

**Subject** Driver and vehicle services; independent review

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## Overview

This bill, as proposed to be amended by the H4164DE1 delete-everything amendment, modifies a variety of provisions related to driver and vehicle services, deputy registrars, and driver's license agents, including to:

- establish a minimum of at least 40 exam stations for driver's license road tests;
- authorize some deputy registrars and driver's license agents to issue copies of various records, and provide for fee allocation;
- reallocate a portion of filing fee revenue obtained from mailed and online transactions for both motor vehicles and driver's licenses and identification cards, which includes creating a statutory appropriation to distribute funds to deputy registrars and driver's license agents;
- increase the filing fee for driver's license transactions, from \$8 to either \$11 or \$16 depending on the circumstances;
- set a \$5 surcharge on mailed vehicle registration renewals;
- amend repeat exam fees, with amounts to be determined;
- lengthen the valid period of issuance for most driver's licenses, operator permits, and identification cards, from four to eight years;
- waive knowledge and road test requirements for some adult applicants who possess a driver's license issued by another state;
- make statutory appropriations for some vehicle services administrative costs;
- identify various agency operations and practices recommendations for the Department of Public Safety to consider implementing; and
- require some legislative reports.

The bill is based on a series of recommendations contained in an independent expert review of exam stations and other aspects of the department's

administrative practices, which was performed as a result of legislation enacted in 2021.<sup>1</sup>

Most of the changes are effective August 1, 2022.

## Summary

Section	Description
1	<p><b>Full-service provider.</b></p> <p>Defines “full-service provider” in the chapter of state statutes on motor vehicle registration, to refer to an individual or entity who is appointed as both a deputy registrar (authorized to handle motor vehicle registrations and titling applications) and a driver’s license agent (authorized to handle driver’s license and identification card applications).</p>
2	<p><b>Records and fees.</b></p> <p>Directs full-service providers to issue copies of motor vehicle and driver’s license records to eligible applicants. Provides for allocation of fees collected by full-service providers.</p>
3	<p><b>Requests for information; surcharge on fee.</b></p> <p>Directs full-service providers to impose a surcharge on requests for public information on motor vehicle registrations or driver’s licenses and identification cards. Provides for allocation of fees collected by full-service providers.</p>
4	<p><b>Exception to fee and surcharge.</b></p> <p>Makes conforming changes.</p>
5	<p><b>Filing fees; allocations.</b></p> <p>Paragraph (f) amends the allocation of filing fee revenue collected for mailed and online motor vehicle transactions, so that a portion is deposited in a new full-service provider account (being established in the bill).</p> <p>Paragraph (g) imposes a \$5 surcharge on mailed vehicle registration renewals and allocates the revenue.</p>

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<sup>1</sup> The report is available at: [https://www.lrl.mn.gov/mndocs/mandates\\_detail?orderid=16778](https://www.lrl.mn.gov/mndocs/mandates_detail?orderid=16778).

<b>Section</b>	<b>Description</b>
6	<p><b>Use of vehicle registration information.</b></p> <p>Authorizes release of vehicle information to that vehicle’s owners and lessees under some circumstances.</p>
7	<p><b>Reports confidential; evidence, fee, penalty, appropriation.</b></p> <p>Permits full-service providers to release crash reports to authorized recipients. Provides for allocation of fees collected by full-service providers. Makes technical changes.</p>
8	<p><b>Full-service provider.</b></p> <p>Defines “full-service provider” in the chapter of state statutes on driver’s licenses and identification cards.</p>
9	<p><b>Motorized bicycle.</b></p> <p>Lengthens the valid period for a motorized bicycle operator’s permit, from four to eight years (when issued to an applicant who is at least age 21).</p>
10	<p><b>Fees.</b></p> <p>Amends the allocation of filing fee revenue collected for online and mailed driver’s license transactions, so that half is deposited in a new full-service provider account (being established in the bill).</p>
11	<p><b>Preapplication; REAL ID.</b></p> <p>Directs the Department of Public Safety to provide an electronic process to pre-apply for a REAL ID compliant license or identification card.</p>
12	<p><b>Fee; equipment.</b></p> <p>Modifies the filing fee imposed by a driver’s license agent for a driver’s license or identification card transaction, to increase it from \$8 to either \$11 or \$16 depending on the type of license or ID card involved and whether it is new document or a renewal.</p>
13	<p><b>Identification card expiration.</b></p> <p>Lengthens the typical valid period for a Minnesota identification card, from four to eight years. (Identification cards that are not REAL ID-compliant remain valid for the lifetime of an applicant is who age 65 or older.)</p>
14	<p><b>Manual and study material availability.</b></p> <p>Directs the Department of Public Safety to publish a driver’s manual and study materials for driver’s license exams on the department website.</p>

<b>Section</b>	<b>Description</b>
15	<b>Variance for homebound individuals.</b> Makes a conforming change, to allow for photographs submitted within the past eight years as part of an identification card issuance under a variance for homebound individuals.
16	<b>Driver and vehicle services information system; security and auditing.</b> Amends requirements on halting MNDRIVE access privileges. Directs the department to create an appeals process following revocation of access privileges.
17	<b>Examination subjects and locations; provisions for color blindness, disabled veterans.</b> Sets driver's exam station requirements including to establish a minimum of 40 exam stations statewide and require real-time appointment information online.
18	<b>Waiver when license issued by another jurisdiction.</b> Removes the knowledge exam and road test requirements for an applicant for a driver's license, or a motorcycle endorsement, who is at least 21 and holds a license or endorsement from another state that requires similar examinations.
19	<b>Examination fees.</b> Amends the fees, to unspecified amounts, for third and subsequent knowledge tests as well as road exams.
20	<b>Expiration.</b> Lengthens the typical valid period for a driver's license, from four to eight years. (Issuance periods for under-21 and provisional licenses are unchanged.)
21	<b>Extension of expiration.</b> Modifies a driver's license expiration extension provision for eligible license holders who are outside the state, to lengthen the minimum valid period for a driver's license from four to eight years.
22	<b>Vehicle services operating account.</b> Appropriates amounts to be specified from the vehicle services operating account on a per online transaction and a per mailed transaction basis, for administrative expenses.
23	<b>Full-service provider account.</b> Establishes a full-service provider account in the special revenue fund (which receives a portion of some fee revenue). Makes a statutory appropriation of available funds in the account to the Department of Public Safety for distribution to full-service

Section	Description
	providers on a quarterly basis. The distribution is proportional based on transactions completed by each provider.
24	<b>Report; transition to digital titles and drivers' licenses.</b> Directs the Department of Public Safety to provide a legislative report on transitioning to digital driver's licenses and vehicle documents. Specifies aspects to include in the report. Makes the report due by December 15, 2022.
25	<b>Report; Department of Natural Resources; potential use of MNDRIIVE.</b> Directs the Departments of Public Safety and Natural Resources (DNR) to provide a legislative report on potential of transition from the DNR system of watercraft and off-road vehicle registration to use MNDRIIVE. Specifies aspects to include in the report. Makes the report due by December 15, 2022.
26	<b>Report; implementation of driver and vehicle services recommendations.</b> <b>Subd. 1. Recommendations.</b> Identifies a list for driver and vehicle services to consider in agency practice changes and areas of further analysis by the department, based on recommendations in the independent expert review submitted in January, 2022. <b>Subd. 2. Legislative report.</b> Directs the Department of Public Safety to provide a legislative report on implementation or non-implementation of each identified recommendation from the independent expert review as well as from a 2021 report by the Office of the Legislative Auditor. Specifies details to include in the report. Makes the report due by December 15, 2022.  Effective the day after enactment.
27	<b>Effective date.</b> Makes the act effective August 1, 2022, unless specified otherwise.



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