

Subject Governor's transportation budget
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Overview

This bill contains the transportation budget proposed by the executive branch, including a variety of policy and finance provisions.

Article 1: Transportation Appropriations

This article sets the governor's proposed FY 2024-2025 budget for transportation, making appropriations for the Minnesota Department of Transportation (MnDOT), administrative and transportation functions within the Department of Public Safety, and transportation divisions of the Metropolitan Council.

Section	Description
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| 1 | Transportation appropriations.
Sets out the appropriations article structure and defines terms. Establishes that appropriations are from the trunk highway fund unless another is named. |
| 2 | Department of Transportation.
Establishes the FY 2024-2025 biennial budget for MnDOT. Makes appropriations and provides for carryforward of funds, conditional appropriations, transfers, and legislative reporting. |
| 3 | Metropolitan Council.
Makes FY 2024-2025 biennial appropriations for transportation functions of the Metropolitan Council. |
| 4 | Department of Public Safety.
Establishes the FY 2024-2025 biennial budget for transportation-related and some division-wide functions of the Department of Public Safety. |

<u>Section</u>	<u>Description</u>
5	Multimodal systems (2022-2023 appropriations). Makes prior appropriations in FY 2022 available through FY 2025, for (1) the safe routes to school program; and (2) development of a statewide freight network optimization tool.
6	Driver and Vehicle Services (2022-23 appropriations). Reduces the FY 2023 appropriation to the Department of Public Safety for vehicle services operations. (This reflects a shift indicated by the department to use an existing statutory appropriation, instead of direct appropriations, for a portion of operating costs.)
7	State Patrol operating deficiency. Makes appropriations from the trunk highway fund and the highway user tax distribution fund in FY 2023 for State Patrol operating costs. Effective the day after enactment.
8	Trunk highway fund; transfer. Transfers \$358.1 million from the general fund to the trunk highway fund in FY 2024.

Article 2: Trunk Highway Bonds

The article contains \$50 million in trunk highway bonding authorization and appropriations.

<u>Section</u>	<u>Description – Article 2: Trunk Highway Bonds</u>
1	Bond appropriations. Provides for bond proceeds appropriations and a summary.
2	Department of Transportation. Appropriates \$50 million from trunk highway bond proceeds to MnDOT for general state road construction.
3	Bond sale expenses. Appropriates \$50,000 to the Department of Management and Budget for expenses in selling the bonds.
4	Bond sale authorization. Authorizes sale of trunk highway bonds to fund the appropriations in this article.

Article 3: Transportation Policy

This article contains various provisions involving transportation finance and policy. The changes are effective July 1, 2023, unless specified otherwise.

Section	Description
1	Traffic Safety Advisory Council; established. Establishes a Traffic Safety Advisory Council to address traffic safety issues. Specifies membership.
2	Traffic Safety Advisory Council administration. Sets administrative requirements and organizational authority for the Traffic Safety Advisory Council.
3	Traffic Safety Advisory Council duties. Specifies duties of the Traffic Safety Advisory Council.
4	Classifications. Paragraph (a) (3) directs the Department of Public Safety to share social security numbers with the Department of Revenue for debt collection. Paragraph (a) (5) provides for data practices on race and ethnicity data collected under a change being made elsewhere in the bill. Effective January 1, 2024.
5	Debt collection. Adds traffic control in a provision that directs MnDOT to seek to collect money owed to the department.
6	Passenger automobile; hearse. Modifies calculation of the motor vehicle registration tax, to (1) adjust the depreciation schedule used to establish the effective rate of the tax (which is based on vehicle age); and (2) lower the minimum flat amount from \$25 to \$20 (which applies instead of the percentage rate for vehicles that are 11 years old or older). Effective January 1, 2024.
7	[Adds § 168.1287] Minnesota blackout special plates. Establishes Minnesota blackout special license plates, including to set requirements for eligibility, plate design with a black backout and white text, and transfer of plates; provide exemptions from new plate applications; and set a \$30 annual contribution that goes into the vehicle services operating account. Effective January 1, 2024.

Section	Description
8	Fees. Raises the fee by \$6 on issuance and renewal of all driver's license and identification card types. Permanently reinstates an expired \$0.75 additional fee for most types of licenses and identification cards.
9	Contents of application; other information. Adds an option to indicate race and ethnicity in driver's license and identification card applications. Effective January 1, 2024.
10	Remote application. Eliminates eligibility restrictions in a provision that directs the Department of Public Safety to establish a process for remote (e.g., online or mailed) applications for a driver's license or identification card. Modifies eye exam and subsequent in-person photograph requirements.
11	Fee; equipment. Modifies the filing fee imposed by a driver's license agent for a driver's license transaction, to increase it from \$8 to either \$11 or \$16 depending on the type of license and transaction involved.
12	Waiver when license issued by another jurisdiction. Exempts driver's license applicants from both a knowledge test and a road exam when the applicant already has a license from another jurisdiction where similar testing is required.
13	Railroad company assessment; account; appropriation. Increases the complement of positions in the state rail safety inspection program administered by MnDOT, from four to six.
14	Grade crossing safety account. Broadens the explicitly permitted uses of funds in the grade crossing safety account to include program administration and delivery.
15	Authorization; scope. Makes a conforming change.
16	Metropolitan area transit sales and use tax. Imposes a sales and use tax at a rate of one-eighth of a percent, in the Twin Cities metropolitan area. Provides for collection and enforcement by the Department of Revenue. Authorizes use of the proceeds by the Metropolitan Council for transit

Section	Description
	purposes. Authorizes revenue bonds for the council’s transit capital program, backed by revenue to the council for the transit system. Effective October 1, 2023.
17	Driver and vehicle services operating account. Merges (in conjunction with a repealer) the driver services operating account and the vehicle services operating account into a single account.
18	Traffic fines and forfeited bail money. Reallocates revenue from State Patrol citations, so that additional revenue goes to the Minnesota grade crossing safety account instead of the trunk highway fund.
19	Obligations. Authorizes the Metropolitan Council to issue up to an additional \$104.5 million in “regional transit capital” bonds or similar forms of debt, which is divided between authorizations for FY 2024 and FY 2025.
20	Oral fluid preliminary testing; pilot program authorized. Authorizes a pilot project on oral fluid roadside testing to identify controlled or intoxicating substances.
21	Revisor instruction. Directs the revisor of statutes to update terms related to the merger of driver and vehicle accounts provided elsewhere in the bill.
22	Repealer. Repeals (1) a driver services account, in conjunction with the merger of driver and vehicle accounts provided elsewhere in the bill; and (2) a \$50 fee for notices to MnDOT regarding stand-alone meteorological towers.

Articles 4-5: Drivers’ Licenses and Identification Cards; Data Protections

These articles contain provisions related to broadening the eligibility for a driver’s license or identification card, expanding the set of documents used in the application process, authorizing administrative rulemaking, and establishing various limitations on data sharing.

Substantially similar provisions were enacted in Laws 2013, chapter 13.



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