

H.F. No. 4293 – State Government; Veterans; Elections; Transportation Omnibus (1st Unofficial Engrossment)

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Article 1: State Government Appropriations

Section 1 [State Government Appropriations] specifies parameters of appropriations in the article. These appropriations are in addition to appropriations enacted in the State Government Finance and Policy and Elections and Military and Veterans Affairs omnibus budget bill of 2021. These appropriations are from the general fund unless otherwise specified, in the fiscal year indicated by the column header. All base adjustments specified in this article are adjustments to the base set in the 2021 State Government omnibus budget bill.

Sections 2-7 appropriate money, as detailed on a spreadsheet prepared by Andrew Erickson of Senate Counsel, Research, and Fiscal Analysis.

Article 2: Transportation and Public Safety Appropriations

Section 1 [Multimodal Systems] amends previous appropriations to MnDOT multimodal systems:

- Increases the FY 23 appropriation from the general fund for the civil air patrol by \$250,000 for a new hangar;
- Increases the previous FY 23 appropriation from the general fund for safe routes to school by \$750,000 and increases the base by \$2.5 million in FY 24 and \$10.5 million in FY 25; and
- Reduces the FY 23 appropriation for passenger rail by \$500,000, leaving \$0 in FY 23 and thereafter.

Section 2 [State Roads] amends previous appropriations from the trunk highway fund to MnDOT state roads:

- Increases the FY 23 appropriation for state road construction by \$255,000;
- Increases the FY 23 appropriation for corridors of commerce by \$255,000; and
- Increases the base for highway debt service by \$4.5 million in FY 24 and \$16.4 million in FY 25, for costs of debt service for trunk highway bonds authorized in **article 4** of the bill.

Section 3 [Local Roads] amends previous FY 23 appropriations to MnDOT local state-aid systems:

- Increases the appropriation for county state-aid highways by \$65.8 million; and
- Increases the appropriation for municipal state-aid streets by \$11.4 million.

Section 4 [Metropolitan Council] reduces the previous general fund appropriation for metro transit system operations in FY 23 (and each year thereafter) by \$10 million.

Section 5. State Patrol. Increases the previous FY 23 appropriation from the trunk highway fund by \$365,000 for maintenance and other costs of additional state patrol aircraft.

Section 6 [Driver and Vehicle Services]

- Increases the previous FY 23 appropriations from the driver services operating account in the special revenue fund by \$2.3 million, as follows:
 - \$500,000 onetime for security cameras at DVS exam sites;
 - \$1.25 million onetime for security cameras at deputy registrar and driver's license agent offices;
 - \$45,000 onetime for costs related to applications for veteran designations on driver licenses;
 - \$108,000 for administration costs related to online driver's education; and
 - \$429,000 for administration costs related to third-party road testing for commercial driver's licenses.
- Reduces the previous FY 23 appropriation from the vehicle services operating account in the special revenue fund by \$4.2 million and reduces the base by the same amount in each of FY 24 and FY 25. This reduction is offset by statutory appropriations for the same purpose in Article 5, section 23.

Section 7 [Traffic Safety] increases the previous FY 23 appropriation from the general fund for grants for school bus stop-signal arm camera systems by \$4 million. Also increases the FY 24 base for this purpose from \$0 to \$8 million.

Section 8 [Appropriation; Coon Rapids; Trunk Highway 610] appropriates \$3.6 million onetime in FY 23 from the trunk highway fund to MnDOT for interchange improvements at TH 610 and Anoka County CSAH 1 in Coon Rapids.

Section 9 [Appropriation; Freight Rail Car Storage Facility] appropriates \$750,000 onetime in FY 23 from the rail service improvement account in the special revenue fund to MnDOT for a freight rail car storage facility in Lakeville.

Section 10 [Appropriation; Interstate 35 and Dakota County State-Aid Highway 50 Interchange] appropriates \$42 million onetime in FY 23 from the trunk highway fund to MnDOT for an interchange at I-35 and Dakota County CSAH 50 in Lakeville.

Section 11 [Appropriation; Interstate Highway 35 and 400th Street Interchange; North Branch] appropriates \$1.5 million onetime in FY 23 from the trunk highway fund to MnDOT for an interchange at I-35 and 400th Street in North Branch.

Section 12 [Appropriation; Interstate 94 Expansion] appropriates \$33 million onetime in FY 23 from the trunk highway fund to MnDOT for construction of a third travel lane along I-94 from Albertville to Monticello.

Section 13 [Appropriation; Oakdale Noise Barrier] appropriates \$5.5 million onetime in FY 23 from the general fund to MnDOT for construction of a noise barrier along I-694 in Oakdale.

Section 14 [Appropriation; Office of Traffic Safety] appropriates \$19,000 onetime in FY 23 from the general fund to DPS for costs of records access enhancements to the MNCrash system.

Section 15 [Appropriation; State Patrol Aircraft] appropriates \$45.1 million onetime in FY 23 from the general fund to DPS for purchase of three twin-engine helicopters and three airplanes for the State Patrol. States that the proceeds from sale of these aircraft must be credited to the general fund.

Section 16 [Appropriation; Trunk Highway 23 Interchange] appropriates \$29.6 million onetime in FY 23 from the trunk highway fund to MnDOT for study and construction of safety improvements to the intersection of TH 23 and TH 9 in New London. States that a J-turn must not be considered as an option for this intersection.

Section 17 [Appropriation; Trunk Highway 23 Intersection Improvements] appropriates \$2.2 million onetime in FY 23 from the trunk highway fund to MnDOT for construction of acceleration lanes at the intersections of TH 23 with Stearns CSAHs 47 and 82.

Section 18 [Appropriation; Trunk Highway 50 Safety Improvements] appropriates \$10 million onetime in FY 23 from the trunk highway fund to MnDOT for safety improvements on TH 50 between US 52 and US 61 in Dakota County.

Section 19 [Appropriation; U.S. Highway 52 Interchange at Dakota County State-Aid Highway 66] appropriates \$15 million onetime in FY 23 from the trunk highway fund to MnDOT for a grant to Dakota County for construction of an interchange at US 52 and CSAHs 62 and 66 in Vermillion Township.

Section 20 [Appropriation; Trunk Highway 65 Improvements] appropriates \$15 million onetime in FY 23 from the trunk highway fund to MnDOT for intersection improvements along TH 65 at 99th Avenue Northeast in Blaine.

Section 21 [Appropriation; Trunk Highway 73] appropriates \$43 million onetime in FY 23 from the trunk highway fund to MnDOT for realignment of portions of TH 73 south of Cromwell.

Section 22 [Appropriation; Trunk Highway 74] appropriates \$488,000 onetime in FY 23 from the trunk highway fund to MnDOT to use Otta seal to regrade TH 74 north of Elba in Winona County.

Section 23 [Appropriation; U.S. Highway 169 and Scott County State-Aid Highway 9 Interchange] appropriates \$4.2 million onetime in FY 23 from the trunk highway fund to MnDOT for interchange improvements at US Highway 169, TH 282, and CSAH 9 in Scott County.

Section 24 [Appropriation; Trunk Highway 610 and Interstate Highway 94 Interchange] appropriates \$22 million onetime in FY 23 from the trunk highway fund to MnDOT for an interchange at TH 610 and I-94 in Maple Grove.

Section 25 [Appropriation; Water and Lighting Infrastructure; Madison Lake] appropriates \$510,000 onetime in FY 23 from the trunk highway fund to MnDOT for water infrastructure and lighting along TH 60.

Section 26 [Establishment of Base] establishes the FY 24 and FY 25 base for MNDOT programs after the appropriations made in Articles 2 and 3 of this bill (for state road construction, corridors of commerce, county state-aid highway, and municipal state-aid street).

Article 3: Federal Transportation Funding

Section 1 [Appropriations] states that all appropriations in this article are added to prior biennial appropriations for these purposes and are from the trunk highway fund unless another fund is specified.

Section 2 [Department of Transportation]

Subdivision 1. Total MnDOT Appropriations. Contains the total direct appropriations to the Department of Transportation by fund for the match requirements for programs in the federal Infrastructure Investment and Jobs Act (IIJA). Prohibits trunk highway fund appropriations from being used for the Office of Transit and Active Transportation; Office of Aeronautics; passenger rail; tourist information centers; parades, events, or sponsorship of events; or public electric vehicle infrastructure.

Subdivision 2. State Roads.

(a) Operations and Maintenance. Appropriates \$4 million in FY 22 and \$7.5 million in FY 23.

(b) State Road Construction. Appropriates \$193.2 million in FY 22 and \$232.6 million in FY 23.

Subdivision 3. Local Roads.

(a) County State-Aid Highways. Appropriates \$24.9 million in FY 22 and \$42.4 million in FY 23.

(b) Municipal State-Aid Streets. Appropriates \$6.5 million in FY 22 and \$11.1 million in FY 23.

Subdivision 4. Multimodal Match for Formula and Discretionary Program Enacted in Federal IIJA. Contains appropriations to MnDOT for multimodal match funding and discretionary funding related to the federal Infrastructure Investment and Jobs Act (IIJA). MnDOT may use these funds to make grants to local governments for match funding. All

unspent amounts in this subdivision after match requirements are met are transferred to the highway user tax distribution fund.

- (a) **Greater Minnesota Transit.** Appropriates \$7 million in each year from the general fund for match requirements for Federal Transit Administration (FTA) programs. Prohibits use of these funds for guideway projects.
- (b) **Metropolitan Area Transit.** Appropriates \$10 million in each year from the general fund for transfer to the Metropolitan Council for match requirements for FTA programs. Prohibits use of these funds for guideway projects.
- (c) **Aeronautics.** Appropriates \$6.5 million in each year from the general fund for match requirements for Federal Aviation Administration programs.
- (d) **Other Multimodal Grant Programs.** Appropriates \$13.1 million in each year from the general fund for match requirements for other multimodal IJA programs, except that the funding must not be used for the following programs: Federal-State Partnership for Intercity Passenger Rail Grant Program; the Restoration and Enhancement Grant Program; Capital Investment Grants; Research, Development, Demonstration and Deployment Projects; the Pilot Program for Transit Oriented Development; the Electric or Low-Emitting Ferry Program; the Reconnecting Communities Program; and the Wildlife Crossings Pilot Program.

Prohibits use of this appropriation for guideway or passenger rail projects.

Section 3 [Electric Vehicle Infrastructure Program Requirements]

Subdivision 1. Match Requirements. Federally required match funding for IJA-related electric vehicle (EV) infrastructure funding programs must come from nonstate sources.

Subdivision 2. Location. Prohibits use of IJA funding for EV infrastructure projects on public land.

Subdivision 3. Regional Balance. Projects under this program must be regionally balanced throughout the state.

Subdivision 4. Alternative Fuel Corridors. By November 1, 2023, MnDOT must ask the Federal Highway Administration to certify that Minnesota's alternative fuel corridors are fully built out (by federal definition) with EV infrastructure. This certification will allow federal EV program funds to be spent on projects at other locations throughout the state.

Section 4 [Federal Funds Reporting]

Subdivision 1. Federal document submission. Requires MnDOT and the Metropolitan Council to submit to the legislature a copy of any report or plan submitted to a federal agency as required by the IJA. The report must be shared with the legislature within 30 days of its submission to the federal agency.

Subdivision 2. Report on use of federal funds. Requires MnDOT and the Metropolitan Council to submit a semiannual report to the legislature detailing expenditure of funds related to the IJA, including planned or anticipated expenditures. This report expires at the end of FY 27.

Section 5 [Highway User Tax Distribution Fund; Transfer] directs the commissioner of revenue to make monthly transfers from the general fund to the highway user tax distribution fund (HUTDF), so that, annually, the following amounts are transferred:

- FY 2022: \$76.5 million
- FY 2023: \$130.3 million
- FY 2024: \$143.1 million
- FY 2025: \$157.0 million

This section is effective retroactive to July 1, 2021.

Section 6 [ReConnect Rondo Project; Prohibition] defines the ReConnect Rondo land bridge project over I-94 in St. Paul and prohibits MnDOT and the Metropolitan Council from spending any money to study, plan, engineer, design, or construct this project.

Section 7 [Source of Federal Match Funding; IIJA] prohibits MnDOT from spending any money as a required match for federal IIJA formula or discretionary programs unless it is from a direct appropriation for that specific purpose.

Section 8 [Suspension of Statutory Appropriation; IIJA] prohibits MnDOT from spending any federal funds received by the state under the IIJA unless those funds are directly appropriated. It notwithstanding current law dealing with (1) the Legislative Advisory Commission's federal funds review process and (2) statutory appropriations of federal funds.

Section 9 [Effective Date] states that this article is effective the day following final enactment, unless otherwise specified.

Article 4: Bond Appropriations

Section 1 [Bond Appropriations] states that appropriations in this article are from the bond proceeds account in the trunk highway fund and must be spent for public purposes. It summarizes the appropriations by agency.

Section 2. [Department of Transportation]

Subdivision 1. Total Appropriation. Appropriates \$299.3 million to MnDOT, available as \$149.3 million in FY 24 and \$150 million in FY 25. Up to 17 percent of the total may be used for program delivery costs.

Subd. 2. Oslo Area Flood Mitigation. \$20 million in FY 24 for TH 1 and TH 317 reconstruction as part of the Oslo flood mitigation project.

Subd. 3. Olmsted County; US Highway 14 and CSAH 44. \$17.46 million in FY 24 for interchange at US Highway 14 and CSAH 44.

Subd. 4. Marked Trunk Highway 95 Improvements. \$6.2 million in FY 24 for TH 95 improvements in Cambridge.

Subd. 5. Becker Interchange Project. \$1.9 million in FY 24 for an interchange at US Highway 10, TH 25, CSAH 8, and Sherburne County Road 52 in Becker.

Subd. 6. Trunk Highway 24 Intersection Improvements. \$2.4 million in FY 24 for TH 24 intersection improvements in Annandale.

Subd. 7. Sherburne County; Zimmerman Interchange. \$16.4 million in FY 24 for an interchange at US Highway 169 and CSAH 4 in Zimmerman.

Subd. 8. Trunk Highway 23 Reconstruction. \$85 million in FY 24 for reconstruction of TH 23 from Pipestone to Russell.

Subd. 9. US Highway 169 Safety Improvements. \$150 million in FY 25 for safety improvements on US Highway 169 between Taconite and Pengilly.

Section 3 [Bond Sale Expenses] appropriates \$300,000 to the commissioner of management and budget (MMB), available as \$150,000 in FY 24 and \$150,000 in FY 25.

Section 4 [Bond Sale Authorization] authorizes commissioner of MMB to sell and issue bonds up to \$299.649 million. Bond proceeds must be deposited in the bond proceeds account in the trunk highway fund.

Article 5: State Government Operations

Section 1 [1.1466; State Fossil] makes the giant beaver the official state fossil. Requires a photograph of the beaver be displayed in the Office of the Secretary of State.

Section 2 [3.303, subdivision 6; Grants, staff; space, equipment; contracts] authorizes the executive director of the Legislative Coordinating Commission (LCC) to contract for services and supplies for the house, the senate, legislative commissions, and joint legislative offices. The executive director is required to consult with the chair and vice chair of the commission before entering into a contract for professional or technical services valued at more than \$50,000.

Section 3 [Access to data; treatment; 3.8853, subd. 4] specifies that it is data used by an agency to prepare, or necessary for the Legislative Budget Office to review or prepare, a fiscal note that must be supplied by an agency upon request of the director of the Legislative Budget Office.

Section 4 [Access to employees; 8.8853, subd. 4a] requires agency heads and the supreme court to permit reasonable access to employees with subject matter expertise to assist the Legislative Budget Office (LBO) to prepare and review fiscal notes or enacted legislation.

Section 5 [Preparation; duties; 3.98, subd. 1] authorizes the LBO to prepare a fiscal note if an agency does not provide a fiscal note. Specifies that agencies must prepare fiscal notes as assigned by the director the LBO.

Section 6 [8.011; Performance of Legal Services] requires that all legal services of the attorney general be performed by an employee of the attorney general, an employee of another state government entity, or an employee of the federal government under an agreement. This summary will refer to these employees as “the listed employees.”

Specifies that the sole source of compensation paid to the employees of the attorney general for performing legal services for the state must be appropriations under Minnesota Statutes, chapter 8,

and by appropriations made by law. The statutory appropriations in chapter 8 are of a portion of the money recovered from certain actions against the United States (section 8.10) and fees charged to agencies and local governments for services provided by the attorney general (section 8.15, subdivision 3).

When the attorney general contracts with anyone for legal services other than listed employees, the sole consideration must be bargained for in an arm's length transaction. The contract must state the authority for the office to enter the contract.

Only the listed employees are allowed to work on premises leased by the Attorney General.

This section does not prohibit the Attorney General from entering a settlement agreement with a defendant arising from a case litigated or prosecuted by a federal or local governmental entity or an attorney general from another state or territory. This section does not prohibit the attorney general from employing or providing office space to an unpaid intern who is not licensed to practice law.

Section 7 [Unofficial fiscal note; section 13.64, subd. 3] makes an unofficial fiscal note public data unless the request for the note is accompanied by a directive from the requester that the data be classified. Precludes an agency from sharing data that is classified as nonpublic or private data on individuals with another agency without authorization from the bill author, obtained by the LBO. This section supersedes a requirement elsewhere in law to share data with the commissioner of management and budget. Makes other clarifying changes.

Section 8 [Fiscal note data must be shared with the Legislative Budget Office; section 13.64, subd. 4] specifies that heads of agencies and the supreme court must provide data to the LBO to review the accuracy of fiscal notes on enacted legislation.

Section 9 [14.1271; Legislative approval of rules by reference to another state] precludes the adoption of a proposed rule that includes or incorporates by reference a statute or rule of another until the rule is approved by law.

Section 10 [15.0561; Consumer Choice of Fuel; Restrictions prohibited] precludes state agencies from adopting rules that restrict consumer choice as to, or mandate retailer inventory of, motorized equipment based on the equipment's fuel source. Defines "motorized equipment."

Section 11 [16A.0825, subd. 1; Membership] precludes a current employee of an entity in the executive or judicial branch from serving on the Legislative Salary Council.

Section 12 [15A.0825, subd. 2; Initial appointment; convening authority; first meeting in odd-numbered year] clarifies the timing for appointments to the legislative salary council and eliminates obsolete requirements.

Section 13 [15A.9825, subd. 3; Terms] eliminates obsolete language.

Section 14 [16B.32, subd. 1a; Onsite energy generation from renewable sources] eliminates requirement for analysis of the cost of including renewable energy sources on the building site for capital project proposed by a state agency. (This requirement has applied to all capital projects funded with state bond proceeds, under Minn. Stat. section 16B.325, subd. 3.) This section is effective the day after enactment and applies to a new building project for which predesign work is completed after the day of enactment.

Section 15 [16B.325, subd. 1; Development of sustainable building guidelines] precludes sustainable building guidelines from including a requirement that renewable energy sources be located on the building site. This section is effective the day after enactment and applies to a new building project for which predesign work is completed after the day of enactment.

Section 16 [16B.971; Grants to nonprofit organizations] establishes requirements for making grants to tax exempt nongovernmental organizations.

Subd. 1 [Definitions] defines the terms “certified financial audit,” “fiscal agent,” “grant,” and “organization.” “Grant” includes both grants and aid of state money but excludes certain types of grant and aid.

Subd. 2 [Requirements for eligibility] specifies requirements for an organization to be eligible to receive a grant if the organization received more than 50% of its revenue from state funds in the preceding fiscal year. The organization must submit to the fiscal agent two years of IRS Form 990s; may not have an employee of state agency as a voting member of its governing body; must submit certified financial audits for the most recent two years to the fiscal agent; may not have officers and members of the governing board of the organization who have been convicted of an offense involving theft, fraud, embezzlement, or other misuse of misappropriation of funds or property; and must not compensate an officer or employee more than the governor’s compensation.

Subd. 3 [Notice to legislature of ineligibility] requires the commissioner to notify the legislature if the commissioner determines that an organization that received a grant by law is ineligible to receive the grant.

Subd. 4 [Grant application] specifies required contents for a grant application.

Subd. 5 [Reporting on use of funds] requires an organization to report to the fiscal agent on its use of funds, with specified information. Requires the fiscal agent to provide information from the organizations to the legislature, with a summary of the use of grant proceeds and analysis of the grant recipients’ success in meeting goals, priorities, and outcomes. The report must be submitted annually.

Subd. 6 [Notice to legislature of fraud or abuse claims] requires the commissioner of administration to report comments or concerns about fraud or waste to the legislature.

This section is effective the day after enactment and applicable to grants appropriated by law after the effective date and to grant agreements executed after the effective date.

Section 17 [16B.98, subd. 8; Audit] requires grant agreements to include a clause that the records and procedures of a grantee receiving a grant of more than \$500,000 be subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate, for two years before the execution of the grant agreement and during the term of the agreement.

This section is effective the day after enactment and applicable to grants appropriated by law after the effective date and to grant agreements executed after the effective date.

Section 18 [43A.17, subd. 13; Compensation for law enforcement officers] requires the commissioner of management and budget to consider compensation based on certain salary and benefits surveys. Specifies that the use of pattern bargaining or suggesting compensation based on internal equity data constitutes bad faith in negotiations. For purposes of this section, “law enforcement officers” means Minnesota State Patrol troopers, Bureau of Criminal Apprehension agents, special agents in the gambling enforcement division of the department of public safety, conservation officers, fugitive specialists with the department of corrections, and insurance fraud specialists with the department of commerce.

Section 19 [116.07, subd. 2; Adopting standards] eliminates a requirement that the Pollution Control Agency (PCA) must adopt rules that set the maximum allowable standards of emission of air contaminants from motor vehicles and precludes the PCA from adopting such a rule.

Section 20 [116.07; Unadopted rules] precludes the commissioner of the Pollution Control Agency from enforcing an unadopted rule. Defines “unadopted rule.” If the validity of an unadopted rule is challenged, the commissioner must cease enforcement of the unadopted rule and overcome a presumption that the unadopted rule be adopted through a full rulemaking process.

Section 21 [118A.09, subdivision 1; Definition; qualifying government] modifies the definition of the term “qualifying government” by expanding eligible counties and cities to those whose most recent long-term, senior general obligation rating by one or more national rating organizations in the prior 18-month period is AA or higher. Current law requires the most recently issued general obligation bonds be rated in the highest category (AAA). This section is effective July 1, 2022.

Section 22 [118A.09, subdivision 2; Additional investment authority] allows qualifying governments to invest in index mutual funds and is amended by adding the requirement that the investments be made directly with the main sales office of the fund. This requirement is stricken in clause (2), which is a technical correction. This section is effective July 1, 2022.

Section 23 [118A.10; Self-insurance pools; additional investment authority] authorizes a self-insurance pool to invest in securities that are authorized investments of the State Board of Investment under chapter 11A. Before investing, the governing body must adopt an investment policy pursuant to a resolution that includes a statement that the governing body understands that the investments have risk and that the governing body understands the type of funds that are being invested and the specific investment. This section is effective the day following final enactment.

Section 24 [136F.02, subd. 1; Membership] adds requirements for the governor’s consideration in making appointments to the board of trustees for Minnesota State Colleges and Universities.

Section 25 [155A.20; Board of Cosmetologist Examiners created; terms] adds four members to the Board of Cosmetologist Examiners: an advanced practice esthetician, a hair technician, and two additional public members. Eliminates high school education requirement for the members of the board from the licensed practices. This section is effective January 1, 2023.

Section 26 [155A.23, subd. 8; Manager] adds hair technician to the list of practitioners who may be a salon manager. This section is effective January 1, 2023.

Section 27 [155A.23, subd. 11; Instructor] requires the board to ensure an instructor’s license as an operator or salon manager automatically continues to be active while the instructor holds an

active instructor's license. Precludes the board from assessing fees for operator or manager licenses while an instructor holds an active instructor license. This section is effective January 1, 2024.

Section 28 [155A.23, subd. 18; Practitioner] modifies the definition of practitioner. This section is effective January 1, 2024.

Section 29 [155A.23, subd. 21; Hair technician] defines hair technician. This section is effective January 1, 2023.

Section 30 [155A.25, subd. 1a; Schedule] changes the license term for an initial or renewal license for a practitioner, manager, instructor, salon, and school license issued by the Board of Cosmetologist Examiners from three years to four years. Eliminates a fee for temporary military licenses. This section is effective January 1, 2023 and applies to licenses issued or renewed on or after that date.

Section 31 [155A.27, subd. 1; Licensing] adds hair technician to the list of practices a person must be licensed to perform. This section is effective January 1, 2023.

Section 32 [155A.27, subd. 5a; Temporary military license] adds hair technicians to the list of practices for which a temporary military license is available, effective January 1, 2023. The temporary license is for four years. An applicant may only apply once for a temporary license. Except of the addition of hair technician to the list of temporary military licenses, this section is effective January 1, 2024, and applies to licenses issued on or after that date.

Section 33 [155A.27, subd. 6; Duration of license] extends license terms from three years to four years. Authorizes the board to extend an operator or manager license when issuing a new instructor license to match expiration dates. This section is effective January 1, 2024, and applies to licenses issued on or after that date.

Section 34 [155A.27, subd. 7; Renewals] extends renewal license terms for practitioners from three years to four years. This section is effective January 1, 2024, and applies to licenses issued on or after that date.

Section 35 [155A.27, subd. 11; Reciprocity for barbers] provides for registered barbers to be granted credit toward required hours of study for licensure in cosmetology or hair technology. The amount of credit to be offered will be determined by rule. This section is effective January 1, 2024.

Section 36 [155A.27, subd. 12; Licenses issued by other United States jurisdictions] specifies criteria for issuing a practitioner license in cosmetology, nail technology, or esthiology to a person who holds an occupational license in another state or territory of the United States.

Section 37 [155A.27, subd. 13; Notice of decision on application] requires the Board of Cosmetologist Examiners to provide an applicant for license with a written decision within 30 days.

Section 38 [155A.27, subd. 14; False statements] authorizes the Board of Cosmetologist Examiners to reject an application for a practitioner license or revoke a license for a false statement in an application.

Section 39 [155A.27, subd. 15; Other licenses allowed] specifies that an applicant is not prohibited from applying for an occupational license under another statute.

Section 40 [155A.2705; Hair Technician Requirements] specifies requirements for a hair technician license, including the required training. This section is effective January 1, 2023.

Section 41 [155A.271, subd. 1; Continuing education requirements] extends to four years, from three, the time for licensees to obtain required continuing education credits. Makes technical and conforming changes. This section is effective January 1, 2024, except the provisions adding “hair technician” are effective January 1, 2023.

Section 42 [155A.29, subd. 1; Licensing] eliminates a requirement for a salon to be licensed as a specific type of salon. This section is effective July 1, 2024.

Section 43 [155A.29, subd. 4; Renewal] extends the term for renewals of salon licenses from three years to four. This section is effective January 1, 2024.

Section 44 [155A.30, subd.2; Standards] adds “advanced practice esthetician,” and “eyelash technician” to the list of practices for which the board is authorized to adopt rules for education. This section is effective January 1, 2024.

Section 45 [155A.30, subd. 3; Applications] modifies the written materials required for an application for license. This section is effective January 1, 2024.

Section 46 [155A.30, subd. 4; Verification of application] specifies who must sign the application for applicants who received education requirements in the Minnesota State Colleges and Universities system. This section is effective January 1, 2024.

Section 47 [155A.30, subd. 6; Fees; renewals] changes the license term for school licenses from three years to four years. This section is effective January 1, 2024, and applies to licenses issued or renewed after that date.

Section 48 [155A.30, subd. 11; Instruction requirements] allows schools to offer field trips for industry educational purposes. This section is effective July 1, 2024.

Section 49 [161.1419, subd. 2; Members] provides for the five citizen members of the Mississippi River Parkway Commission to serve four-year staggered terms. This section is effective July 1, 2022, by default.

Section 50 [240.131, subd. 7; Payments to state] adds a new allowed use of money in the breeders fund, a fund that supports breeders of racehorses. The new use is to support racehorse adoption, retirement, and repurposing.

Money in the breeders fund comes from several fees, taxes, and set-asides on activities related to the race tracks and their card clubs, including a fee on wagers by Minnesota residents with an advance deposit wagering provider; fees paid by licensees for wagers on simulcasts of races outside the state; source market fees from advanced deposit wagering providers; from a set-aside on card club revenue; and a tax on the handle for live races at a class A facility.

This section is effective July 1, 2022, by default.

Section 51 [299E.04; Expiration] extends the expiration date of the advisory committee on Capitol Area security from June 30, 2022, to June 30, 2036. This section is effective the day after enactment.

Section 52 [326A.09; Reinstatement] authorizes the board of accountancy to reinstate an expired license in the same manner as the board is authorized to reinstate a suspended, revoked, or surrendered license. This section is effective the day after enactment.

Section 53 [349.151, subd. 4d; Electronic pull-tab devices and electronic pull-tab game system] prohibits the Gambling Control Board from deactivating or prohibiting electronic pull-tab devices, games, or game systems that had been approved by the board under rules at the time of the approval, unless the legislature, by law, requires the devices, games, or game systems to comply with later-adopted rules. This section is effective the day after enactment.

Section 54 [349.1721, subd. 1; Cumulative or carryover games] makes electronic pull-tab games exempt from rules regarding cumulative or carryover prizes that are adopted after the game was approved, unless the legislature, by law, requires the electronic pull-tab game to comply with later-adopted rules. This section is effective the day after enactment.

Section 55 [349.1721, subd. 2; Event games] makes electronic pull-tab games exempt from rules relating to selection of winner by random selection that are adopted after the game was approved, unless the legislature, by law, requires the electronic pull-tab game to comply with later-adopted rules. This section is effective the day after enactment.

Section 56 [415.20; Municipal IDs: Limitation] specifies that a municipal ID does not qualify as proof of identity for purposes of receiving services provided by the state or through a federal program administered by the state or a political subdivision.

Section 57 [645.0711; Standard of Time] requires the state to use standard time year round, beginning January 2, 2030, if Congress hasn't enacted a law to allow states to use daylight saving time year round by that date.

Section 58 [Board of Cosmetologist Examiners licensing working group] establish a working group to evaluate the salon manager license and school manager license; evaluate the requirements for special event services and homebound services permit and consider merging the two; evaluating an endorsement-based licensing structure. The working group must report to the legislature by January 1, 2024. This section is effective the day after enactment.

Section 59 [Mississippi River Parkway Commission; citizen members] specifies the end dates of the staggered terms for the current citizen members of the Mississippi River Parkway Commission. This section works in conjunction with the requirement in section 4 for the citizen members to serve staggered terms. This section is effective July 1, 2022, by default.

Section 60 [United States Amateur Sports and Training Center in Dakota County; report] requires the Minnesota Amateur Sports Commission to study the development of an amateur sports and training center in Dakota County. The study must address specified topics. The commission must report to the legislature on the results of the study by January 15, 2023. This section is effective July 1, 2022, by default.

Section 61 [Department of Iron Range Resources and Rehabilitation; separation and retention incentive program authorization] authorizes the commissioner of Iron Range Resources and Rehabilitation (IRRR) to provide incentive programs for the department’s employees for separation and retention. The bill requires that the incentives be paid solely from funds made available to the commissioner from minerals taxes. Participation is at the employee’s option.

The incentive programs must be consistent with laws passed in 2009 (as amended in 2010) that authorized early separation incentives to employees over 60 years with 30 years of service for purposes of pension benefits. The 2009 program authorized the following components of an incentive:

- (1) employer-paid postseparation health, medical, and dental insurance until age 65; and
- (2) cash incentives that may, but are not required to be, used to purchase additional years of service credit through the Minnesota State Retirement System, to the extent that the purchases are otherwise authorized by law.

The 2009 law required the commissioner to establish eligibility requirements for employees to receive an incentive and allowed the commissioner to designate specific programs or employees as eligible to be offered the incentive program.

This section is effective the day after enactment.

Section 62 [Public land survey monument restoration] requires the chief geospatial information officer, in consultation with the Geospatial Advisory Council and the Minnesota Association of County Surveyors, to report by January 1, 2023, to the legislature, detailing the status of the monuments that mark public land survey corners and the work needed to restore the monuments with estimates from counties on the cost to complete the work. The report must propose a schedule for state funding, if warranted, for grants to counties to complete the work, an identification of federal money that could be used for the work, specify whether each county has used or has plans to use the taxing authority granted in statute to pay for the work, or provide another proposal for funding the work. This section is effective the day after enactment.

Section 63 [Consumer Choice of Fuel Act] provides a title for certain sections of the bill.

Section 64 [Veterans Homes; Report] requires a legislative report on the use of funds appropriated for the new veterans homes in Bemidji, Montevideo, and Preston.

Section 65 [Revisor Instruction]

Paragraph (a) directs the Revisor to change the name of the Board of Cosmetologist Examiners to the Board of Cosmetology.

Paragraph (b) directs the Revisor to change all cross-references to the current statute regarding the standard of time to the new statute for the standard of time. This paragraph is effective January 2, 2030, if an amendment to federal law authorizes states to observe daylight saving time is not enacted by that date.

Paragraph (c) requires the Revisor to change the statutory cite for licenses issued by the Board of Cosmetologist Examiners based on holding a license in another state or territory.

Section 66 [Repealer]

Paragraph (a) repeals the Candidate Advisory Committee for the selection of candidates to the board of trustees for Minnesota State Colleges and Universities; and repeals an obsolete provision for the board of accountancy.

Paragraph (b) repeals certain PCA rules regulating emissions from vehicles

Paragraph (c) repeals the current statute setting the standard for time. This paragraph is effective January 1, 2030, if an amendment to federal law authorizes states to observe daylight saving time is not enacted by that date.

Paragraph (d) repeals the current statute that prescribes the treatment of credentials from outside the state for purposes of licensing by the board of cosmetologist examiners.

Paragraph (e) repeals a rule of the Board of Cosmetologist Examiners related to the treatment of a license from another jurisdiction.

Article 6: Elections & Campaign Finance

Section 1 [10A.01, subd. 10; Candidate] amends the definition of “candidate” to refer to a person who, among other requirements, has received contributions or made expenditures in excess of \$200. This section is effective the day following final enactment.

Section 2 [10A.105, subd. 1; Single committee] prohibits a candidate from accepting contributions from a source in aggregate of more than \$200 unless the candidate has a principal campaign committee. This section is effective the day following final enactment.

Section 3 [10A.14, subd. 1; First registration] requires the treasurer of a political committee, political fund, principal campaign committee, or party unit to register with the board no later than 14 days after the entity has made a contribution, received, contributions, or made expenditures in excess of \$200. This section is effective the day following final enactment.

Section 4 [10A.20, subd. 6; Report when no committee] requires a candidate without a campaign committee who makes campaign expenditures in excess of \$200 in a year to file a report with the board. This section is effective the day following final enactment.

Section 5 [10A.25, subd. 2; Amounts] states that spending limits are increased for certain candidates if that candidate has not raised or spent more than \$200 in a run for certain offices. This section is effective the day following final enactment.

Section 6 [10A.273, subd. 1; Contributions during legislative session] prohibits lobbyists, political committees, and political funds from making contributions at any time for membership in a facility during a regular legislative session of the facility is operated by the principal campaign

committee of a candidate for the legislature or constitutional office, or by a political party organization within a house of the legislature

Section 7 [13.607, subd. 6a; Registered voter lists] adds a cross reference to section 8 in the data practices act. This section is effective the day following final enactment and applies to requests for data made on or after that date.

Section 8 [201.022, subd. 4; Data] consolidates provisions from elsewhere in law related to voter data. Class classifies data in the statewide voter registration as public data on individuals. There are some exceptions to the general This section is effective the day following final enactment and applies to requests for data made on or after that date.

Section 9 [201.091, subd. 4; Public information list] amends the law on the public information list to conform with the changes made in section 8. This section is effective the day following final enactment and applies to requests for data made on or after that date.

Section 10 [201.091, subd. 4a; Presidential nomination primary political party list] amends the law on presidential nomination primaries to conform with the changes made in section 8. Makes a technical change to the headnote. This section is effective the day following final enactment and applies to requests for data made on or after that date.

Section 11 [201.091, subd. 10; Requests for data] states that nothing in the section on voter lists prevents a person from requesting public data as provided in section 8. This section is effective the day following final enactment and applies to requests for data made on or after that date.

Section 12 [201.121, subd. 1; Entry of registration information] requires voter registration applications submitted on election day to be entered into the statewide voter registration system before the start of the canvass for that election. The secretary of state is required to electronically transmit voter registration applications to county auditors. Technical changes are made. This section is effective September 1, 2022.

Section 13 [201.171; Posting voting history; failure to vote; registration removed] requires the county auditor to post voter history prior to the canvass of an election. This section is effective September 1, 2022.

Sections 14, 15, and 16 [203B.07, subds. 1, 2, and 3; Delivery of envelopes, directions; design of envelopes; eligibility certificate] makes technical changes so that the section references the proper type of absentee ballot envelope.

Section 17 [203B.08, subd. 1; Marking and return by voter] allows an absentee voter to personally deliver an absentee ballot to the office of the county auditor or municipal clerk. An agent must not deposit another person's absentee ballots in a drop box. This section is effective the day following final enactment.

Section 18 [203B.081, subd. 1] amends the availability requirements for absentee voting polling places. If the county auditor designates additional absentee voting polling places, the polling places must be open during the absentee voting period for the same hours and days as the office of the county auditor. In municipalities administering absentee voting, additional polling places must be open during the absentee voting period for the same hours as the municipal clerk's office.

Section 19 [203B.082; Absentee ballot drop boxes; security and integrity] makes several changes relating to absentee ballot drop boxes, including requirements related to location, availability, ballot collection, and signage. Each ballot box must be continually livestreamed. The total number of ballots collected from drop boxes must be shared with the local canvassing board and the state canvassing board. The secretary of state is prohibited from adopting rules to implement provisions related to drop boxes. This section is effective September 1, 2022, except the subdivision prohibiting rulemaking is effective the day following final enactment.

Section 20 [203B.121, subd. 1; Establishment; applicable laws] prohibits deputy county auditors or deputy city clerks from serving on the ballot board unless the deputy was appointed as an election judge. This section is effective the day following final enactment.

Section 21 [203B.121, subd. 4; Opening of envelopes] requires members of a ballot board to verify that an absentee ballot includes the required security marking before depositing the ballot into the ballot box. If a ballot does not include the required security marking, the ballot must not be counted. This section is effective September 1, 2022.

Section 22 [203B.121, subd. 5; Storage and counting of absentee ballots] specifies that the counting of absentee ballots must be public. Vote totals may only be disclosed in accordance with section 31. This section is effective the day following final enactment.

Section 23 [203B.121, subd. 6; Ballot board observers] authorizes ballot board observers to observe ballot board activity. Political parties or candidates, depending on the election, may appoint ballot board observers. Ballot board observers must complete election judge training, including training on processing absentee ballots. Ballot board observers must be allowed to be within 4 feet of envelopes being handled but must not handle any of the ballots or envelopes. A ballot board observer must not make lists of voters and must not interfere with the board's activities. The ballot board may remove a ballot board observer if the observer is disrupting the board's work. The election official must notify ballot board observers of the date, time, and location when ballot board activities will be taking place. This section is effective May 15, 2022.

Section 24 [203B.121, subd. 7; Livestreaming] requires the county auditor, municipal clerk, or school district clerk to livestream specified locations during the absentee voting period, on election day, and any day after the election where absentee ballots are being processed. The cameras must be positioned to livestream activities taking place, the ballots, and all doors in the room.

Section 25 [203B.155; Livestreaming requirements] sets forth the framework for implementing the livestreaming required by sections 18 and 23. The commissioner of information technology services must ensure that all livestreams are available on the Department of Information Technology Services' website. The secretary of state and local governments must post a link to the website where the public may view the livestreams. The commissioner must record the livestreams and maintain the recordings for 22 months. The recordings are public data and may be requested from the commissioner. The county auditor, city clerk, and school board clerk are not required to maintain any livestreamed or recorded data or provide access to the data. Provisions are made for potential livestream disruptions. This section is effective September 1, 2022.

Sections 26 and 27 [203B.21, subs. 1 and 3; Form; back of signature envelope] makes technical changes so that the section references the proper type of absentee ballot envelope.

Section 28 [203B.23, subd. 2; Duties] makes technical changes so that the section references the proper type of absentee ballot envelope.

Section 29 [203B.24, subd. 1; Check of voter eligibility; proper execution of certificate] makes technical changes so that the section references the proper type of absentee ballot envelope.

Section 30 [204B.19, subd. 4a; Vaccine requirements prohibited] prohibits an appointing authority from requiring election judges or ballot board members to be vaccinated against a communicable disease.

Section 31 [204B.32, subd. 3; Contributions for election expenses prohibited] prohibits local governments from accepting contributions from for-profit businesses or nonprofit organizations for the purposes of paying election-related expenses.

Section 32 [204B.36, subd. 1; Type] requires absentee ballots to be printed on paper that contains a security marking in a size that allows verification of the ballot's authenticity. The security marking must be designed so that it does not interfere with the ability to tabulate the ballot. This does not apply to UOCAVA absentee ballots. This section is effective September 1, 2022.

Section 33 [204C.19, subd. 3; Premature disclosure of count results] prohibits anyone from disclosing any results for a precinct until all results from that precinct have been counted, including absentee ballots received and processed by 8 p.m. on election day. This section is effective the day following final enactment.

Section 34 [204D.16; Sample general election ballots; posting; publication] amends the requirements to publish a sample ballot. Instead of publishing a sample ballot, the county auditor must public a generic ballot that includes only the races and candidates that appear on the ballot for every precinct. The ballot must also include a specified statement about where to find additional information.

Section 35 [206.805, subd. 1; Contracts required] requires the secretary of state to establish a state contract for ballot paper bearing the required security markings. This section is effective the day following final enactment.

Section 36 [206.83; Testing of voting systems] amends the public notice requirements for the pre-election accuracy testing of voting systems. Notice must be given 14 days before the testing and must be published in the official paper, posted on the relevant website, and sent to the secretary of state for posting on the secretary's website. The secretary of state must notify the political party chairs when notices are posted and where to find them. This section is effective the day following final enactment.

Section 37 [211B.075; Absentee ballot applications distributed by committees and private organizations] requires that any mailing sent by a committee or private organization that includes an absentee ballot application or sample ballot to include specific disclaimers and design elements. An absentee ballot application sent by or on behalf of a committee or private organization must not be pre-filled with the voter's information. This section is effective the day following final enactment.

Section 38 [Secretary of state; reports] requires the secretary of state to submit two reports on how election grants were awarded.

Section 39 [Repealer] repeals two subdivisions. Minn. Stat. section 13.607, subd. 6, is the current provision in the data practices act that references voter data. This is replaced by section 7 of the article. Minn. Stat. section 201.091, subd. 9, is the current list of data that must not be provided to the public. This is replaced by section 8. This section is effective the day following final enactment.

Section 40 [Effective date] provides a July 1, 2022, effective date for sections in Article 3 where a different date is not specified.

Article 7: Department of Public Safety

This article amends various provisions relating to the Department of Public Safety (“department”). For purposes of this article, “commissioner” means the commissioner of public safety.

Section 1 [3.9741, subd. 5; Data security account; appropriation] statutorily appropriates money in the data security account in the special revenue fund to the legislative auditor to oversee security of data stored and transmitted by state systems. Eliminates duties for the legislative auditor related to driver and vehicle services data and subscriptions for that data.

Sections 2, 3, 4, and 5 [168.013; All-electric vehicle; Plug-in hybrid electric vehicle; All-electric motorcycle; Plug-in hybrid electric motorcycle] increase the vehicle registration tax surcharge for all-electric vehicles and plug-in hybrid electric vehicles. Establishes new registration tax surcharges for all-electric motorcycles and plug-in hybrid electric motorcycles. The surcharge revenues are deposited into the highway user tax distribution fund. If the gas tax is increased or decreased, the surcharge must be adjusted by a proportional amount.

Section 6 [168.123, subd. 2; Design] requires the commissioner of veterans affairs to design the emblem for a license plate for a veteran who is the recipient of the Air Medal, subject to the approval of the commissioner. The effective date is January 1, 2023.

Section 7 [168.1235, subd. 1; General requirements; fees] allows the commissioner to issue veterans service group emblem plates to members of the Disabled American Veterans.

Section 8 [168.1253, subd. 3; No fee] prohibits the commissioner of public safety from charging the fee for personalized plates for personalized Gold Star plates.

Section 9 [168.1258; Minnesota Viking Foundation Special Plates] establishes Minnesota Vikings Foundation special plates. This section is effective January 1, 2023.

Section 10 [168.1259; Minnesota Professional Sports Team Foundation Plates] establishes the Minnesota Professional Sports Team Foundation Plates. This section is effective January 1, 2023.

Section 11 [168.1287; Minnesota Missing and Murdered Indigenous Relatives Special License Plates] establishes Minnesota Missing and Murdered Indigenous Relatives special license plates. This section is effective January 1, 2023.

Section 12 [168.27, subd. 11; Dealers’ licenses; location change notice; fee] requires the commissioner to deny a motor vehicle dealer license if, at the time of inspection, the applicant is not in compliance with location requirements or has misrepresented information on the application.

Section 13 [168.27, subd. 31; Documentary fee] increases the documentary fees charged by a motor vehicle dealer as part of a sale or lease. Clarifies that the fees are for the sale or lease of a vehicle that will be registered in Minnesota.

Section 14 [168A.11, subd. 3; Records] requires a motor vehicle dealer to allow their records to be inspected during inspection hours that are specified in the initial dealer license application or in the dealer record.

Section 15 [168B.045; Towed motor vehicles] amends the types of charges subject to a lien when a person tows and stores a motor vehicle at the request of a law enforcement officer. Charges for recovery of the vehicle and cargo, storage of the vehicle and cargo, and accident site cleanup are subject to a lien. The person who tows the vehicle may retain the vehicle and its cargo, except that the owner may retrieve contents as provided by current law.

Section 16 [168B.07, subd. 1; Payment of charges] makes changes to the law regarding paying towing charges to reference the same charges listed in section 15.

Sections 17, 18, and 19 [169.011; All-electric motorcycle; Micromobility device; Plug-in hybrid electric motorcycle] define “all-electric motorcycle,” “micromobility device,” and “plug-in hybrid electric motorcycle” in the chapter of statute dealing with traffic regulations.

Section 20 [171.05, subd. 2; Person less than 18 years of age] reorganizes the subdivision that allows the commissioner to issue an instruction permit to a person age 15, 16, or 17. Specifies that online driver education courses are one of the ways a person can complete the driver education requirements.

Section 21 [171.07, subd. 15; Veteran designation] allows additional types of veterans to have a veteran designation placed on their driver’s licenses. Obsolete language is stricken. This section is effective August 1, 2022.

Section 22 [171.13, subd. 1; Examination subjects and locations; provisions for color blindness, disabled veterans] makes a conforming change to allow third parties to conduct commercial driver’s license road tests.

Section 23 [171.135; Third-party commercial driver’s license road tests] authorizes third-parties to perform commercial driver’s license road test and sets forth the requirements. Third-party testers and programs are required to conduct road tests in the manner required by state and federal law. The commissioner must monitor and audit road tests performed by third-party testers. Provisions are made for denial, cancellation, or suspension of third-party programs or testers. The commissioner is given limited authorization to adopt rules to implement the requirements of this section.

Section 24 [171.395; Online driver education program] authorizes licensed driver education programs to provide online driver education. Online driver education programs must meet the same standards and requirements as in-person classes. There are also several additional requirements specifically for online driver education programs.

Section 25 [Expiration] strikes the requirement for the Driver and Vehicle Systems Oversight Committee to submit a final report to the legislature and legislative auditor.

Section 26 [School bus age exemption] extends the school bus age exemption enacted last year by an additional year. **Section 27** makes a conforming change.

Section 28 [Required rulemaking] requires the commissioner of public safety to make specific amendments to third-party testing rules using the good-cause exemption.

Section 29 [Rules] requires the commissioner of public safety to report to the legislature if rulemaking is required beyond what is authorized by **section 23**.

Section 30 [Revisor Instruction] directs the revisor of statutes to renumber the definitions section in the chapter of statute on traffic regulations and to correct any cross-references accordingly.

Section 31 [Repealer] repeals several rules relating to third-party testing and online driver education programs for adults.

Article 8: Independent Expert Review Provisions

This article makes various changes relating to driver and vehicle services based on the recommendations from the “Driver and Vehicle Services Report of the Independent Expert Review” submitted to the legislature on January 12, 2022.¹ For purposes of this article, “commissioner” means the commissioner of public safety.

Section 1 [168.002, subd. 12a; Full-service provider] provides a definition of “full-service provider.” A full-service provider is a person who performs the functions of both a deputy registrar and a full-service driver’s license agent.

Section 2 [168.327, subd. 1; Records and fees] allows a full-service provider to provide copies of driver and vehicle records. The full-service provider collects a fee for the request and retains the majority of the fee but must submit a portion of the fee to the commissioner to be deposited into the general fund. This section is effective January 1, 2023, and applies to requests for records made on or after that date.

Section 3 [168.327, subd. 2; Requests for information; surcharge on fee] requires a full-service provider to impose a surcharge on certain requests. The full-service provider must submit the fee to the commissioner to be deposited into the general fund. An outdated reference to technology is deleted and replaced with current technology terminology. This section is effective August 1, 2022, and applies to requests for records made on or after that date.

Section 4 [168.327, subd. 3; Exception to fee and surcharge] prohibits a full-service provider from collecting the surcharge referenced in **section 3** in certain situations. This section is effective August 1, 2022, and applies to requests for records made on or after that date.

Section 5 [168.327, subd. 7; Monitoring and auditing] requires the commissioner to monitor and audit full-service providers providing documents to ensure compliance with state and federal law. This section is effective August 1, 2022.

¹ The full report is available here: <https://www.lrl.mn.gov/docs/2022/mandated/220037.pdf>

Section 6 [168.33, subd. 7; Filing fees; allocations] requires a portion of filing fees collected by the commissioner for mail or online vehicle transactions to be deposited into the full-service provider account established in **section 24**. A \$5 surcharge is imposed on all transactions submitted by mail. his section is effective October 1, 2022.

Section 7 [169.06, subd. 10; Electronic sign message] requires the commissioner to use “Slower traffic move right” as a default display message on electronic signs. Due to a drafting error, this section appears in article 8 when it should have been included in article 10.

Section 8 [169.09, subd. 13; Reports confidential; evidence, fee, penalty, appropriation] allows a full-service provider to provide copies of accident reports and to collect a fee. The full-service provider collects a fee for the request and retains the majority of the fee but must submit a portion of the fee to the commissioner to be deposited into the general fund. Obsolete language is stricken. This section is effective August 1, 2022, and applies to requests for records made on or after that date.

Section 9 [169.09, subd. 20; Monitoring and auditing] requires the commissioner to monitor and audit full-service providers providing documents as provided in **section 7** to ensure compliance with state and federal law. This section is effective August 1, 2022.

Section 10 [169.14, subd. 5i; Interstate Highway 35E] requires the commissioner of transportation to designate the speed limit on I-35E in St. Paul at 55 miles per hour. This section is effective upon the erection of appropriate signs or August 1, 2022, whichever is sooner. Due to a drafting error, this section appears in article 8 when it should have been included in article 10.

Section 11 [171.01, subd. 33a; Full-service provider] provides a cross reference to the definition of “full-service provider” in **section 1**.

Section 12 [171.02, subd. 3; Motorized bicycle] extends the renewal period for a motorized bicycle permit from four to eight years and increases the fee. This section is effective October 1, 2022.

Section 13 [171.06, subd. 8; Preapplication] requires the commissioner to establish a process for an applicant for a driver’s license or ID card to submit a preapplication. The commissioner, driver’s license agent, or full-service provider must also provide a link to the preapplication website at the time an individual schedules an appointment to apply for a driver’s license or card.

Section 14 [171.061, subd. 4; Fee; equipment] increases the filing fees for new and renewal driver’s license and ID card applications. Requires the commissioner to maintain photo identification and vision examination equipment for all driver’s license agents. This section is effective October 1, 2022.

Section 15 [171.07, subd. 4; Identification card expiration] extends the renewal period for ID cards from four to eight years. This section is effective October 1, 2022.

Section 16 [171.0705, subd. 11; Manual and study materials availability] requires the commissioner to post on the department’s website the driver’s manual and study support materials for the written and skills exam.

Section 17 [171.071, subd. 4; Variance for homebound individuals] makes a conforming change to reference the eight-year renewal period. This section is effective October 1, 2022.

Section 18 [171.12, subd. 1a; Driver and vehicle services information system; security and auditing] requires an individual who accesses driver and vehicle data to make a notation on the record in certain circumstances. The commissioner may impose disciplinary action on a person who improperly accesses data, except that the commissioner must not impose disciplinary actions when a person properly accessed data to complete an authorized transaction or to resolve an issue without completing a transaction. This section is effective October 1, 2022.

Section 19 [171.13, subd. 1; Examination subjects and locations; provisions for color blindness, disabled veterans] requires the commissioner to ensure that 40 or more exam stations are located throughout the state. The existing requirements on exam station locations is stricken and replaced with similar language. The requirement that the commissioner ensure applicants are able to obtain an appointment within 14 days is stricken. The commissioner is required to provide real-time information on the department's website about availability and location of exam appointments. This section is effective July 1, 2023, except the provisions relating to real-time information are effective January 1, 2023.

Section 20 [171.13, subd. 1a; Waiver when license issued by another jurisdiction] eliminates the requirement for a new Minnesota resident to take the written knowledge test when getting a Minnesota driver's license. This section is effective August 1, 2022.

Section 21 [171.13, subd. 7; Examination fee] increases the fee amount for a third or subsequent knowledge or skills test.

Section 22 [171.27, subd. 1; Expiration] extends the renewal period for driver's licenses from four to eight years. This section is effective October 1, 2022.

Section 23 [171.27, subd. 2; Extension of expiration] makes a conforming change to the extended renewal period for driver's licenses. This section is effective October 1, 2022.

Section 24 [171.375; Student Pass Rate] requires the commissioner of public safety to post the student pass rates for each driver training school.

Section 25 [299A.705, subd. 1; Vehicle services operating account] statutorily appropriates specified amounts to the commissioner from the vehicle services operating account for purposes of fulfilling mail and online transactions.

Section 26 [299A.705, subd. 3a; Full-service provider account] establishes the full-service provider account in the special revenue fund. Money in this account is annually appropriated to the commissioner to distribute to full-service providers based proportionally on the number of transactions completed.

Section 27 [Report; Implementation of driver and vehicle services recommendations] encourages the commissioner to implement various recommendations related to driver and vehicle services. The commissioner must report to the legislature at the end of the year about which recommendations have been implemented, are in the process of being implemented, or will not be implemented. The commissioner must also report on: 1) whether the recommendations from the March 2021 report by the Legislative Auditor have been implemented; 2) the plan for exam station locations; and 3) whether any limited driver's license agents are unable to become full-service

providers because of the restrictions in state law. This section is effective the day following final enactment.

Section 28 [Repealer] repeals the section of law that prohibits providing information about vehicle registration over the phone.

Section 29 [Effective date] provides that this article is effective August 1, 2022, except as otherwise provided.

Article 9: Salvage and Prior Salvage Title Brands

This article amends laws relating to vehicle titles with “salvage” brands and creates a new “prior salvage” title brand. As used in this article, a late-model vehicle is a vehicle that is 5 model years old or newer. A high-value vehicle is a vehicle with a value in excess of \$9,000 before being damaged or a vehicle with a manufacturer’s rating of over 26,000 pounds gross vehicle weight that is not a late-model vehicle. For purposes of this article, “commissioner” means the commissioner of public safety.

Section 1 [168A.01, subd. 16b; Recovered intact vehicle] defines “recovered intact vehicle” as a vehicle that was stolen, declared a total loss, and later recovered with damage not in excess of 80% of its value.

Section 2 [168A.01, subd. 17b; Salvage vehicle] defines “salvage vehicle” as a vehicle that was declared by an insurance company to be a total loss or a vehicle that has been in an accident and the cost of repairs exceeds 80% of the value of the vehicle. A salvage vehicle does not include a recovered intact vehicle.

Sections 3 and 4 [168A.04; Contents; Vehicle last registered out of state] eliminates an inconsistency in statute. Current law references vehicles that have sustained damage which exceeds 70% of the value of the vehicle. This is inconsistent with other percentages elsewhere in statute. This section strikes the percentage and replaces it with a cross-reference to **section 10** to be consistent across statutes.

Section 5 [168A.05, subd. 3; Content of certificate] makes clear that a title may bear more than one brand. The “rebuilt” brand is eliminated.

Section 6 [168A.151, subd. 1; Salvage and prior salvage brands] amends the law on titles with “salvage” brands and establishes the new “prior salvage” brand. There are various scenarios addressed by this section:

- When an insurer acquires ownership of a late-model or high-value vehicle through payment of damages, the insurer must immediately apply for a title that bears a “salvage” brand.
- When an insurer acquires ownership of a vehicle that is not late-model or high-value through payment of damages, the insurer must immediately apply for a title that bears a “prior salvage” brand.
- A person must immediately apply for a title that bears a “salvage” brand if: the person acquires a damaged late-model or high-value vehicle that was acquired by an insurer by payment of damages; will incur a cost of repairs that exceeds the value of the damaged vehicle; has an out-of-state salvage certificate of title; or has certain brands on the title.

- A person must immediately apply for a title that bears a “prior salvage” brand if the person acquires a damaged vehicle and a salvage brand is not required and the vehicle bears certain brands or has a previously had a salvage title or brand issued.
- A self-insured owner of a late-model or high-value vehicle that sustains damage which exceeds 80% of its value must apply for a title that bears a “salvage” brand.
- A self-insured owner of a vehicle that is not late-model or high-value and sustains damage which exceeds 80% of its value must apply for a title that bears a “prior salvage” brand.

Section 7 [168A.152, subd. 1; Certificate of inspection] specifies that the commissioner must not issue a title with a “prior salvage” brand for a late-model or high-value vehicle unless the application for the title is accompanied by a certificate of inspection for the vehicle.

Section 8 [168A.152, subd. 1a; Duties of salvage vehicle purchaser] makes technical changes and adds a reference to “prior salvage” brands.

Section 9 [325F.662, subd. 3; Exclusions] makes a technical change.

Section 10 [325F.6641; Discloser of vehicle damage] amends the law relating to vehicle disclosures. Requires disclosure of prior damage for all vehicles if the damage exceeds 80% of the value of the vehicle. Strikes a reference to “rebuilt” brands because the brand isn’t used. This section also centralizes and amends vehicle dealer disclosure provisions.

Section 11 [325F.6642; Title branding] specifies when the following title brands must be placed on vehicle’s title: “flood damaged,” “salvage,” “prior salvage,” and “reconstructed.” Replaces the requirement that brands be in a different color with a requirement that the brand be in a different format than all other writing on the title. Repeals provisions that are unnecessary because of other changes in the article or were moved to different sections of statute.

Section 12 [325F.665, subd. 14; Title branding] eliminates a reference to the “lemon law vehicle” brand because is moved to elsewhere in the article.

Section 13 [Repealer] repeals a definition that is made obsolete by other changes in the article. The section also repeals an exemption from title branding and disclosure which has the effect of making title branding requirements apply to commercial vehicles, restored pioneer vehicles, and motorcycles.

Section 14 [Effective date] provides an effective date of January 1, 2023.

Article 10: Department of Transportation.

This article amends various provisions relating to the Department of Transportation. For purposes of this article, “commissioner” means the commissioner of transportation.

Section 1 [160.27, subd. 7a; Micromobility facilities] allows micromobility facilities to be installed in the right-of-way of a public highway under certain circumstances.

Section 2 [161.088, subd. 1; Definitions] defines “greater Minnesota area” and “metropolitan area” for purposes of the Corridors of Commerce program.

Section 3 [161.088, subd. 2; Program authority; funding] allows the commissioner to use a portion of Corridors of Commerce appropriations for project scoring, ranking, and selection.

Section 4 [161.088, subd. 4; Project eligibility] amends the Corridors of Commerce eligibility requirement so that a project must be ready to begin within four years. Provides a definition of larger and smaller projects in greater Minnesota.

Section 5 [169.09, subd. 5; Project selection process; criteria] sets forth a new process for selecting projects for the Corridors of Commerce program. Area transportation partnerships in greater Minnesota and county boards in the metro area submit projects to the commissioner to be ranked and selected. Funding must be split evenly between the metro area and greater Minnesota. At least 55% of the funding in the metro area must be for projects outside of Hennepin and Ramsey Counties. In greater Minnesota, approximately 25% of the funds must be used for small projects.

Section 6 [161.088, subd. 6; Recommendations] requires the commissioner to forward a list of all projects submitted to the legislature and governor. Each legislator and the governor may submit a letter of support for one project. For each letter received, the commissioner must award one additional point to the project.

Section 7 [161.088, subd. 7; Project selection period] requires Corridors of Commerce projects to be identified, ranked, and selected every four years.

Section 8 [161.0895; Highway purpose; report] prohibits commissioners of state agencies from including in biennial budget requests any expenditures from the trunk highway fund or highway user tax distribution fund that are for nonhighway purposes or prohibited by law. Within 45 days after submission of the governor's biennial budget to the legislature, the commissioner of management and budget and the attorney general must jointly submit a report to the legislature which must examine proposed appropriations from the trunk highway fund or the highway user tax distribution fund.

Section 9 [161.115, subd. 271; Route No. 340] adds a description of a new portion of trunk highway. This relates to rerouting a portion of trunk Highway 67 and turning back route 274 in Yellow Medicine County.

Sections 10 and 12 [162.07, subd. 2, and 162.13, subd. 2; Money needs defined] amend the definition of "money needs" in the sections of law relating to distribution of County State-Aid Highway (CSAH) and Municipal State-Aid Street (MSAS) allocations. The change refers to the CSAH or MSAS system located and established by the local government.

Section 11 [162.09, subd. 6; Location and establishment; commissioner's review] requires a city to remove a street from its municipal state-aid system if the number of lanes on that street is reduced to one lane in each direction.

Section 13 [162.145, subd. 2; Small cities assistance account] annually appropriates money in the small cities assistance account to the commissioner of transportation to be allocate to small cities. **Sections 14 and 15** make conforming changes.

Section 16 [169.8296; Weight Limits; towing and recovery vehicle] consolidates various provisions on tow truck weight limits. The commissioner may issue permits for oversize and

overweight tow trucks when towing a disabled or damaged vehicle to a place of repair or safekeeping.

Section 17 [169.865, subd. 1a; Definition] adds raw or processed grass seed to the definition of qualifying agricultural products for purposes of a special farm products permit. This section is effective the day following final enactment.

Section 18 [174.185; Pavement life-cycle cost analysis] amends the requirements relating to pavement life-cycle cost analyses. Requires the commissioner to perform a lifecycle cost analysis for certain projects. The section is effective July 1, 2022, and applies to life-cycle cost analysis started on or after that date, except that the subdivision on review and collaboration is effective July 1, 2023.

Section 19 [174.52, subd. 3; Advisory committee] adds a town board member to the local road improvement program advisory committee. This section is effective the day following final enactment.

Section 20 [297A.94; Deposit of Revenues] requires the commissioner of revenue to credit the taxes from the sale and purchase of motor vehicle repair and replacement parts as follows: 86% to the highway user tax distribution fund (HUTDF), 7% to the small cities assistance account, and 7% to the town road account.

Sections 21 and 22 [360.55, subd. 9; Small unmanned aircraft systems; 360.59, subd. 10; Certificate of insurance] require all small unmanned aircraft systems that are not used solely for recreational purposes to be registered the same way, regardless of weight. At the time of registration, the owner must provide proof of insurability. The owner must maintain records that each flight was covered by an insurance policy for bodily injury or death to non-passengers.

Sections 23 and 24 [Legislative Routes No. 274 and 301 Removed] are turn backs in Yellow Medicine County and St. Cloud. The statutory descriptions of the routes are repealed upon completion of the turnback agreement.

Section 25 [Northern Lights Passenger Rail; Prohibition] prohibits the commissioner of transportation from spending money on the Northern Lights Express project, which is a high-speed passenger rail project between Minneapolis and Duluth.

Section 26 [Repealer] repeals various statutes and rules. Paragraph (a) repeals two provisions relating to oversize and overweight tow trucks. Paragraph (b) repeals a rule that requires transit grant recipients to submit monthly reports. Paragraph (c) repeals session laws that require a report on trunk highway expenditures.

Note: Article 8, sections 7 (electronic sign message) and 10 (Interstate Highway 35E), should be included in article 10 but due to a drafting error they were included in the wrong article.

Article 11: Metropolitan Council

This article amends various provisions relating to the Metropolitan Council and public transportation. For purposes of this article, “Council” means the Metropolitan Council.

Section 1 [297A.993, subd. 2a; Guideway uses, reporting] requires metropolitan area counties that use the proceeds of the transportation sales tax to fund guideways to submit a report to the legislature on the collection and use of the tax proceeds. This section is effective the day following final enactment.

Section 2 [473.375, subd. 9b; Safe accessibility training] requires the Metropolitan Council ensure bus drivers receive training on assisting persons with disability and mobility limitations to enter and exit the bus.

Section 3 [473.375, subd. 19; Statistics; reports] requires the Council to regularly post transit ridership and crime statistics on the Council’s website.

Section 4 [473.39, subd .7; Limitation on certain debt obligations] prohibits the Council from issuing certificates of participation for guideways.

Section 5 [473.3993, subd. 4; Responsible authority] amends the definition of “responsible authority” to include a county board of a metropolitan county. This section is effective the day following final enactment and applies to projects that enter into full funding grant agreements on or after that date.

Section 6 [473.3994, subd. 1a; Designation of responsible authority] allows the governor to appoint a county board in the metro area as a responsible authority for a light rail transit project. If the project is entirely in one county, the governor must appoint the county board of that county as the responsible authority. This section is effective the day following final enactment and applies to projects that enter into full funding grant agreements on or after that date.

Section 7 [473.4486; Municipal approval of guideway plans] establishes a process for municipal consent for guideways constructed by the Council. The process requires local hearings on proposed guideway plans followed by approval or disapproval of the plans from local governments where the guideway is proposed to be located. Local governments are permitted with revoke approval prior to the Council obtaining federal funding for the project. The Council is prohibited from applying for or requesting federal funds for a guideway project until municipal consent is obtained from each local government where the guideway is proposed to be located. This section is effective the day following final enactment and applies to all current and future guideways except the Gold Line.

Section 8 [473.4487; Guideway cost-benefit analysis] requires the responsible governmental unit to perform a cost-benefit analysis for each proposed guideway. This section is effective the day following final enactment and applies to all guideways seeking state or federal funding on or after that date, except this section does not apply to the Gold Line.

Section 9 [473.4487; County responsibility for guideway funding] requires counties where a guideway will be located to pay for all costs of guideways using nonstate funds. The state is prohibited from contributing in any manner to any guideway costs. The Council is prohibited from imposing a tax or fee to pay for guideway costs. This section is effective July 1, 2022, and applies to existing and future guideways except the Gold Line.

Section 10 [Study on post-covid pandemic public transportation] amends the funding source for the study on post-covid pandemic public transportation so that the Council pays for the study out of existing resources instead of the commissioner of transportation paying for it out of the trunk highway fund. This section is effective the day following final enactment.

Section 11 [Assessment year 2022; Reassessment of certain property] requires the Minneapolis City Assessor or the Hennepin County Assessor to reassess the Cedar Isles Condominium buildings. The reassessment must take into consideration changes in value due to damage from Southwest Light Rail construction. This section is effective the day following final enactment.

Section 12 [Cedar Isles Condominium damages] requires the Metropolitan Council to provide compensation to Cedar Isles Condominium owners for certain types of damage or loss to their property relating to Southwest Light Rail construction.

Section 13 [Guideway cost-benefit analysis; transition] requires the commissioner of transportation and the Metropolitan Council to conduct cost-benefit analyses for guideways for which a locally preferred alternative has been selected before the effective date and is not yet in revenue operations on the effective date. This section is effective the day following final enactment.

Section 14 [Request to terminate Northstar commuter rail operations] requires the commissioner of transportation and the Council to request approval from the Federal Transit Administration (“FTA”) to discontinue Northstar commuter rail operations. This section is effective the day following final enactment.

Section 15 [Suspension of guideway activities] prohibits the Council from taking any action or spending any money related to guideways until Southwest Light Rail is in revenue operations. This section does not apply to the Gold Line or Southwest Light Rail. This section is effective the day following final enactment.

Section 16 [Met Council Study] requires the commissioner of management and budget to report to the legislature by January 15, 2023 regarding alternative methods of selecting members of the Council. This section is effective the day following final enactment.