriated to the commissioner of public safety for the purposes specified in subdivision 3.

(c) In addition to the ~~amount~~ amounts identified in ~~paragraph~~ paragraphs (a) and (b), the commissioner must assess the rail carrier or pipeline company involved in an incident compelling a significant response for all postincident review and analysis costs under subdivision 5 incurred by the state and local units of government. This paragraph applies regardless of whether an assessment is imposed under paragraph (a) or (b) in a fiscal year.

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

Sec. 86. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision to read:

Subd. 22a. **Coordinated unmanned aircraft event.** "Coordinated unmanned aircraft event" means a one-day event involving a group of small unmanned aircraft systems that fly together as a unified and coordinated entity to accomplish a shared entertainment objective, which may include but is not limited to choreographed flight patterns, synchronized lighting, and music for visual displays.

Sec. 87. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision to read:

Subd. 23a. **Electronic attestation.** "Electronic attestation" means a statement of fact or confirmation, submitted by the owner in digital form, regarding the ownership and status of an aircraft, including a small unmanned aircraft system, and its compliance with applicable regulations.

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

Sec. 88. Minnesota Statutes 2024, section 360.55, subdivision 4, is amended to read:

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

(1) "antique aircraft" means an aircraft constructed by the original manufacturer, or its licensee, on or before December 31, 1945, with the exception of certain pre-World War II

110.1 aircraft models that had only a small postwar production, such as Beechcraft Staggerwing,  
110.2 Fairchild 24, and Monocoupe; and

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

110.6 (b) If an antique or classic aircraft is owned and operated solely as a collector's item, its  
110.7 owner ~~may~~ must list it for taxation and registration ~~as follows~~ and execute an electronic  
110.8 attestation or sworn affidavit stating: A sworn affidavit must be executed stating

110.9 (1) the name and address of the owner;<sub>2</sub>

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

110.11 (3) the aircraft's make, year, model number, federal aircraft registration number, and  
110.12 manufacturer's identification number;<sub>2</sub> and

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

110.15 The electronic attestation or sworn affidavit must be ~~filed with~~ submitted to the commissioner  
110.16 along with a fee of \$25.

110.17 (c) Upon satisfaction that the electronic attestation or sworn affidavit is true and correct,  
110.18 the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate to the applicant.  
110.19 The registration certificate is valid without renewal as long as the owner operates the aircraft  
110.20 solely as a collector's item.

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

110.24 (e) Upon the sale of an antique or classic aircraft, the new owner must list the aircraft  
110.25 for taxation and registration in accordance with this subdivision, including the payment of  
110.26 a \$5 fee to transfer the registration to the new owner, ~~or the other provisions of~~ under sections  
110.27 360.511 to 360.67, whichever is applicable.

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

110.29 Sec. 89. Minnesota Statutes 2024, section 360.55, subdivision 4a, is amended to read:

110.30 Subd. 4a. **Recreational aircraft; classic license.** (a) An aircraft that has a base price  
110.31 for tax purposes under section 360.531 of \$10,000 or less, and ~~that~~ is owned and operated

111.1 solely for recreational purposes; may be listed for taxation and registration by executing a  
111.2 an electronic attestation or sworn affidavit stating:

111.3 (1) the name and address of the owner;

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

111.5 (3) the aircraft's make, year, model number, federal aircraft registration number, and  
111.6 manufacturer's identification number; and

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

111.9 The electronic attestation or sworn affidavit must be ~~filed with~~ submitted to the commissioner  
111.10 along with an annual \$25 fee.

111.11 (b) ~~On being satisfied~~ Upon satisfaction that the electronic attestation or sworn affidavit  
111.12 is true and correct, the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate  
111.13 to the applicant.

111.14 (c) ~~Should~~ If the aircraft ~~be~~ is operated other than as a recreational aircraft, the owner  
111.15 ~~shall~~ must list the aircraft for taxation and registration and pay the appropriate registration  
111.16 fee under sections 360.511 to 360.67.

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

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

111.21 Sec. 90. Minnesota Statutes 2024, section 360.55, subdivision 8, is amended to read:

111.22 Subd. 8. **Agricultural aircraft.** Aircraft registered with the Federal Aviation  
111.23 Administration as restricted category aircraft used for agricultural purposes must be listed  
111.24 for taxation and registration ~~upon filing by the owner a sworn affidavit with.~~ The owner  
111.25 must execute and submit an annual electronic attestation or sworn affidavit to the  
111.26 commissioner. The electronic attestation or sworn affidavit must state:

111.27 (1) the name and address of the owner;

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

111.29 (3) the aircraft's make, year, model number, federal registration number, and  
111.30 manufacturer's identification number; and

111.31 (4) that the aircraft is owned and operated solely for agricultural operations and purposes.

112.1 The owner ~~shall file the~~ must submit an electronic attestation or a sworn affidavit to the  
112.2 commissioner and pay an annual fee established under sections 360.511 to 360.67, which  
112.3 must not exceed \$500. ~~Should~~ If the aircraft ~~be~~ is operated other than for agricultural  
112.4 purposes, the owner ~~shall~~ must list the aircraft for taxation and registration under sections  
112.5 360.511 to 360.67. If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation  
112.6 and registration under this subdivision or under sections 360.511 to 360.67, as applicable.

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

112.8 Sec. 91. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to  
112.9 read:

112.10 **Subd. 10. Coordinated unmanned aircraft system fleets.** (a) An operator planning to  
112.11 conduct a coordinated unmanned aircraft event must register the fleet of small unmanned  
112.12 aircraft systems at least 15 days before the event. Registration under this subdivision must  
112.13 be in the manner specified by the commissioner.

112.14 (b) The registration must include:

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

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

112.17 (3) the number of small unmanned aircraft systems to be used;

112.18 (4) proof of liability insurance for the small unmanned aircraft systems;

112.19 (5) a copy of the operator's small unmanned aircraft system pilot's license; and

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

112.21 (c) A daily registration fee of \$2 per small unmanned aircraft system used in the fleet  
112.22 applies to fleets registered under this subdivision. The fee is in lieu of the registration fee  
112.23 in subdivision 9. A fleet registered under this subdivision is exempt from the aircraft  
112.24 registration tax under sections 360.511 to 360.67.

112.25 Sec. 92. Minnesota Statutes 2024, section 398A.04, is amended by adding a subdivision  
112.26 to read:

112.27 **Subd. 12. Financial information.** An authority associated with a metropolitan county,  
112.28 as defined in section 473.121, subdivision 4, must annually submit financial information to  
112.29 the commissioner of transportation as provided under section 174.065 in the manner and  
112.30 by the dates prescribed by the commissioner.



113.1 Sec. 93. Minnesota Statutes 2024, section 473.129, is amended by adding a subdivision  
113.2 to read:

113.3 Subd. 13. **Direct negotiation.** Notwithstanding section 471.345, if the estimated total  
113.4 contractual obligation of the council for a directly negotiated contract or contracts for  
113.5 construction work or maintenance work on any single project does not exceed the amount  
113.6 in section 161.32, subdivision 2, the council may enter into a contract by direct negotiation  
113.7 by obtaining two or more quotations for the work without advertising for bids or otherwise  
113.8 complying with the requirements of competitive bidding.

113.9 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
113.10 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
113.11 Scott, and Washington.

113.12 Sec. 94. Minnesota Statutes 2024, section 473.13, subdivision 1, is amended to read:

113.13 Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall  
113.14 adopt a final budget covering its anticipated receipts and disbursements for the ensuing year  
113.15 and shall decide upon the total amount necessary to be raised from ad valorem tax levies  
113.16 to meet its budget. The budget shall state in detail the expenditures for each program to be  
113.17 undertaken, including the expenses for salaries, consultant services, overhead, travel, printing,  
113.18 and other items. The budget shall state in detail the capital expenditures of the council for  
113.19 the budget year, based on a five-year capital program adopted by the council and transmitted  
113.20 to the legislature. After adoption of the budget and no later than five working days after  
113.21 December 20, the council shall certify to the auditor of each metropolitan county the share  
113.22 of the tax to be levied within that county, which must be an amount bearing the same  
113.23 proportion to the total levy agreed on by the council as the net tax capacity of the county  
113.24 bears to the net tax capacity of the metropolitan area. The maximum amount of any levy  
113.25 made for the purpose of this chapter may not exceed the limits set by the statute authorizing  
113.26 the levy.

113.27 ~~(b) Each even-numbered year the council shall prepare for its transit programs a financial~~  
113.28 ~~plan for the succeeding three calendar years, in half-year segments. The financial plan must~~  
113.29 ~~contain schedules of user charges and any changes in user charges planned or anticipated~~  
113.30 ~~by the council during the period of the plan. The financial plan must contain a proposed~~  
113.31 ~~request for state financial assistance for the succeeding biennium.~~

113.32 ~~(e)~~ (b) In addition, the budget must show for each year:

(1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;

(2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year, all in such detail and form as the council may prescribe; and

(3) the estimated source and use of pass-through funds.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 95. Minnesota Statutes 2024, section 473.13, subdivision 6, is amended to read:

**Subd. 6. Transportation financial review.** (a) Annually by January 15, the council must submit a financial review that details revenue and expenditures for the transportation components under the council's budget, as specified in paragraph (c). A financial review submitted under this paragraph must provide the information using state fiscal years.

(b) Annually by the earlier of the accounting close of a budget year or August 15, the council must submit a financial review update that provides the following for the most recent completed budget year: actual revenues; expenditures; transfers; reserves; balances; and a comparison between the budgeted and actual amounts. A financial review update under this paragraph must include the information specified in paragraph (d).

(c) At a minimum, a financial review must identify:

(1) the actual revenues, expenditures, transfers, reserves, and balances in each of the previous four years;

(2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances in the current year and each year within the state forecast period;

(3) for the most recent completed year, a comparison between the budgeted and actual amounts under clause (1); and

(4) for the most recent completed year, fund balances for each replacement service provider under section 473.388. By December 15 each year, each replacement service provider under section 473.388 must report to the council the provider's projected total

115.1 operating expenditures and projected operating reserve fund balance as of the previous  
115.2 December 31.

115.3 (d) The information under paragraph (c), clauses (1) to (3), must include:

115.4 (1) a breakdown by each transportation funding source identified by the council, including  
115.5 but not limited to legislative appropriations; federal funds; fare collections; property tax;  
115.6 and sales tax, including sales tax used for active transportation under section 473.4465,  
115.7 subdivision 2, paragraph (a), clause (1);

115.8 (2) a breakdown by each transportation operating budget category established by the  
115.9 council, including but not limited to bus, light rail transit, commuter rail, planning, special  
115.10 transportation service under section 473.386, and assistance to replacement service providers  
115.11 under section 473.388; and

115.12 (3) data for operations, capital maintenance, and transit capital.

115.13 (e) A financial review under paragraph (a) or (b) must provide information or a  
115.14 methodology sufficient to establish a conversion between state fiscal years and budget years,  
115.15 summarize reserve policies, identify the methodology for cost allocation, and describe  
115.16 revenue assumptions and variables affecting the assumptions.

115.17 (f) The council must submit each financial review to the chairs and ranking minority  
115.18 members of the legislative committees and divisions with jurisdiction over transportation  
115.19 policy and finance and to the commissioner of management and budget.

115.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
115.21 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
115.22 Scott, and Washington.

115.23 Sec. 96. Minnesota Statutes 2024, section 473.142, is amended to read:

115.24 **473.142 SMALL BUSINESSES.**

115.25 (a) The Metropolitan Council and agencies specified in section 473.143, subdivision 1,  
115.26 may award ~~up to a six percent preference in the amount bid~~ up to the percentage under  
115.27 section 16C.16, subdivision 6, paragraph (a), for specified goods or services to small targeted  
115.28 group businesses and veteran-owned small businesses designated under section 16C.16.  
115.29 The council and each agency specified in section 473.143, subdivision 1, may award a  
115.30 preference up to the percentage under section 161.321, subdivision 2, paragraph (a), in the  
115.31 amount bid for specified construction work to small targeted group businesses and  
115.32 veteran-owned small businesses designated under section 16C.16.

(b) The council and each agency specified in section 473.143, subdivision 1, may designate a ~~purchase of~~ contract for construction, goods, or services for award only to small targeted group businesses designated under section 16C.16 if the council or agency determines that at least three small targeted group businesses are likely to ~~bid~~ respond to a solicitation. The council and each agency specified in section 473.143, subdivision 1, may designate a ~~purchase of~~ contract for construction, goods, or services for award only to veteran-owned small businesses designated under section 16C.16 if the council or agency determines that at least three veteran-owned small businesses are likely to ~~bid~~ respond to a solicitation.

(c) The council and each agency specified in section 473.143, subdivision 1, as a condition of awarding a ~~construction contract~~ or approving a contract for ~~consultant, professional, or technical services~~, may set goals that require the prime contractor to subcontract a portion of the contract to small targeted group businesses and veteran-owned small businesses designated under section 16C.16. The council or agency must establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses and veteran-owned small businesses are not reasonably available. The council or agency may establish financial incentives for prime contractors who exceed the goals for use of subcontractors and financial penalties for prime contractors who fail to meet goals under this paragraph. The subcontracting requirements of this paragraph do not apply to prime contractors who are small targeted group businesses and veteran-owned small businesses. At least 75 percent of the value of the subcontracts awarded to small targeted group businesses under this paragraph must be performed by the business to which the subcontract is awarded or by another small targeted group business. At least 75 percent of the value of the subcontracts awarded to veteran-owned small businesses under this paragraph must be performed by the business to which the subcontract is awarded or another veteran-owned small business.

(d) The council and each agency listed in section 473.143, subdivision 1, ~~are encouraged to purchase from~~ may award a contract for construction, goods, or services directly to small targeted group businesses and or veteran-owned small businesses designated under section 16C.16 when making purchases that are not subject to competitive bidding procedures, up to a total contract award value, including extension options, of the amount specified in section 16C.16, subdivision 6, paragraph (b), without completing a competitive solicitation process.

(e) The council and each agency may adopt rules to implement this section.

117.1 (f) Each council or agency contract must require the prime contractor to pay any  
117.2 subcontractor within ten days of the prime contractor's receipt of payment from the council  
117.3 or agency for undisputed services provided by the subcontractor. The contract must require  
117.4 the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to  
117.5 the subcontractor on any undisputed amount not paid on time to the subcontractor. The  
117.6 minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.  
117.7 For an unpaid balance of less than \$100, the prime contractor ~~shall~~ must pay the actual  
117.8 penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect  
117.9 interest penalties from a prime contractor must be awarded its costs and disbursements,  
117.10 including attorney fees, incurred in bringing the action.

117.11 (g) This section does not apply to procurement financed in whole or in part with federal  
117.12 funds if the procurement is subject to federal disadvantaged, minority, or women business  
117.13 enterprise regulations. The council and each agency ~~shall~~ must report to the commissioner  
117.14 of administration on compliance with this section. The information must be reported at the  
117.15 time and in the manner requested by the commissioner.

117.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
117.17 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
117.18 Scott, and Washington.

117.19 Sec. 97. Minnesota Statutes 2024, section 473.1425, is amended to read:

117.20 **473.1425 WORKING CAPITAL FUND.**

117.21 The Metropolitan Council or a metropolitan agency defined in section 473.121,  
117.22 subdivision 5a, to the extent allowed by other law or contract, may grant available money  
117.23 that has been appropriated for socially or economically disadvantaged business programs  
117.24 to a guaranty fund administered by a nonprofit organization that makes or guarantees working  
117.25 capital loans to businesses owned and operated by a socially or and economically  
117.26 disadvantaged persons individual as defined in Code of Federal Regulations, title 49, section  
117.27 ~~23.5~~ 26.5. The purpose of loans made or guaranteed by the organization must be to provide  
117.28 short-term working capital to enable eligible businesses to ~~be awarded~~ participate in contracts  
117.29 for goods and services or for construction related services from government agencies.

117.30 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
117.31 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
117.32 Scott, and Washington.

118.1 Sec. 98. Minnesota Statutes 2024, section 473.386, subdivision 10, is amended to read:

118.2 Subd. 10. **Forecasted funding.** (a) For purposes of this subdivision, "biennium" and  
118.3 "fiscal year" have the meanings given in section 16A.011, subdivisions 6 and 14, respectively.

118.4 (b) In each February and November forecast of state revenues and expenditures under  
118.5 section 16A.103, the commissioner of management and budget must incorporate a state  
118.6 obligation from the general fund for the annual net costs to the council to implement the  
118.7 special transportation service under this section. Notwithstanding section 16A.11, subdivision  
118.8 3, the appropriation base in each fiscal year of the upcoming biennium is as determined in  
118.9 this subdivision.

118.10 (c) The commissioner must determine net costs under paragraph (b) as:

118.11 (1) the amount necessary to:

118.12 (i) maintain service levels accounting for expected demand, including service area, hours  
118.13 of service, ride scheduling requirements, and fares per council policy;

118.14 (ii) maintain the general existing condition of the special transportation service bus fleet,  
118.15 including bus maintenance and replacement; and

118.16 (iii) meet the requirements of this section; plus

118.17 (2) the amount of forecast adjustments, as determined by the commissioner of  
118.18 management and budget in consultation with the council, necessary to match (i) actual  
118.19 special transportation service program costs in the prior fiscal year, and (ii) adjusted program  
118.20 costs forecasted for the second year of the current biennium, for a forecast prepared in the  
118.21 first year of the biennium; less

118.22 (3) funds identified for the special transportation service from nonstate sources.

118.23 (d) In conjunction with each February and November forecast, the council must submit  
118.24 a financial review of the special transportation service to the chairs and ranking minority  
118.25 members of the legislative committees with jurisdiction over transportation policy and  
118.26 finance and to the commissioner of management and budget. At a minimum, the financial  
118.27 review must include:

118.28 (1) a summary of special transportation service sources of funds ~~and expenditures for~~  
118.29 ~~the prior two fiscal years and~~ each fiscal year of the forecast period, which must include:

118.30 (i) a breakout by expenditures categories; and

118.31 (ii) information that is sufficient to identify a conversion between state fiscal years and  
118.32 the fiscal years of the council;

(2) details on cost assumptions used in the forecast;

(3) information on ridership and farebox recovery rates for the prior two fiscal years and each fiscal year of the forecast period;

(4) identification of the amount of appropriations necessary for any forecast adjustments as identified under paragraph (c), clause (2); and

(5) information as prescribed by the commissioner.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 99. Minnesota Statutes 2024, section 473.39, is amended by adding a subdivision to read:

**Subd. 1y. Obligations.** In addition to other authority in this section, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$110,800,000 for capital expenditures as prescribed in the council's transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations. Of this authorization, after July 1, 2025, the council may issue certificates of indebtedness, bonds, or other obligations in an amount not exceeding \$54,600,000, and after July 1, 2026, the council may issue certificates of indebtedness, bonds, or other obligations in an additional amount not exceeding \$56,200,000.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 100. Minnesota Statutes 2024, section 473.39, is amended by adding a subdivision to read:

**Subd. 3a. General fund impacts.** (a) No later than June 30, 2026, and on June 30 of each subsequent year, the commissioner of revenue must estimate the total reduction of funds in the state general fund in the following fiscal year as a result of the increase in the council's debt service levy as a result of the authorization under subdivision 1y. The estimate must include but is not limited to the effect of the levy on the state's property tax refund programs and individual income tax collections.

(b) Beginning in fiscal year 2027, from the allocation otherwise specified under section 297A.9915, subdivision 4, paragraph (a), clause (1), the commissioner of revenue must

120.1 annually retain the amount estimated under paragraph (a) for the current fiscal year and  
120.2 deposit that amount in the general fund.

120.3 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
120.4 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
120.5 Scott, and Washington.

120.6 Sec. 101. Minnesota Statutes 2024, section 473.39, subdivision 6, is amended to read:

120.7 Subd. 6. **Limitation; light rail transit.** The council is prohibited from expending any  
120.8 proceeds from certificates of indebtedness, bonds, or other obligations under subdivisions  
120.9 1u, 1w, ~~and 1x,~~ and 1y for project development, land acquisition, or construction to (1)  
120.10 establish a light rail transit line; or (2) expand a light rail transit line, including by extending  
120.11 a line or adding additional stops.

120.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
120.13 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
120.14 Scott, and Washington.

120.15 Sec. 102. Minnesota Statutes 2024, section 473.408, is amended by adding a subdivision  
120.16 to read:

120.17 Subd. 11. **Transit service for certified disabled riders.** (a) The council must provide  
120.18 regular route transit, as defined in section 473.385, subdivision 1, free of charge to an  
120.19 individual who is:

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

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

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

120.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
120.27 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
120.28 Scott, and Washington.

120.29 Sec. 103. Minnesota Statutes 2024, section 473.412, subdivision 3, is amended to read:

120.30 Subd. 3. **Report required; cleaning standards and expenditures.** (a) ~~By October 1,~~  
120.31 ~~2024, and every year thereafter,~~ Annually by February 15, the Metropolitan Council must



121.1 report to the chairs and ranking minority members of the legislative committees with  
121.2 jurisdiction over transit policy and finance on transit cleanliness and the ridership experience.

121.3 (b) The report under paragraph (a) must provide information on the council's cleanliness  
121.4 standards required under subdivision 2, including whether the council adopted new  
121.5 cleanliness standards or revisions to current cleanliness standards. A report prepared under  
121.6 this subdivision must include information gathered from the required public feedback on  
121.7 cleanliness and rider experience required in subdivision 2, paragraph (b). The council must  
121.8 consider and recommend revisions to cleanliness standards based on the collection of public  
121.9 feedback and must summarize feedback received by the council in the report.

121.10 (c) A report submitted under this subdivision must include:

121.11 (1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

121.12 (2) the frequency, type, and location of repairs;

121.13 (3) whether specific transit stations needed a higher proportion of cleaning or repairs  
121.14 and detail the council's strategy to resolve identified and persistent concerns at those  
121.15 locations;

121.16 (4) recommendations to address workforce challenges for the implementation and  
121.17 maintenance of cleanliness and repair standards adopted by the council, including whether  
121.18 the council maintained agreements with third-party services for cleaning and repair; and

121.19 (5) whether the council has adopted preventative measures against vandalism or graffiti;  
121.20 and.

121.21 ~~(6) any recommendations for additions to the transit rider code of conduct under section~~  
121.22 ~~473.4065 or the transit rider investment program under section 473.4075.~~

121.23 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
121.24 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
121.25 Scott, and Washington.

121.26 Sec. 104. Minnesota Statutes 2024, section 473.4465, subdivision 1, is amended to read:

121.27 Subdivision 1. **Definition.** (a) For purposes of this section, the following terms have the  
121.28 meanings given.

121.29 (b) "Bus guideway" means a guideway, as defined in section 473.4485, subdivision 1,  
121.30 paragraph (d), for bus service.

121.31 (c) "Busway" has the meaning given in section 473.4485, subdivision 1, paragraph (b).

122.1 (d) "Sales tax revenue" means ~~the portion of~~ revenue from the regional transportation  
122.2 sales and use tax under section 297A.9915 ~~that is allocated to the council for purposes of~~  
122.3 ~~this section.~~

122.4 **APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota,  
122.5 Hennepin, Ramsey, Scott, and Washington.

122.6 Sec. 105. Minnesota Statutes 2024, section 473.4465, subdivision 2, is amended to read:

122.7 Subd. 2. **Use of funds; Metropolitan Council.** (a) Sales tax revenue allocated to the  
122.8 council under section 297A.9915, subdivision 4, paragraph (a), clause (1), is available as  
122.9 follows:

122.10 (1) five percent for active transportation, as determined by the Transportation Advisory  
122.11 Board under subdivision 3; and

122.12 (2) 95 percent for transit system purposes under sections 473.371 to 473.452, including  
122.13 but not limited to operations, maintenance, and capital projects.

122.14 (b) The council must expend a portion of sales tax revenue under paragraph (a), clause  
122.15 (2), in each of the following categories:

122.16 (1) improvements to regular route bus service levels;

122.17 (2) improvements related to transit safety, including additional transit officials, as defined  
122.18 under section 473.4075;

122.19 (3) maintenance and improvements to bus accessibility at transit stops and transit centers;

122.20 (4) transit shelter replacement and improvements under section 473.41;

122.21 (5) planning and project development for expansion of arterial bus rapid transit lines;

122.22 (6) operations and capital maintenance of arterial bus rapid transit;

122.23 (7) planning and project development for expansion of highway bus rapid transit and  
122.24 bus guideway lines;

122.25 (8) operations and capital maintenance of highway bus rapid transit and bus guideways;

122.26 (9) zero-emission bus procurement and associated costs in conformance with the  
122.27 zero-emission and electric transit vehicle transition plan under section 473.3927;

122.28 (10) demand response microtransit service provided by the council;

(11) financial assistance to replacement service providers under section 473.388, to provide for service, vehicle purchases, and capital investments related to demand response microtransit service;

(12) financial assistance to political subdivisions and tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code for active transportation; and

(13) wage adjustments for Metro Transit hourly operations employees.

**APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 106. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision to read:

**Subd. 2a. Use of funds; Metropolitan Council; loan authorizations and requirements; coordinated corridor projects.** (a) For purposes of this subdivision and subdivision 2b, the following terms have the meanings given:

(1) "corridor projects" means roadway improvements and trunk highway construction and reconstruction in coordination with the following projects:

(i) the F Line bus rapid transit project in coordination with marked Trunk Highway 65, also known as Central Avenue, and marked Trunk Highway 47, also known as University Avenue; and

(ii) the Riverview Corridor, also known as the West 7th bus rapid transit project, in coordination with marked Trunk Highway 5, also known as West 7th Street;

(2) "loan agreement" means the contractual and promissory agreement between the Metropolitan Council and the Department of Transportation authorized under this subdivision; and

(3) "project agreement" means the planned and final design of a corridor project.

(b) From the sales tax revenue allocated under subdivision 2, paragraph (a), clause (2), and subject to the requirements of this subdivision and subdivision 2b, the council may authorize up to two loans in an amount up to \$250,000,000 total to the Department of Transportation to advance corridor projects to ensure the trunk highway's compatibility with planned bus rapid transit investments along the route.

(c) A loan authorized under this section must be repaid in full by June 30, 2040, or ten years after construction begins, whichever is later.

(d) Funds from any loan authorized under this subdivision may be used for the costs of predesign, design, engineering, and environmental analysis. The council and the Department of Transportation may use the loan funds for right-of-way acquisition and construction only upon joint submission of a project agreement to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. A project agreement must provide a proposed design analysis to ensure:

(1) the construction and reconstruction plan for the trunk highway is compatible with future transit and roadway investments along the route; and

(2) safe and accessible facilities for all modes of travel along the entire corridor.

(e) At least 30 days prior to executing a loan agreement, the council must submit a copy of the loan agreement to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

(f) Authorization to enter into a loan agreement expires on June 30, 2030.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 107. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision to read:

**Subd. 2b. Repayment of funds from authorized loan.** (a) Funds repaid to the Metropolitan Council from a loan authorized under subdivision 2a must only be used for the purposes under subdivision 2, paragraph (a), clauses (1) and (2), or subdivision 3a.

(b) A loan agreement, including repayment terms, cannot provide any financial benefit to either entity and must be mutually agreed to by the council and the Department of Transportation.

(c) Within 30 business days of receiving payment under a loan agreement under subdivision 2a from the Department of Transportation, the council must provide notice to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. The notice must include the amount repaid and the remaining balance of an outstanding loan.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

125.1 Sec. 108. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision  
125.2 to read:

125.3 Subd. 3a. **Use of funds; bus expansion.** The council must use sales tax revenue allocated  
125.4 under section 297A.9915, subdivision 4, paragraph (a), clause (2), for planning, project  
125.5 development, construction, and capital maintenance that establishes or provides capital  
125.6 improvements to a bus guideway or a busway, in conformance with the regional bus  
125.7 expansion implementation plan under subdivision 7.

125.8 **APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota,  
125.9 Hennepin, Ramsey, Scott, and Washington.

125.10 Sec. 109. Minnesota Statutes 2024, section 473.4465, subdivision 4, is amended to read:

125.11 Subd. 4. **Use of funds; metropolitan counties; reporting.** (a) A metropolitan county  
125.12 must use sales tax revenue from the regional transportation sales and use tax under section  
125.13 297A.9915 in conformance with the requirements under section 174.49, subdivision 6 for  
125.14 transportation purposes, including but not limited to:

125.15 (1) construction, reconstruction, and maintenance of highways; and

125.16 (2) projects, programs, or operations activities that meet the requirements of an offset  
125.17 action under section 161.178, subdivision 4.

125.18 (b) By February 15 of each even-numbered year, a metropolitan county must submit a  
125.19 report to the chairs and ranking minority members of the legislative committees with  
125.20 jurisdiction over transportation policy and finance on the use of funds received under section  
125.21 297A.9915. This report must be submitted in conjunction with the report required under  
125.22 section 297A.993, subdivision 2a. At a minimum, the report must include:

125.23 (1) actual sales tax collections allocated to the county over the previous five calendar  
125.24 years;

125.25 (2) an estimation of the total sales tax revenue that is estimated to be allocated to the  
125.26 county in the current year and for the next ten calendar years; and

125.27 (3) for each of the previous five calendar years, the current calendar year, and for the  
125.28 next ten calendar years:

125.29 (i) the amount of sales tax revenue expended or proposed to be expended for each of  
125.30 the allowable uses under section 174.49, subdivision 6;

125.31 (ii) completed, current, planned, and eligible projects or programs for each category  
125.32 under item (i); and

126.1 ~~(iii) an estimated balance of unspent or undesignated regional transportation sales and~~  
126.2 ~~use tax revenue.~~

126.3 Sec. 110. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision  
126.4 to read:

126.5 Subd. 7. **Regional bus expansion implementation plan.** By January 15, 2026, the  
126.6 council must develop a plan to implement accelerated expansion of bus guideways and  
126.7 busways in the metropolitan area. At a minimum, the plan must:

126.8 (1) analyze, evaluate, identify, and prioritize corridors for a comprehensive integrated  
126.9 network of bus guideways and busways;

126.10 (2) establish a process for project delivery, including but not limited to a general timeline  
126.11 for projects;

126.12 (3) provide regional balance and equitable distribution of bus guideway and busway  
126.13 service throughout the metropolitan area;

126.14 (4) account for transit market areas throughout the metropolitan area; and

126.15 (5) incorporate public engagement and partnerships with other political subdivisions.

126.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
126.17 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
126.18 Scott, and Washington.

126.19 Sec. 111. Laws 2023, chapter 68, article 4, section 109, is amended to read:

126.20 Sec. 109. **TRAFFIC SAFETY VIOLATIONS DISPOSITION ANALYSIS.**

126.21 (a) The commissioner of public safety must enter into an agreement with the Center for  
126.22 Transportation Studies at the University of Minnesota to conduct an evaluation of the  
126.23 disposition in recent years of citations for speeding, impairment, distraction, and seatbelt  
126.24 violations. The evaluation under the agreement must include but is not limited to analysis  
126.25 of:

126.26 (1) rates of citations issued compared to rates of citations contested in court and the  
126.27 outcomes of the cases;

126.28 (2) amounts of fines imposed compared to counts and amounts of fine payments; and

126.29 (3) any related changes in patterns of traffic enforcement from 2017 to 2022.

(b) The agreement must require the Center for Transportation Studies to submit an interim progress report by July 1, 2024, and a final report by ~~July 1, 2025~~ January 15, 2026, to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance and public safety.

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

Sec. 112. Laws 2025, chapter 29, section 13, subdivision 5, is amended to read:

**Subd. 5. Driving while impaired conviction or adjudication; period of license revocation.** (a) Notwithstanding the periods specified in subdivisions 3 and 4 and except as provided in section 169A.54, subdivision 7, a revocation by the commissioner as required under section 169A.54, subdivision 1, or 171.17, subdivision 1, paragraph (a), clause ~~(2)~~ (3) or ~~(9)~~ (10), for conviction of an offense in another state that would be grounds for revocation in this state under section 169A.54, subdivision 1, must be for the following periods:

(1) if the person has no qualified prior impaired driving incidents within the past 20 years:

(i) not less than 30 days if the person is convicted of an offense under section 169A.20, subdivision 1 (driving while impaired);

(ii) not less than 90 days if the person is convicted of an offense under section 169A.20, subdivision 2 (refusal to submit to chemical test);

(iii) not less than 180 days if the person is under 21 years of age and the test results indicate an alcohol concentration of less than twice the legal limit; or

(iv) not less than one year if the test results indicate an alcohol concentration of twice the legal limit or more; or

(2) if the person has one qualified prior impaired driving incident within the past 20 years, or two or more qualified prior impaired driving incidents, until the commissioner determines that the person used an ignition interlock device in compliance with section 171.306 for the period of time described in subdivision 8.

(b) Whenever department records show that the violation involved personal injury or death to any person, at least 90 additional days must be added to the base periods provided in paragraph (a), clause (1), items (i) to (iv).

128.1 Sec. 113. Laws 2025, chapter 29, section 13, subdivision 6, is amended to read:

128.2 Subd. 6. **Criminal vehicular operation or homicide conviction; period of license**  
128.3 **revocation.** Notwithstanding the periods specified in subdivisions 3 to 5, a revocation by  
128.4 the commissioner under section 171.17, subdivision 1, paragraph (a), clause ~~(1)~~ (2), after  
128.5 the commissioner receives a record of a conviction for a violation of section:

128.6 (1) 609.2112, subdivision 1, paragraph (a), clause (2), (3), (4), (5), or (6);

128.7 (2) 609.2113, subdivision 1, clause (2), (3), (4), (5), or (6);

128.8 (3) 609.2113, subdivision 2, clause (2), (3), (4), (5), or (6);

128.9 (4) 609.2113, subdivision 3, clause (2), (3), (4), (5), or (6); or

128.10 (5) 609.2114, subdivision 1, paragraph (a), clause (2), (3), (4), (5), or (6); or subdivision  
128.11 2, clause (2), (3), (4), (5), or (6),

128.12 must be until the commissioner determines that the person used an ignition interlock device  
128.13 in compliance with section 171.306 for the period of time described in subdivision 8.

128.14 Sec. 114. **MINNESOTA SENATE MAJORITY LEADER KARI DZIEDZIC**  
128.15 **MEMORIAL BRIDGE.**

128.16 By October 1, 2025, the city of Minneapolis must designate the bridge on 10th Avenue  
128.17 over the Mississippi River in the city of Minneapolis, commonly known as the 10th Avenue  
128.18 Bridge, as the "Minnesota Senate Majority Leader Kari Dziedzic Memorial Bridge." The  
128.19 city of Minneapolis must adopt a suitable design to mark the bridge and erect an appropriate  
128.20 sign or signs.

128.21 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after  
128.22 the governing body of the city of Minneapolis and its chief clerical officer comply with  
128.23 Minnesota Statutes, section 645.021, subdivisions 2 and 3.

128.24 Sec. 115. **AUTONOMOUS MOWERS RESEARCH AND DEVELOPMENT.**

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

128.27 (b) "Autonomous mower" means a robotic or automated device designed, programmed,  
128.28 and operated to cut grass or vegetation with predefined routes to minimize the need for  
128.29 manual assistance or intervention.

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



129.1 (d) "Department" means the Department of Transportation.

129.2 Subd. 2. **Research and development authorized.** (a) The commissioner must conduct  
129.3 research on the use of automation and robotics for mowing and vegetation management at  
129.4 property owned by the department. The research must examine the use of autonomous  
129.5 mower technology at the following locations:

129.6 (1) rest areas;

129.7 (2) highway rights-of-way, including ditches, shoulders, or other varied or sloped terrain;  
129.8 or

129.9 (3) other roadside or public-facing property owned by the department.

129.10 (b) The research must examine the use of autonomous mowing technology for mowing  
129.11 or vegetation management by other states or government entities. The research conducted  
129.12 under this section must analyze different configurations and types of autonomous mowers,  
129.13 including mowers that require different levels of human intervention, to research for future  
129.14 statewide deployment at rest areas, at or along the trunk highway system, or on other property  
129.15 owned by the department.

129.16 (c) The commissioner must research the current and potential commercial availability  
129.17 of autonomous mowing products used by public or private entities for applications that  
129.18 include but are not limited to rest area mowing, highway right-of-way ditch mowing,  
129.19 vegetation management, or other applications related to property or roadside maintenance.

129.20 (d) The commissioner must include research on Minnesota-based companies engaged  
129.21 in autonomous mower technology. If the commissioner elects to purchase autonomous  
129.22 mower technology for research under this section, the commissioner must purchase the  
129.23 technology from a Minnesota-based company.

129.24 (e) The research must analyze whether an autonomous mower can operate safely in  
129.25 varied terrain, including ditches, and navigate obstacles such as culvert ends, guardrails,  
129.26 signposts, other barriers, and unexpected debris that may be found on or alongside a highway  
129.27 right-of-way. The research must examine the potential impact of autonomous mowing  
129.28 technology on worker safety and maintenance staffing needs.

129.29 (f) The commissioner must propose an autonomous mower pilot project to further study  
129.30 and examine the challenges to implementing autonomous mower technology into roadside  
129.31 vegetation management activities. The proposed pilot project must include the proposed  
129.32 location for the pilot project, the autonomous mower activities examined, and the anticipated  
129.33 timeline for implementation of the proposed pilot project.

Subd. 3. **Report.** By February 15, 2027, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy on the results of the autonomous mower research authorized in subdivision 2. The report must include:

(1) information and analysis of other governmental agencies or private entities using autonomous mowing operations;

(2) the commissioner's detailed plan for conducting a pilot project with autonomous mowing technology, once available, at rest areas; at or alongside trunk highway rights-of-way, including ditches, shoulders, and other terrain; and at other properties owned by the department;

(3) the timeline and funding needed to conduct an autonomous mowing pilot project as specified in subdivision 2, paragraph (f);

(4) a cost-benefit analysis of whether autonomous mowing technology can yield productivity or efficiency gains in maintenance of department property compared to traditional methods of mowing;

(5) an analysis of whether the operation of autonomous mowing technology by the department would yield improvements compared to traditional mowing methods in worker safety, congestion, environmental impact outcomes, cost savings, maintenance scheduling, or any other factor deemed relevant by the commissioner; and

(6) an analysis of the costs and any other short-term or long-term challenges posed by the pilot project or the future operation of autonomous mowing technology on property owned by the department.

**Sec. 116. DEPARTMENT OF TRANSPORTATION; COST PARTICIPATION POLICY UPDATE REQUIRED.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of transportation;

(2) "cost participation policy" is the policy between the Department of Transportation and local units of government to determine the potential expenditure of trunk highway funds on elements of cooperative construction projects and maintenance responsibilities between the department and local units of government; and

(3) "department" means the Department of Transportation.

131.1 Subd. 2. **Policy update.** By March 1, 2026, the commissioner, in consultation with  
131.2 representatives of local units of government, must update and adopt the department's cost  
131.3 participation policy. The updated policy must identify the circumstances where local units  
131.4 of government will not be responsible for any trunk highway fund eligible construction  
131.5 project costs to deliver the project scope the department deems necessary. The policy may  
131.6 consider a local unit of government's ability to pay as a factor in determining the amount  
131.7 of local contribution, if any.

131.8 Subd. 3. **Report.** By February 1, 2026, the commissioner must submit a report to the  
131.9 chairs and ranking minority members of the legislative committees with jurisdiction over  
131.10 transportation finance and policy. The report must:

131.11 (1) contain the department's draft cost participation policy;

131.12 (2) identify the local units of government consulted in developing the updated cost  
131.13 participation policy;

131.14 (3) identify and analyze all cost participation options explored by the commissioner and  
131.15 local units of government in determining the cost participation policy adopted by the  
131.16 commissioner; and

131.17 (4) propose legislation to enable the department to cover the cost of relocating utilities  
131.18 owned by local units of government with remaining service life when necessitated by a  
131.19 trunk highway construction project led by the department.

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

131.21 Sec. 117. **RULEMAKING; LOSS OF VOLUNTARY CONTROL PROVISIONS**  
131.22 **MODIFICATION.**

131.23 (a) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules,  
131.24 part 7410.2500, subpart 5, by adding an item F, to no longer require an annual physician's  
131.25 statement from a driver if:

131.26 (1) a single nonepileptic seizure was responsible for the driver's loss of consciousness  
131.27 or voluntary control;

131.28 (2) the driver has been free from episodes of loss of consciousness or voluntary control  
131.29 for five years from the date of the incident under clause (1);

131.30 (3) the driver has not been prescribed or taking any antiseizure medication for five years  
131.31 from the date of the incident under clause (1); and

(4) a physician has indicated that no further review of the driver's condition is necessary due to the driver being in good health and the risk of reoccurrence for the condition responsible for causing a loss of consciousness or voluntary control is minimal.

(b) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules, part 7410.2500, subpart 5, by adding an item G, to no longer require an annual physician's statement from a driver if:

(1) the driver has been free from episodes of loss of consciousness or voluntary control for ten years;

(2) the driver has not been prescribed or taking any antiseizure medication for ten years; and

(3) a physician has indicated that no further review of the driver's condition is necessary due to the driver being in good health and the risk of reoccurrence for the condition responsible for causing a loss of consciousness or voluntary control is minimal.

(c) A review by a physician under Minnesota Rules, part 7410.2500, subpart 5, item F or G, does not apply to a driver who is required to hold a valid medical examiner's certificate under Code of Federal Regulations, title 49, section 391.43, and does not constitute a determination of that driver's physical qualifications as required under Code of Federal Regulations, title 49, section 391.41.

(d) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section. Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

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

**Sec. 118. ADDITIONAL FULL-SERVICE PROVIDER FOR CIRCLE PINES.**

Notwithstanding Minnesota Statutes, sections 168.33 and 171.061, and rules adopted by the commissioner of public safety limiting sites for the office of deputy registrar or driver's license agent based on either the distance to an existing deputy registrar or driver's license agent office or the annual volume of transactions processed by any deputy registrar or driver's license agent before or after the proposed appointment, the commissioner of public safety must appoint the deputy registrar of motor vehicles currently at 9201 Lexington Avenue North in the city of Circle Pines as a driver's license agent to operate as a full-service office. The addition of a driver's license agent establishes the location as a full-service office with full authority to function as a registration and motor vehicle tax collection and driver's

133.1 license bureau. All other provisions regarding the appointment and operation of a deputy  
133.2 registrar of motor vehicles and driver's license agent under Minnesota Statutes, sections  
133.3 168.33 and 171.061, and Minnesota Rules, chapters 7404 and 7406, apply to the office.

133.4 Sec. 119. **CORRIDORS OF COMMERCE; 2022-2023 SOLICITATION.**

133.5 From funds identified for the 2022-2023 project selection round for the corridors of  
133.6 commerce program under Minnesota Statutes, section 161.088, the commissioner must  
133.7 award the remaining available funds in a manner that most closely achieves the minimum  
133.8 regional allocations under Minnesota Statutes, section 161.088, subdivision 4a, as calculated  
133.9 using all funds in the project selection round.

133.10 Sec. 120. **ANOKA STATION SHARED USE.**

133.11 To the extent allowable under federal law, the Metropolitan Council must provide for  
133.12 limited shared-use opportunities at the Anoka Station located near 4th Avenue and Johnson  
133.13 Street in the city of Anoka.

133.14 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
133.15 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
133.16 Scott, and Washington.

133.17 Sec. 121. **ELECTRICITY AS VEHICLE FUEL WORKING GROUP.**

133.18 Subdivision 1. **Definition.** For purposes of this section, "electricity as vehicle fuel"  
133.19 means electrical energy transferred to or stored onboard an electric vehicle primarily to  
133.20 propel the electric vehicle.

133.21 Subd. 2. **Establishment.** The commissioners of transportation, public safety, management  
133.22 and budget, revenue, and commerce must convene an Electricity as Vehicle Fuel Working  
133.23 Group to evaluate, promote, and provide recommendations to facilitate the development  
133.24 and integration of electricity used as vehicle fuel within the state's transportation, energy,  
133.25 commercial, industrial, and residential sectors.

133.26 Subd. 3. **Membership.** (a) The working group consists of the following members:

133.27 (1) two members of the senate, with one appointed by the senate majority leader and  
133.28 one appointed by the senate minority leader;

133.29 (2) two members of the house of representatives, with one appointed by the speaker of  
133.30 the house and one appointed by the Democratic-Farmer-Labor caucus leader in the house  
133.31 of representatives;

- 134.1 (3) the commissioner of administration;
- 134.2 (4) the commissioner of commerce;
- 134.3 (5) the commissioner of management and budget;
- 134.4 (6) the commissioner of public safety;
- 134.5 (7) the commissioner of revenue;
- 134.6 (8) the commissioner of transportation;
- 134.7 (9) two members appointed by the governor;
- 134.8 (10) one member of a federally recognized Tribal government, appointed by the governor;
- 134.9 (11) one member appointed by the League of Minnesota Cities;
- 134.10 (12) one member appointed by the Minnesota Transportation Alliance;
- 134.11 (13) one member appointed by the Minnesota Grocers Association;
- 134.12 (14) two members appointed by the Minnesota Building and Construction Trades Council;
- 134.13 (15) one member appointed by the Associated General Contractors of Minnesota;
- 134.14 (16) one member appointed by the Minnesota Chamber of Commerce;
- 134.15 (17) one member appointed by each public utility that owns a nuclear-powered electric
- 134.16 generating plant in this state;
- 134.17 (18) one member representing an electricity provider for residential, commercial, and
- 134.18 industrial customers located outside the seven-county metropolitan area, appointed by the
- 134.19 governor;
- 134.20 (19) one member appointed by the Minnesota Trucking Association;
- 134.21 (20) one member representing convenience stores or fueling stations, appointed by the
- 134.22 governor;
- 134.23 (21) one member appointed by the Minnesota Automobile Dealers Association;
- 134.24 (22) one member appointed by Drive Electric Minnesota;
- 134.25 (23) one member appointed by Fresh Energy;
- 134.26 (24) one member representing electric vehicle manufacturers, appointed by the governor;
- 134.27 and
- 134.28 (25) two members appointed by an association with interest in residential electric
- 134.29 charging, including one member who lives in multifamily housing, appointed by the governor.

135.1 (b) At its first meeting, the working group must elect a chair or co-chairs by a majority  
135.2 vote of those members present and may elect a vice chair as necessary. The chair and the  
135.3 vice chair must not be a commissioner or a commissioner's designee.

135.4 Subd. 4. **Appointments.** (a) The appointing authorities under subdivision 3 must make  
135.5 the appointments by July 31, 2025.

135.6 (b) A commissioner under subdivision 3 may appoint a designee who is an employee  
135.7 of the respective agency.

135.8 (c) Appointments to the working group are made pursuant to Minnesota Statutes, section  
135.9 15.0597.

135.10 Subd. 5. **Duties.** At a minimum, the working group must:

135.11 (1) provide a comprehensive analysis of electricity used as vehicle fuel infrastructure  
135.12 opportunities and barriers;

135.13 (2) develop a roadmap with policy and funding recommendations for sustainable  
135.14 transportation funding mechanisms consistent with the Minnesota Constitution, article XIV,  
135.15 including a plan for the studied mechanisms to replace the electric vehicle surcharges under  
135.16 Minnesota Statutes, section 168.013, subdivisions 1m and 1n; and

135.17 (3) research and analyze legislation and policy made in other states to determine equitable  
135.18 and comprehensive fuel assessment methods for electric vehicles.

135.19 Subd. 6. **Meetings.** (a) The commissioner of transportation must convene the first meeting  
135.20 of the working group no later than September 15, 2025.

135.21 (b) The working group must establish a schedule for meetings and meet as necessary to  
135.22 accomplish the duties under subdivision 5.

135.23 (c) The working group is subject to the Open Meeting Law under Minnesota Statutes,  
135.24 chapter 13D.

135.25 Subd. 7. **Administration.** (a) The Legislative Coordinating Commission must provide  
135.26 administrative support to the working group and must assist in creating the report under  
135.27 subdivision 8.

135.28 (b) Upon request of the working group, a commissioner under subdivision 3 must provide  
135.29 information and technical support.

135.30 (c) Members of the working group serve without compensation.

Subd. 8. **Report required.** By February 13, 2026, the working group must submit a report to the governor and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation. At a minimum, the report must:

(1) summarize the activities of the working group; and

(2) provide findings and recommendations adopted by the working group.

Subd. 9. **Expiration.** The working group expires June 30, 2026.

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

**Sec. 122. STUDY; WHEELCHAIR ACCESSIBLE VEHICLE SUPPLY AND AVAILABILITY.**

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Transportation network company" has the meaning given in Minnesota Statutes, section 65B.472, subdivision 1.

(d) "Wheelchair accessible vehicle" or "WAV" means a publicly owned or privately owned vehicle equipped with a ramp or lift capable of transporting riders with a disability and subject to the requirements of Minnesota Statutes, sections 299A.11 to 299A.17.

Subd. 2. **Study required.** The commissioner must conduct a study on the supply and demand of wheelchair accessible vehicles and wheelchair accessible transportation services. The study must identify effective strategies to increase the availability of WAVs, improve service quality, and provide cost-effective transportation solutions tailored to the needs of riders with disabilities to enjoy greater freedom and convenience in their daily journeys. The commissioner must engage various stakeholders and members of the public as specified in subdivision 4. The commissioner must commence the study no later than August 1, 2025.

Subd. 3. **Study objectives.** (a) The commissioner's objectives in conducting the study must include:

(1) an identification of the challenges that affect WAV accessibility and service for riders with disabilities, including but not limited to insufficient supply, high operational costs, lack of on-demand options, and geographical disparities;



137.1 (2) a study of supply and demand issues for WAVs, including identification of WAV  
137.2 transportation deserts in Minnesota communities and developing incentives to bolster the  
137.3 availability of WAVs in both public and private transportation networks;

137.4 (3) identifying possible measures to ensure the punctuality and reliability of WAV  
137.5 services for riders with disabilities;

137.6 (4) an evaluation on the impact that latent supply streams, market practices, and  
137.7 technological capabilities have on the ability to implement and fund high-quality WAV  
137.8 services at the lowest possible expense to taxpayers and private-pay WAV users;

137.9 (5) research and analysis on models that have been successful elsewhere in encouraging  
137.10 innovation and investment in on-demand transportation solutions to enable transportation  
137.11 parity for the disability community; and

137.12 (6) collected information on legislation and other policy changes that have been made  
137.13 in other states around the country to assess whether any already established solutions may  
137.14 be successful in Minnesota.

137.15 (b) To meet the study's objectives in paragraph (a), the commissioner must explore the  
137.16 following strategies:

137.17 (1) incentives to increase WAV ownership through the use of tax credits, exemptions,  
137.18 subsidies, or grants to individuals and organizations who purchase WAVs to increase supply;

137.19 (2) partnerships with WAV technology manufacturers to reduce costs for WAV-specific  
137.20 technologies;

137.21 (3) recommendations on the adequate provision of specialized training for drivers on  
137.22 the operation of WAVs to improve service quality, supply, and delivery and ensure the  
137.23 needs and safety of riders with disabilities when using a WAV;

137.24 (4) identification of methods known to improve the rate and frequency of drivers trained  
137.25 on providing rides to riders with disabilities or on the use of WAVs or WAV features,  
137.26 including an analysis of whether a private transportation network company driver should  
137.27 be required to complete a certain number of hours of disability training before providing  
137.28 WAV rides;

137.29 (5) expanded geographic coverage of WAV service for riders across different regions  
137.30 in the state by establishing partnerships with rural transit providers, expanding regulatory  
137.31 provisions, and deploying targeted funding mechanisms to address disparities in WAV  
137.32 availability;

138.1 (6) developing or utilizing user-friendly applications for riders to book WAV rides and  
138.2 improving dispatch systems to provide on-demand accessibility, real-time tracking, and  
138.3 communication systems to reduce response times; and

138.4 (7) encouraging partnerships with private transportation network companies and  
138.5 incentivizing their WAV operations and trained drivers.

138.6 (c) The study must assess whether the solutions identified in paragraph (b) are established  
138.7 in other jurisdictions and:

138.8 (1) provide a pathway to increasing the availability and accessibility of WAVs statewide;

138.9 (2) enhance service reliability and punctuality to reduce wait times for riders; and

138.10 (3) improve cost efficiency in service provision to benefit both users and providers.

138.11 Subd. 4. Stakeholders; other models; public engagement. (a) The commissioner must  
138.12 consult and engage in meaningful collaboration with stakeholders in conducting the study  
138.13 and determining whether identified solutions meet stated objectives. Stakeholders include  
138.14 but are not limited to the following:

138.15 (1) public transportation service providers;

138.16 (2) nonemergency medical transportation and special transportation services providers;

138.17 (3) the State Patrol;

138.18 (4) the Minnesota Council on Disability;

138.19 (5) a driver advocacy organization representing transportation network drivers;

138.20 (6) private transportation network companies;

138.21 (7) one representative from the city of Minneapolis and one representative from the city  
138.22 of St. Paul;

138.23 (8) a representative from the League of Minnesota Cities;

138.24 (9) a representative from taxicab companies operating in Minnesota cities;

138.25 (10) persons with disabilities and parents and caregivers of people with disabilities; and

138.26 (11) an organization with expertise in accessibility technology for transportation services  
138.27 or accessible transportation design.

138.28 (b) In conducting the study, the commissioner must analyze other states' and communities'  
138.29 efforts in establishing a robust and safe network of WAVs to identify enacted policy changes,  
138.30 analyze developed programs against the stated objectives of the study required under this

139.1 section, and seek out and leverage information from these jurisdictions to evaluate what  
139.2 may be successful in Minnesota.

139.3 Subd. 5. **Report.** By February 15, 2026, the commissioner must submit a final report  
139.4 on the study to the chairs and ranking minority members of the legislative committees having  
139.5 jurisdiction over transportation finance and policy. The report must:

139.6 (1) detail the input, consultation efforts, and public comments from stakeholders and  
139.7 the public in conducting the study;

139.8 (2) include the data collection and analysis methods used to conduct the study and  
139.9 develop recommendations for enhancing WAV services across Minnesota; and

139.10 (3) utilize identified policy changes made in other states around the country to assess  
139.11 any already established solutions for WAV supply and availability.

139.12 Sec. 123. **STUDY; HIGH-SUBSIDY TRANSIT SERVICE ANALYSIS.**

139.13 (a) By March 1, 2026, the Metropolitan Council must conduct an analysis of high-subsidy  
139.14 regional regular route transit service. At a minimum, the analysis must:

139.15 (1) calculate per-passenger operating subsidies for each route operated, by route type,  
139.16 as identified in the transportation policy plan under Minnesota Statutes, section 473.146;

139.17 (2) estimate the capital and operating savings from discontinuing each route in the highest  
139.18 tier of per-passenger subsidy, as defined in the transportation policy plan; and

139.19 (3) estimate and evaluate the cost of Metro Mobility rides provided near the highest tier  
139.20 routes identified under clause (2).

139.21 (b) Within 60 days of a request, a recipient of financial assistance from the Metropolitan  
139.22 Council under Minnesota Statutes, section 473.388, must provide data and information as  
139.23 requested by the council that is necessary for the analysis under this section.

139.24 (c) Following completion, the Metropolitan Council must submit a copy of the analysis  
139.25 to the chairs and ranking minority members of the legislative committees with jurisdiction  
139.26 over transportation finance and policy.

139.27 (d) The Metropolitan Council must use sales tax revenue under Minnesota Statutes,  
139.28 section 473.4465, subdivision 2, paragraph (a), clause (2), for the costs of analysis and  
139.29 reporting under this section.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 124. **STUDY; METRO MOBILITY FORECASTING ANALYSIS.**

(a) By February 1, 2026, the commissioner of transportation must conduct an analysis of Metropolitan Council forecast practices for special transportation service as provided under Minnesota Statutes, section 473.386, subdivision 10. The commissioner must enter into an agreement with a third-party entity to perform the forecasting analysis. The third-party entity must have experience and expertise in transit systems, budgeting, and cost projections or relevant fiscal modeling.

(b) At a minimum, the analysis must:

(1) review data, projections, and assumptions used by the Metropolitan Council to forecast special transportation service costs and revenue;

(2) evaluate the forecasting methodology used by the Metropolitan Council;

(3) identify factors in the rate of anticipated cost growth;

(4) identify and analyze methods to improve efficiency and reduce costs; and

(5) develop findings and make recommendations related to the analysis.

(c) Following completion, the commissioner must submit a copy of the analysis to the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

(d) The Metropolitan Council must provide data and information as requested by the commissioner on behalf of the third-party entity that is necessary for the analysis under this section. In the amount identified by the commissioner, the Metropolitan Council must use sales tax revenue under Minnesota Statutes, section 473.4465, subdivision 2, paragraph (a), clause (2), for the costs of the forecasting analysis under this section.

**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment. Paragraph (d) applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 125. **STUDY; BUS RAPID TRANSIT ALTERNATE MODE ANALYSIS.**

(a) The Metropolitan Council must perform an analysis of alternate transit in the corridor of the Blue Line light rail transit extension project. At a minimum, the analysis must:

- 141.1 (1) evaluate bus rapid transit as an alternative mode of transit service in the corridor;
- 141.2 (2) perform a comparison between light rail transit and bus rapid transit alternatives that
- 141.3 includes life cycle fiscal costs, ridership, transit system impacts, project risks, and any other
- 141.4 relevant costs and benefits; and
- 141.5 (3) review considerations and develop any recommendations for a project redesign to
- 141.6 implement bus rapid transit in the corridor.
- 141.7 (b) By June 15, 2026, the Metropolitan Council must submit a report on the analysis to
- 141.8 the chairs and ranking minority members of the legislative committees with jurisdiction
- 141.9 over transportation finance and policy and to the Hennepin County Board of Commissioners.
- 141.10 At a minimum, the report must:
- 141.11 (1) summarize the analysis; and
- 141.12 (2) provide information on each of the requirements under paragraph (a), clauses (1) to
- 141.13 (3).
- 141.14 (c) The council must use existing resources to perform the analysis and report under this
- 141.15 section.
- 141.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
- 141.17 final enactment and applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
- 141.18 Scott, and Washington.
- 141.19 Sec. 126. **REPEALER.**
- 141.20 Minnesota Statutes 2024, section 473.452, is repealed.