

HF3356 - 2A - Emergency Vehicle Insignia Removal for Sale Req.

Chief Author: **John Huot**
 Committee: **Transportation Finance and Policy**
 Date Completed: **3/10/2026 2:28:06 PM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Restrict Misc Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Restrict Misc Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/10/2026 2:28:06 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Restrict Misc Special Revenue		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc Special Revenue						
Expenditures		-	-	172	90	90
Absorbed Costs		-	-	(82)	-	-
Total		-	-	90	90	90
Biennial Total				90		180
2 - Revenues, Transfers In*						
Restrict Misc Special Revenue						
		-	-	90	90	90
Total		-	-	90	90	90
Biennial Total				90		180

Bill Description

This bill would require the removal of any equipment or insignia that could mislead a reasonable person to believe that the vehicle is a public safety vehicle prior to selling or transferring the vehicle to the public. This would include the removal of emergency lights, sirens, amber warning lights, spotlights, grill lights, antenna, emblems, outlines of emblems, or emergency vehicle equipment.

Vehicles sold for the purpose of collection or display would be exempt from these requirements if owned and operated solely as a collector’s item and not used for general transportation. This would include the requirement that it be registered under section 168.10, subdivision 1a (pioneer plate), 1b (street rod plate), 1c (collector plate), 1d (street rod plate), 1g (original plate), or 1h (collector military vehicle).

Civil penalties collected must be deposited in the Minnesota victims of crime account in M.S. 299A.708.

Assumptions

Driver and Vehicle Services

An effective date is not listed in the bill. Because of the complexity of programming required to configure the system for the changes needed to implement this bill, DVS would request an effective date of October 1, 2026, or later.

DVS will develop a certificate of compliance form which will be available for download at no cost through the DVS public website, and through the transaction in MNDrive. The form will contain a statement which references the statute and an attestation that they understand that the insignia outlined in subdivision 2 of the bill must be removed prior to the sale and that this was completed prior to the sale of the vehicle and include space to record the seller’s information, vehicle information, a signature line and any other information determined to be needed during the development of the form.

Development and posting of the form online will require approximately two weeks to complete. The cost to develop the form will be nominal and will be absorbed by DVS using existing staff hours.

DVS does not record if a vehicle has special insignias or equipment of any kind as part of their titling and registration of vehicles and will rely on the seller to indicate if such equipment and insignia was on the vehicle prior to the sale and was removed prior to the sale.

DVS will not be responsible for enforcement of compliance or violations and will defer all enforcement and violations to local law enforcement as outlined in the bill.

The system changes needed to accommodate the bill proposal will require 360 hours of MNDrive programming by the vendor to configure the system for changes related to form setup, transaction needs and other areas of the system. For FY 2027, the vendor's hourly rate is \$227.10 for a total programming cost of \$81,756 (360 hours x \$227.10 per hour = \$81,756). These costs would be absorbed by the current vendor contract with DVS.

Office of Justice Programs

The Office of Justice Programs (OJP) would receive all civil penalties deposited to the Minnesota Victims of Crime Account. OJP estimates 36 civil penalties annually for a total of \$90,000 deposited into the account. OJP assumes revenue would appear in SWIFT until SFY27. OJP would use for grants in SFY27, showing as expenditures.

Expenditure and/or Revenue Formula

FY27 Expenditures (DVS Special Revenue)

MNDrive programming = \$81,756 (absorbed)

FY27 and beyond expenditures and revenues (Victims of Crime Account Special Revenue)

Number of sworn officers in Minnesota	10,898
Percentage of patrol staff to full staff	60%
Estimated number of patrol officers	6,539
Ratio of squads to patrol officers (overestimate)	1:1
Estimated number of squads in MN	6,539
Estimated disposal rate per year (based on estimate from one county)	11%
Number of squads disposed of per year in Minnesota	719

The number of cars sold or transferred without removing equipment and insignia is unknown, however, given that law enforcement agencies as a practice would remove any markings for liability reasons, the number is projected to be very small. For purposes of this note, it is estimated at 5%.	5%
Estimated number of cars disposed of with markings or equipment	36
The civil penalties assessed are \$2,500 per violation. Assuming a civil penalty is assessed in every instance of a violation, this is the estimated amount that would be deposited in the victims of crime account. The proposal does not identify how this civil penalty will be assessed.	\$90,000

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Nicole Mickelson

Phone: 651-201-7045

Date: 3/10/2026 2:00:05 PM

Email: nicole.mickelson@state.mn.us