

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 1122**

(SENATE AUTHORS: FRANZEN)

DATE  
02/11/2019

D-PG

Introduction and first reading  
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to transportation; providing for mileage-based user fee pilot program;  
1.3 requiring a report; appropriating money.

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

1.5 Section 1. **MILEAGE-BASED USER FEE PILOT PROGRAM.**

1.6 Subdivision 1. Pilot program established. As provided in this section, the commissioner  
1.7 of transportation shall develop a mileage-based user fee pilot program to facilitate  
1.8 development of a feasible mileage-based user fee system in Minnesota.

1.9 Subd. 2. Objectives. The pilot program under this section must:

1.10 (1) consider the analysis, findings, and recommendations from previous research in  
1.11 Minnesota, including but not limited to: (i) the Mileage-Based User Fee Policy Task Force  
1.12 report; (ii) mileage-based user fee policy study materials; and (iii) the Minnesota Road Fee  
1.13 Test;

1.14 (2) identify and implement the steps necessary to develop a mileage-based user fee  
1.15 system in Minnesota;

1.16 (3) demonstrate and evaluate technical approaches in hardware and devices, data  
1.17 management, and fee collection;

1.18 (4) demonstrate and evaluate approaches in program operations;

1.19 (5) analyze options and policy questions in mileage-based user fee system design; and

1.20 (6) result in a near-term capacity to implement or phase in a statewide mileage-based  
1.21 user fee system.

2.1 Subd. 3. **Administration.** Under the pilot program, the commissioner of transportation  
2.2 may:

2.3 (1) establish an advisory panel of stakeholders;

2.4 (2) enter into one or more agreements for pilot program implementation, administration,  
2.5 or evaluation;

2.6 (3) partner with other states;

2.7 (4) develop recommendations for mileage-based user fee system design; and

2.8 (5) produce an implementation plan or framework approach for implementing a statewide  
2.9 mileage-based user fee system.

2.10 Subd. 4. **Pilot program data.** (a) The following data pertaining to participation in the  
2.11 pilot program are classified as nonpublic data, as defined in Minnesota Statutes, section  
2.12 13.02, subdivision 9, or private data on individuals, as defined in Minnesota Statutes, section  
2.13 13.02, subdivision 12:

2.14 (1) names of participants, participants' contact information, and data contained in any  
2.15 applications to participate in the pilot program;

2.16 (2) participants' applications for the purchase, lease, or rental of a global positioning  
2.17 system navigation device;

2.18 (3) participants' vehicle identification data;

2.19 (4) participants' financial and credit data; and

2.20 (5) participants' road usage data.

2.21 (b) Nothing in this section prohibits the production of summary data, as defined in  
2.22 Minnesota Statutes, section 13.02, subdivision 19, pertaining to types of vehicles used and  
2.23 road usage data, provided the participants' identities or any other unique identifying  
2.24 characteristics are not ascertainable.

2.25 (c) Notwithstanding Minnesota Statutes, section 13.03, subdivision 6, the Department  
2.26 of Transportation shall only provide the nonpublic data under this subdivision to federal,  
2.27 state, and local law enforcement authorities acting pursuant to a valid probable cause search  
2.28 warrant.

2.29 Subd. 5. **Legislative report.** By December 1, 2021, the commissioner of transportation  
2.30 shall submit a legislative report on the pilot program to the chairs and ranking minority  
2.31 members of the legislative committees with jurisdiction over transportation policy and

3.1 finance. At a minimum, the report must include a summary of the pilot program, a review  
 3.2 of system design options and recommendations, and any other key outcomes and findings.

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

3.4 Sec. 2. **APPROPRIATION; MILEAGE-BASED USER FEE PILOT PROGRAM.**

3.5 \$..... in fiscal year 2020 is appropriated from the highway user tax distribution fund to  
 3.6 the commissioner of transportation for the mileage-based user fee pilot program under  
 3.7 section 1. This is a onetime appropriation and is available in fiscal years 2020 to 2022.