

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

S.F. No. 5284

(SENATE AUTHORS: DIBBLE, Morrison, Port and McEwen)

DATE	D-PG	OFFICIAL STATUS
04/02/2024	13338	Introduction and first reading Referred to Transportation
04/25/2024	14829a	Comm report: To pass as amended and re-refer to Finance
05/01/2024	15598a	Comm report: To pass as amended
	15675	Rule 12.10: report of votes in committee Rule 21, referred to Rules and Administration
05/02/2024		Comm report: Adopt previous comm report Second reading Authors added Port; McEwen Referred to for comparison with HF5242

1.1 A bill for an act

1.2 relating to state government; appropriating money for a supplemental budget for

1.3 the Department of Transportation, Department of Public Safety, and the

1.4 Metropolitan Council; modifying prior appropriations; modifying various provisions

1.5 related to transportation and public safety, including but not limited to greenhouse

1.6 gas emissions, electric-assisted bicycles, high voltage transmission lines, railroad

1.7 safety, roadable aircraft, overweight vehicle permits, pedestrian malls, motorcycle

1.8 riding rules, vehicle registration, auto dealers, deputy registrars and driver's license

1.9 agents, drivers' licenses, credentials issued in same-day driver's license pilot project,

1.10 vulnerable road users, traffic safety camera systems, and transit; establishing an

1.11 antidisplacement program in Blue Line light rail extension project corridor;

1.12 modifying supplemental appropriations and other provisions related to the

1.13 Department of Labor and Industry; modifying supplemental appropriations and

1.14 other provisions related to the Bureau of Mediation Services; making technical

1.15 and policy changes to certain public employee labor relations provisions; modifying

1.16 earned sick and safe time; appropriating money to the Minnesota Housing Finance

1.17 Agency; making policy, finance, and technical changes to housing provisions;

1.18 authorizing housing infrastructure bonds; establishing civil penalties; establishing

1.19 criminal penalties; establishing an advisory committee; establishing pilot programs;

1.20 authorizing rulemaking; requiring studies; requiring reports; appropriating money;

1.21 amending Minnesota Statutes 2022, sections 13.6905, by adding subdivisions;

1.22 13.824, subdivision 1, by adding a subdivision; 134A.09, subdivision 2a; 134A.10,

1.23 subdivision 3; 161.089; 161.3203, subdivision 4; 161.45, by adding subdivisions;

1.24 161.46, subdivision 1; 162.02, by adding a subdivision; 162.081, subdivision 4;

1.25 162.09, by adding a subdivision; 162.145, subdivision 5; 168.002, subdivisions

1.26 18, 24; 168.092; 168.12, subdivision 1; 168.127; 168.1282, subdivision 1; 168.27,

1.27 by adding a subdivision; 168.33, by adding a subdivision; 168A.03, subdivision

1.28 2; 168A.11, subdivision 1; 168B.035, subdivision 3; 169.011, subdivisions 3a, 44,

1.29 by adding subdivisions; 169.04; 169.06, by adding subdivisions; 169.14, subdivision

1.30 10, by adding subdivisions; 169.222, subdivisions 2, 6a, 6b; 169.346, subdivision

1.31 2; 169.685, subdivision 7; 169.79, by adding a subdivision; 169.869, subdivision

1.32 1; 169.974, subdivision 5; 169.99, subdivision 1; 171.01, subdivision 40, by adding

1.33 subdivisions; 171.06, subdivision 2a, by adding a subdivision; 171.061, by adding

1.34 a subdivision; 171.12, by adding a subdivision; 171.13, subdivision 9, by adding

1.35 a subdivision; 171.16, subdivision 3; 171.30, subdivision 1, by adding subdivisions;

1.36 171.335, subdivision 3; 174.02, by adding a subdivision; 174.185; 174.40,

1.37 subdivision 3; 174.75, subdivisions 1, 2, by adding a subdivision; 179A.041,

1.38 subdivision 2; 179A.09, by adding subdivisions; 179A.11, subdivisions 1, 2, by

2.1 adding a subdivision; 179A.12, subdivision 5; 179A.13, subdivisions 1, 2; 179A.40,
 2.2 subdivision 1; 179A.54, subdivision 5; 181.960, subdivision 3; 181A.03,
 2.3 subdivision 1, by adding subdivisions; 216E.02, subdivision 1; 221.0255,
 2.4 subdivision 4, by adding a subdivision; 297A.815, subdivision 3; 326B.89,
 2.5 subdivision 5; 341.28, by adding a subdivision; 341.29; 360.013, by adding a
 2.6 subdivision; 430.01, subdivisions 1, 2; 430.011, subdivisions 1, 2, 3; 430.023;
 2.7 430.031, subdivision 1; 430.13; 462A.02, subdivision 10; 462A.05, subdivisions
 2.8 14a, 14b, 15, 15b, 21, 23; 462A.07, by adding a subdivision; 462A.21, subdivision
 2.9 7; 462A.35, subdivision 2; 462A.37, by adding a subdivision; 462A.40, subdivisions
 2.10 2, 3; 469.012, by adding a subdivision; 473.13, by adding a subdivision; 473.388,
 2.11 by adding a subdivision; 473.3927; 473.3994, subdivisions 1a, 4, 7, 9, 14; 473.3995;
 2.12 473.3997; 473.405, subdivision 4; 473.4485, by adding a subdivision; 473.452;
 2.13 480.15, by adding a subdivision; 626.892, subdivision 10; Minnesota Statutes
 2.14 2023 Supplement, sections 13.43, subdivision 6; 116J.871, subdivision 1; 123B.935,
 2.15 subdivision 1; 161.178; 161.46, subdivision 2; 162.146, by adding a subdivision;
 2.16 168.33, subdivision 7; 168.345, subdivision 2; 169.011, subdivision 27; 171.06,
 2.17 subdivision 3; 171.061, subdivision 4; 171.0705, subdivision 2; 171.13, subdivision
 2.18 1; 171.301, subdivisions 3, 6; 174.49, subdivision 6; 174.634, subdivision 2, by
 2.19 adding a subdivision; 177.27, subdivision 4; 177.50, by adding subdivisions;
 2.20 179A.03, subdivisions 14, 18; 179A.041, subdivision 10; 179A.06, subdivision
 2.21 6; 179A.07, subdivisions 8, 9; 179A.10, subdivision 2; 179A.12, subdivisions 2a,
 2.22 6, 11; 181.032; 181.9445, subdivisions 4, 5, by adding a subdivision; 181.9446;
 2.23 181.9447, subdivisions 1, 3, 5, 10, 11, by adding a subdivision; 181.9448,
 2.24 subdivisions 1, 2, 3; 297A.993, subdivision 2a; 341.25; 341.28, subdivision 5;
 2.25 341.30, subdivision 4; 341.321; 341.33, by adding a subdivision; 341.355; 357.021,
 2.26 subdivision 6; 462A.05, subdivisions 14, 45; 462A.22, subdivision 1; 462A.37,
 2.27 subdivisions 2, 5; 462A.39, subdivision 2; 462A.395; 473.412, subdivisions 2, 3;
 2.28 473.4465, subdivision 4; Laws 2021, First Special Session chapter 5, article 4,
 2.29 section 141; Laws 2023, chapter 37, article 1, section 2, subdivisions 2, 17, 25,
 2.30 29, 32; article 2, section 12, subdivision 2; Laws 2023, chapter 53, article 14,
 2.31 section 1; article 19, sections 2, subdivisions 1, 3, 5; 4; Laws 2023, chapter 68,
 2.32 article 1, sections 2, subdivision 4; 3, subdivision 2; 17, subdivision 7; 20; article
 2.33 2, section 2, subdivisions 3, 4, 5, 7, 9; article 4, section 108; proposing coding for
 2.34 new law in Minnesota Statutes, chapters 161; 168; 169; 174; 181; 181A; 219;
 2.35 325F; 341; 430; 462A; repealing Minnesota Statutes 2022, sections 179.81; 179.82;
 2.36 179.83, subdivision 1; 179.84, subdivision 1; 179.85; 430.01, subdivision 4; Laws
 2.37 2023, chapter 37, article 2, section 13; Minnesota Rules, parts 5520.0100;
 2.38 5520.0110; 5520.0120, subparts 1, 2, 3, 4, 5, 6, 7; 5520.0200; 5520.0250, subparts
 2.39 1, 2, 4; 5520.0300; 5520.0500, subparts 1, 2, 3, 4, 5, 6; 5520.0520; 5520.0540;
 2.40 5520.0560; 5520.0600; 5520.0620; 5520.0700; 5520.0710; 5520.0800.

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

2.42 ARTICLE 1

2.43 TRANSPORTATION APPROPRIATIONS

2.44 Section 1. TRANSPORTATION APPROPRIATIONS.

2.45 The sums shown in the columns marked "Appropriations" are added to the appropriations
 2.46 in Laws 2023, chapter 68, article 1, to the agencies and for the purposes specified in this
 2.47 article. The appropriations are from the trunk highway fund, or another named fund, and
 2.48 are available for the fiscal years indicated for each purpose. Amounts for "Total
 2.49 Appropriation" and sums shown in the corresponding columns marked "Appropriations by
 2.50 Fund" are summary only and do not have legal effect. The figures "2024" and "2025" used

4.1 appropriation and is available until June 30,
 4.2 2026.

4.3 **Subd. 3. State Road Construction**

4.4 **(a) Operations and Maintenance**

-0-

1,205,000

4.5 \$1,000,000 is from the general fund for the
 4.6 traffic safety camera pilot program under
 4.7 Minnesota Statutes, section 169.147, and the
 4.8 evaluation and legislative report under article
 4.9 2, section 152. With the approval of the
 4.10 commissioner of transportation, any portion
 4.11 of this appropriation is available to the
 4.12 commissioner of public safety. This is a
 4.13 onetime appropriation and is available until
 4.14 June 30, 2029.

4.15 \$105,000 in fiscal year 2025 is for the cost of
 4.16 staff time to coordinate with the Public
 4.17 Utilities Commission relating to placement of
 4.18 high voltage transmission lines along trunk
 4.19 highways.

4.20 \$100,000 in fiscal year 2025 is from the
 4.21 general fund for the purchase of autonomous
 4.22 mowing equipment for industrial use. This is
 4.23 a onetime appropriation.

4.24 **(b) State Road Construction**

-0-

37,750,000

4.25 \$7,750,000 in fiscal year 2025 is for land
 4.26 acquisition, predesign, design, and
 4.27 construction of expanded truck parking at Big
 4.28 Spunk in Avon and Enfield Rest Areas and
 4.29 for the rehabilitation or replacement of truck
 4.30 parking information management system
 4.31 equipment at Department of
 4.32 Transportation-owned parking rest area
 4.33 locations. This is a onetime appropriation and
 4.34 is available until June 30, 2028.

5.1 \$20,000,000 in fiscal year 2025 is for the
 5.2 actual construction, reconstruction, and
 5.3 improvement of trunk highways, including
 5.4 design-build contracts, internal department
 5.5 costs associated with delivering the
 5.6 construction program, consultant usage to
 5.7 support these activities, and the cost of actual
 5.8 payments to landowners for lands acquired
 5.9 for highway rights-of-way, payment to lessees,
 5.10 interest subsidies, and relocation expenses.
 5.11 The base for this appropriation is \$10,000,000
 5.12 in each of fiscal years 2026 and 2027, and \$0
 5.13 thereafter.

5.14 \$10,000,000 in fiscal year 2025 is for the
 5.15 acquisition, environmental analysis, predesign,
 5.16 design, engineering, construction,
 5.17 reconstruction, and improvement of trunk
 5.18 highway bridges, including design-build
 5.19 contracts, program delivery, consultant usage
 5.20 to support these activities, and the cost of
 5.21 payments to landowners for lands acquired
 5.22 for highway right-of-way. Projects to
 5.23 construct, reconstruct, or improve trunk
 5.24 highway bridges from this appropriation must
 5.25 follow eligible investment priorities identified
 5.26 in the State Highway Investment Plan. The
 5.27 commissioner may use up to 17 percent of this
 5.28 appropriation for program delivery. This is a
 5.29 onetime appropriation and is available until
 5.30 June 30, 2028.

5.31 **(c) Corridors of Commerce**

-0-

5,450,000

5.32 This appropriation is for the corridors of
 5.33 commerce program under Minnesota Statutes,
 5.34 section 161.088. The commissioner may use
 5.35 up to 17 percent of the amount in each year

6.1 for program delivery. The base for this
 6.2 appropriation is \$10,000,000 in fiscal year
 6.3 2026 and \$60,000,000 in fiscal year 2027.

6.4 **Subd. 4. Agency Management**

6.5 **(a) Agency Services** -0- 244,000

6.6 This appropriation is from the general fund
 6.7 for costs related to complete streets
 6.8 implementation training under Minnesota
 6.9 Statutes, section 174.75, subdivision 2a. The
 6.10 base for this appropriation is \$243,000 in each
 6.11 of fiscal years 2026 and 2027.

6.12 **(b) Buildings** -0- 21,450,000

6.13 \$20,100,000 in fiscal year 2025 is for the
 6.14 transportation facilities capital improvement
 6.15 program under Minnesota Statutes, section
 6.16 174.595. This is a onetime appropriation and
 6.17 is available until June 30, 2028.

6.18 \$1,350,000 in fiscal year 2025 is for design,
 6.19 construction, and equipment required to
 6.20 upgrade the physical security elements and
 6.21 systems for the Department of Transportation
 6.22 building, attached tunnel systems, surrounding
 6.23 grounds, and parking facilities as identified in
 6.24 the 2017 Minnesota State Capitol complex
 6.25 physical security predesign and the updated
 6.26 assessment completed in 2022. This is a
 6.27 onetime appropriation and is available until
 6.28 June 30, 2028.

6.29 **Sec. 3. METROPOLITAN COUNCIL** \$ -0- 10,000,000

6.30 The appropriation in this section is from the
 6.31 general fund to the Metropolitan Council.

6.32 This appropriation is for a grant to Hennepin
 6.33 County to administer the Blue Line light rail

7.1 transit extension antidisplacement community
 7.2 prosperity program under article 2, sections
 7.3 133 and 135. This is a onetime appropriation
 7.4 and is available until June 30, 2027.
 7.5 Notwithstanding Minnesota Statutes, section
 7.6 16B.98, subdivision 14, the council must not
 7.7 use any amount of this appropriation for
 7.8 administrative costs.

7.9 **Sec. 4. DEPARTMENT OF PUBLIC SAFETY**

7.10 **Subdivision 1. Total Appropriation** **\$ -0- \$ 3,223,000**

7.11	<u>Appropriations by Fund</u>		
7.12	<u>2024</u>	<u>2025</u>	
7.13	<u>General</u>	<u>-0-</u>	<u>500,000</u>
7.14	<u>Special Revenue</u>	<u>-0-</u>	<u>2,723,000</u>

7.15 The appropriations in this section are to the
 7.16 commissioner of public safety.

7.17 The amounts that may be spent for each
 7.18 purpose are specified in the following
 7.19 subdivisions.

7.20 **Subd. 2. Driver and Vehicle Services** **-0- 2,523,000**

7.21 \$2,039,000 in fiscal year 2025 is from the
 7.22 driver and vehicle services operating account
 7.23 in the special revenue fund for additional staff
 7.24 and related operating costs to support testing
 7.25 at driver's license examination stations.

7.26 \$100,000 in fiscal year 2025 is from the driver
 7.27 and vehicle services operating account in the
 7.28 special revenue fund for costs related to the
 7.29 special license plate review committee study
 7.30 and report under article 2, section 150. This
 7.31 is a onetime appropriation and is available
 7.32 until June 30, 2026.

8.1 \$212,000 in fiscal year 2025 is from the driver
 8.2 and vehicle services operating account in the
 8.3 special revenue fund for costs related to (1)
 8.4 rewriting the driver's manual and the written
 8.5 portion of the driver's knowledge examination
 8.6 with the plain language standards required
 8.7 under Minnesota Statutes, section 171.13,
 8.8 subdivision 10, including translations into
 8.9 other languages as determined by the
 8.10 commissioner; and (2) the report under article
 8.11 2, section 149. This is a onetime appropriation.

8.12 \$172,000 in fiscal year 2025 is from the driver
 8.13 and vehicle services operating account in the
 8.14 special revenue fund for costs related to
 8.15 translating written materials and providing
 8.16 them to driver's license agents and deputy
 8.17 registrars as required under article 2, section
 8.18 140. This is a onetime appropriation.

8.19 Subd. 3. **Traffic Safety** -0- 700,000

8.20 \$500,000 in fiscal year 2025 is from the
 8.21 general fund for the Lights On grant program
 8.22 under Minnesota Statutes, section 169.515.

8.23 The commissioner must contract with the
 8.24 Lights On! microgrant program to administer
 8.25 and operate the grant program.

8.26 Notwithstanding Minnesota Statutes, section
 8.27 16B.98, subdivision 14, the commissioner may
 8.28 use up to two percent of this appropriation for
 8.29 administrative costs. This is a onetime
 8.30 appropriation.

8.31 \$200,000 in fiscal year 2025 is appropriated
 8.32 from the motorcycle safety account in the
 8.33 special revenue fund for the public education
 8.34 campaign on motorcycle operation under

9.1 article 2, section 144. This is a onetime
9.2 appropriation.

9.3 **Sec. 5. APPROPRIATION; DEPARTMENT OF COMMERCE.**

9.4 \$46,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
9.5 of commerce for an environmental review conducted by the Department of Commerce
9.6 Energy Environmental Review and Analysis unit, relating to the placement of high voltage
9.7 transmission lines along trunk highway rights-of-way.

9.8 **Sec. 6. APPROPRIATION; DEPARTMENT OF TRANSPORTATION.**

9.9 \$15,560,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
9.10 of transportation for trunk highway and local road projects, which may include but are not
9.11 limited to feasibility and corridor studies, project development, predesign, preliminary and
9.12 final design, engineering, environmental analysis and mitigation, right-of-way acquisition,
9.13 construction, and associated infrastructure improvements. This appropriation is available
9.14 for grants to local units of government. The commissioner may establish that a grant under
9.15 this section does not require a nonstate contribution. This is a onetime appropriation and is
9.16 available until June 30, 2029.

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

9.18 **Sec. 7. APPROPRIATION CANCELLATIONS; DEPARTMENT OF**
9.19 **TRANSPORTATION.**

9.20 (a) \$24,800,000 of the appropriation in fiscal year 2024 from the general fund for
9.21 Infrastructure Investment and Jobs Act (IIJA) discretionary matches under Laws 2023,
9.22 chapter 68, article 1, section 2, subdivision 5, paragraph (a), is canceled to the general fund.

9.23 (b) \$15,560,000 of the appropriation in fiscal year 2022 for trunk highway corridor
9.24 studies and local road grants under Laws 2021, First Special Session chapter 5, article 1,
9.25 section 6, is canceled to the general fund.

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

9.27 **Sec. 8. APPROPRIATION; DYNAMIC TRANSPORTATION OPTIONS STUDY.**

9.28 \$300,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
9.29 of transportation to conduct the dynamic transportation options study specified in article 2,
9.30 section 142. This is a onetime appropriation and is available until June 30, 2026.

10.1 Sec. 9. **APPROPRIATIONS; INTRA-AGENCY TRANSFER.**

10.2 (a) The commissioner of management and budget must consult with the commissioner
10.3 of transportation and the chair of the Metropolitan Council to identify the amounts of existing
10.4 appropriations to the Metropolitan Council from the general fund and other state sources
10.5 for the purposes of article 2, sections 88 and 119 to 126.

10.6 (b) The commissioner of management and budget must transfer the amounts identified
10.7 under paragraph (a) from the chair to the commissioner of transportation for the same
10.8 purposes.

10.9 (c) Within ten days of any transfers under paragraph (b), the commissioner of
10.10 management and budget must report the amounts to chairs and ranking minority members
10.11 of the legislative committees with jurisdiction over transportation policy and finance.

10.12 Sec. 10. **APPROPRIATION; OTHER ROADWAY SYSTEM.**

10.13 (a) \$4,000,000 in fiscal year 2025 is appropriated from the general fund to the
10.14 commissioner of transportation for a grant to a political subdivision that (1) has a directly
10.15 elected governing board, (2) is contained within a city of the first class, and (3) maintains
10.16 sole jurisdiction over a roadway system within the city. This appropriation is for the design,
10.17 engineering, construction, and reconstruction of roads on the roadway system. This is a
10.18 onetime appropriation and is available until June 30, 2027.

10.19 (b) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the
10.20 commissioner must not use any amount of this appropriation for administrative costs.

10.21 Sec. 11. **APPROPRIATION; TRUNK HIGHWAY 7 TRANSPORTATION**
10.22 **MANAGEMENT ORGANIZATION.**

10.23 \$200,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
10.24 of transportation for a grant to the city of Shorewood to develop a transportation management
10.25 organization along the marked Trunk Highway 7 corridor from the western border of
10.26 Hennepin County to Interstate Highway 494. Money under this section is available for
10.27 developing a comprehensive study and financial plan for a transportation management
10.28 organization in the cities and school districts along this corridor and connecting roadways.
10.29 The study must assess how the transportation management organization can develop resources
10.30 to meet the corridor's growing and changing transportation needs and prioritize
10.31 transportation-related challenges that affect vehicle, pedestrian, and bicycle safety; the
10.32 region's workforce; access to health care and schools; and quality of life. This is a onetime

11.1 appropriation. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the
 11.2 commissioner must not use any amount of this appropriation for administrative costs.

11.3 **Sec. 12. APPROPRIATION; TRUNK HIGHWAY 55.**

11.4 \$2,000,000 in fiscal year 2025 is appropriated from the trunk highway fund to the
 11.5 commissioner of transportation for an updated environmental impact statement relating to
 11.6 the reconstruction of marked Trunk Highway 55 from Hennepin County State-Aid Highway
 11.7 19, north of the city of Loretto to Hennepin County Road 118 near the city of Medina. This
 11.8 is a onetime appropriation and is available until June 30, 2026.

11.9 **Sec. 13. APPROPRIATION; UNIVERSITY OF MINNESOTA.**

11.10 \$350,000 in fiscal year 2025 is appropriated from the general fund to the Board of
 11.11 Regents of the University of Minnesota for the Center for Transportation Studies to conduct
 11.12 the study and produce the report on a clean transportation standard in Minnesota, as required
 11.13 under article 2, section 147. This is a onetime appropriation and is available until June 30,
 11.14 2026.

11.15 **Sec. 14. TRANSFERS.**

11.16 \$20,000,000 in fiscal year 2025 is transferred from the general fund to the small cities
 11.17 assistance account under Minnesota Statutes, section 162.145, subdivision 2. This is a
 11.18 onetime transfer. The amount transferred under this section must be allocated and distributed
 11.19 pursuant to Minnesota Statutes, section 162.145, in the July 2024 payment.

11.20 **Sec. 15. Laws 2023, chapter 68, article 1, section 2, subdivision 4, is amended to read:**

11.21 **Subd. 4. Local Roads**

11.22 **(a) County State-Aid Highways** 917,782,000 991,615,000

11.23 This appropriation is from the county state-aid
 11.24 highway fund under Minnesota Statutes,
 11.25 sections 161.081, 174.49, and 297A.815,
 11.26 subdivision 3, and chapter 162, and is
 11.27 available until June 30, 2033.

11.28 If the commissioner of transportation
 11.29 determines that a balance remains in the
 11.30 county state-aid highway fund following the
 11.31 appropriations and transfers made in this

12.1 paragraph and that the appropriations made
 12.2 are insufficient for advancing county state-aid
 12.3 highway projects, an amount necessary to
 12.4 advance the projects, not to exceed the balance
 12.5 in the county state-aid highway fund, is
 12.6 appropriated in each year to the commissioner.
 12.7 Within two weeks of a determination under
 12.8 this contingent appropriation, the
 12.9 commissioner of transportation must notify
 12.10 the commissioner of management and budget
 12.11 and the chairs, ranking minority members, and
 12.12 staff of the legislative committees with
 12.13 jurisdiction over transportation finance
 12.14 concerning funds appropriated. The governor
 12.15 must identify in the next budget submission
 12.16 to the legislature under Minnesota Statutes,
 12.17 section 16A.11, any amount that is
 12.18 appropriated under this paragraph.

12.19	(b) Municipal State-Aid Streets	236,360,000	251,748,000
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12.20 This appropriation is from the municipal
 12.21 state-aid street fund under Minnesota Statutes,
 12.22 chapter 162, and is available until June 30,
 12.23 2033.

12.24 If the commissioner of transportation
 12.25 determines that a balance remains in the
 12.26 municipal state-aid street fund following the
 12.27 appropriations and transfers made in this
 12.28 paragraph and that the appropriations made
 12.29 are insufficient for advancing municipal
 12.30 state-aid street projects, an amount necessary
 12.31 to advance the projects, not to exceed the
 12.32 balance in the municipal state-aid street fund,
 12.33 is appropriated in each year to the
 12.34 commissioner. Within two weeks of a
 12.35 determination under this contingent

13.1 appropriation, the commissioner of
 13.2 transportation must notify the commissioner
 13.3 of management and budget and the chairs,
 13.4 ranking minority members, and staff of the
 13.5 legislative committees with jurisdiction over
 13.6 transportation finance concerning funds
 13.7 appropriated. The governor must identify in
 13.8 the next budget submission to the legislature
 13.9 under Minnesota Statutes, section 16A.11, any
 13.10 amount that is appropriated under this
 13.11 paragraph.

13.12 **(c) Other Local Roads**

13.13 **(1) Local Bridges**

18,013,000

-0-

13.14 This appropriation is from the general fund to
 13.15 replace or rehabilitate local deficient bridges
 13.16 under Minnesota Statutes, section 174.50. This
 13.17 is a onetime appropriation and is available
 13.18 until June 30, 2027.

13.19 **(2) Local Road Improvement**

18,013,000

-0-

13.20 This appropriation is from the general fund
 13.21 for construction and reconstruction of local
 13.22 roads under Minnesota Statutes, section
 13.23 174.52. This is a onetime appropriation and
 13.24 is available until June 30, 2027.

13.25 **(3) Local Transportation Disaster Support**

4,300,000

1,000,000

13.26 This appropriation is from the general fund to
 13.27 provide:

13.28 (i) a cost-share for federal assistance from the
 13.29 Federal Highway Administration for the
 13.30 emergency relief program under United States
 13.31 Code, title 23, section 125-; and

13.32 (ii) assistance for roadway damage on the
 13.33 state-aid or federal-aid system associated with

14.1 state or federally declared disasters ineligible
 14.2 for assistance from existing state and federal
 14.3 disaster programs.

14.4 Of the appropriation in fiscal year 2024,
 14.5 \$3,300,000 is onetime and is available until
 14.6 June 30, 2027.

14.7	(4) Metropolitan Counties	20,000,000	-0-
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14.8 This appropriation is from the general fund
 14.9 for distribution to metropolitan counties as
 14.10 provided under Minnesota Statutes, section
 14.11 174.49, subdivision 5, for use in conformance
 14.12 with the requirements under Minnesota
 14.13 Statutes, section 174.49, subdivision 6.

14.14 Sec. 16. Laws 2023, chapter 68, article 1, section 3, subdivision 2, is amended to read:

14.15		85,654,000	
14.16	Subd. 2. Transit System Operations	<u>75,654,000</u>	32,654,000

14.17 This appropriation is for transit system
 14.18 operations under Minnesota Statutes, sections
 14.19 473.371 to 473.449.

14.20 ~~\$50,000,000~~ \$40,000,000 in fiscal year 2024
 14.21 is for a grant to Hennepin County for the Blue
 14.22 Line light rail transit extension project,
 14.23 including but not limited to predesign, design,
 14.24 engineering, environmental analysis and
 14.25 mitigation, right-of-way acquisition,
 14.26 construction, and acquisition of rolling stock.

14.27 Of this amount, ~~\$40,000,000~~ \$30,000,000 is
 14.28 available only upon entering a full funding
 14.29 grant agreement with the Federal Transit
 14.30 Administration by June 30, 2027. This is a
 14.31 onetime appropriation and is available until
 14.32 June 30, 2030.

15.1 \$3,000,000 in fiscal year 2024 is for highway
 15.2 bus rapid transit project development in the
 15.3 marked U.S. Highway 169 and marked Trunk
 15.4 Highway 55 corridors, including but not
 15.5 limited to feasibility study, predesign, design,
 15.6 engineering, environmental analysis and
 15.7 remediation, and right-of-way acquisition.

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

15.9 Sec. 17. Laws 2023, chapter 68, article 1, section 17, subdivision 7, is amended to read:

15.10 Subd. 7. **U.S. Highway 52 box culvert underpass; Dakota County.** \$2,000,000 in
 15.11 fiscal year 2024 is appropriated from the general fund to the commissioner of transportation
 15.12 for preliminary and final design, planning, engineering, environmental analysis, acquisition
 15.13 of permanent easements and rights-of-way, and construction of a box culvert underpass at
 15.14 or an alternative option near marked U.S. Highway 52 and Dakota County Road ~~6~~ 66 near
 15.15 the Hmong American Farmers Association. This is a onetime appropriation and is available
 15.16 until June 30, 2027.

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

15.18 Sec. 18. Laws 2023, chapter 68, article 1, section 20, is amended to read:

15.19 Sec. 20. **TRANSFERS.**

15.20 (a) \$152,650,000 in fiscal year 2024 is transferred from the general fund to the trunk
 15.21 highway fund for the state match for highway formula and discretionary grants under the
 15.22 federal Infrastructure Investment and Jobs Act, Public Law 117-58, and for related state
 15.23 investments.

15.24 (b) \$19,500,000 in fiscal year 2024 and ~~\$19,500,000~~ \$19,255,000 in fiscal year 2025
 15.25 are transferred from the general fund to the active transportation account under Minnesota
 15.26 Statutes, section 174.38. The base for this transfer is ~~\$8,875,000~~ \$8,630,000 in fiscal year
 15.27 2026 and ~~\$9,000,000~~ \$8,755,000 in fiscal year 2027.

15.28 (c) By June 30, 2023, the commissioner of management and budget must transfer any
 15.29 remaining unappropriated balance, estimated to be \$232,000, from the driver services
 15.30 operating account in the special revenue fund to the driver and vehicle services operating
 15.31 account under Minnesota Statutes, section 299A.705.

16.1 (d) By June 30, 2023, the commissioner of management and budget must transfer any
 16.2 remaining unappropriated balance, estimated to be \$13,454,000, from the vehicle services
 16.3 operating account in the special revenue fund to the driver and vehicle services operating
 16.4 account under Minnesota Statutes, section 299A.705.

16.5 Sec. 19. Laws 2023, chapter 68, article 2, section 2, subdivision 3, is amended to read:

16.6 **Subd. 3. Transportation Facilities Capital**
 16.7 **Improvements** 87,440,000

16.8 This appropriation is for ~~capital improvements~~
 16.9 ~~to Department of Transportation facilities. The~~
 16.10 ~~improvements must: (1) support the~~
 16.11 ~~programmatic mission of the department; (2)~~
 16.12 ~~extend the useful life of existing buildings; or~~
 16.13 ~~(3) renovate or construct facilities to meet the~~
 16.14 ~~department's current and future operational~~
 16.15 ~~needs~~ the transportation facilities capital
 16.16 program under Minnesota Statutes, section
 16.17 174.595.

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

16.19 Sec. 20. Laws 2023, chapter 68, article 2, section 2, subdivision 4, is amended to read:

16.20 **Subd. 4. Trunk Highway 65; Anoka County** 68,750,000

16.21 This appropriation is for ~~one or more grants~~
 16.22 ~~to the city of Blaine, Anoka County, or both~~
 16.23 ~~for the~~ predesign, right-of-way acquisition,
 16.24 design, engineering, and construction of
 16.25 intersection improvements along Trunk
 16.26 Highway 65 at 99th Avenue Northeast; 105th
 16.27 Avenue Northeast; Anoka County State-Aid
 16.28 Highway 12; 109th Avenue Northeast; 117th
 16.29 Avenue Northeast; and the associated frontage
 16.30 roads and backage roads within the trunk
 16.31 highway system.

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

17.1 Sec. 21. Laws 2023, chapter 68, article 2, section 2, subdivision 5, is amended to read:

17.2 **Subd. 5. U.S. Highway 10; Coon Rapids** 30,000,000

17.3 This appropriation is for ~~a grant to Anoka~~
 17.4 ~~County~~ for preliminary engineering,
 17.5 environmental analysis, final design,
 17.6 right-of-way acquisition, construction, and
 17.7 construction administration of a third travel
 17.8 lane in each direction of marked U.S. Highway
 17.9 10 from east of the interchange with Hanson
 17.10 Boulevard to Round Lake Boulevard in the
 17.11 city of Coon Rapids.

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

17.13 Sec. 22. Laws 2023, chapter 68, article 2, section 2, subdivision 7, is amended to read:

17.14 **Subd. 7. U.S. Highway 169 Interchange; Scott**
 17.15 **County** 4,200,000

17.16 This appropriation is for ~~a grant to Scott~~
 17.17 ~~County~~ to design and construct trunk highway
 17.18 improvements associated with an interchange
 17.19 at U.S. Highway 169, marked Trunk Highway
 17.20 282, and Scott County State-Aid Highway 9
 17.21 in the city of Jordan, including
 17.22 accommodations for bicycles and pedestrians
 17.23 and for bridge and road construction.

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

17.25 Sec. 23. Laws 2023, chapter 68, article 2, section 2, subdivision 9, is amended to read:

17.26 **Subd. 9. U.S. Highway 8; Chisago County** 42,000,000

17.27 This appropriation is for ~~a grant to Chisago~~
 17.28 ~~County~~ for predesign, design, engineering,
 17.29 and reconstruction of marked U.S. Highway
 17.30 8 from Karmel Avenue in Chisago City to
 17.31 marked Interstate Highway 35, including
 17.32 pedestrian and bike trails along and crossings

18.1 of this segment of marked U.S. Highway 8.
 18.2 The reconstruction project may include
 18.3 expanding segments of marked U.S. Highway
 18.4 8 to four lanes, constructing or reconstructing
 18.5 frontage roads and backage roads, and
 18.6 realigning local roads to consolidate, remove,
 18.7 and relocate access onto and off of U.S.
 18.8 Highway 8. This appropriation is for the
 18.9 portion of the project that is eligible for use
 18.10 of proceeds of trunk highway bonds. ~~This~~
 18.11 ~~appropriation is not available until the~~
 18.12 ~~commissioner of management and budget~~
 18.13 ~~determines that sufficient resources have been~~
 18.14 ~~committed from nonstate sources to complete~~
 18.15 ~~the project.~~

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

18.17 **ARTICLE 2**
 18.18 **TRANSPORTATION FINANCE POLICY**

18.19 Section 1. Minnesota Statutes 2022, section 13.6905, is amended by adding a subdivision
 18.20 to read:

18.21 Subd. 38. **Limited license data; treatment court information.** Access to data on limited
 18.22 license holders who are treatment court participants is governed by section 171.30,
 18.23 subdivision 6.

18.24 **EFFECTIVE DATE.** This section is effective August 1, 2024.

18.25 Sec. 2. Minnesota Statutes 2022, section 13.6905, is amended by adding a subdivision to
 18.26 read:

18.27 Subd. 39. **Traffic safety camera data.** Data related to traffic safety cameras are governed
 18.28 by section 169.147, subdivisions 14 to 16.

18.29 Sec. 3. Minnesota Statutes 2022, section 13.824, subdivision 1, is amended to read:

18.30 Subdivision 1. ~~**Definition**~~ **Definitions.** As used in (a) For purposes of this section, the
 18.31 following terms have the meanings given.

19.1 (b) "Automated license plate reader" means an electronic device mounted on a law
 19.2 enforcement vehicle or positioned in a stationary location that is capable of recording data
 19.3 on, or taking a photograph of, a vehicle or its license plate and comparing the collected data
 19.4 and photographs to existing law enforcement databases for investigative purposes. Automated
 19.5 license plate reader includes a device that is owned or operated by a person who is not a
 19.6 government entity to the extent that data collected by the reader are shared with a law
 19.7 enforcement agency. Automated license plate reader does not include a traffic safety camera
 19.8 system.

19.9 (c) "Traffic safety camera system" has the meaning given in section 169.011, subdivision
 19.10 85a.

19.11 Sec. 4. Minnesota Statutes 2022, section 13.824, is amended by adding a subdivision to
 19.12 read:

19.13 Subd. 2a. Limitations; certain camera systems. A person must not use a traffic safety
 19.14 camera system for purposes of this section.

19.15 Sec. 5. Minnesota Statutes 2023 Supplement, section 123B.935, subdivision 1, is amended
 19.16 to read:

19.17 Subdivision 1. **Training required.** (a) Each district must provide public school pupils
 19.18 enrolled in kindergarten through grade 3 with age-appropriate active transportation safety
 19.19 training. At a minimum, the training must include pedestrian safety, including crossing
 19.20 roads.

19.21 (b) Each district must provide public school pupils enrolled in grades 4 through 8 with
 19.22 age-appropriate active transportation safety training. At a minimum, the training must
 19.23 include:

19.24 (1) pedestrian safety, including crossing roads safely using the searching left, right, left
 19.25 for vehicles in traffic technique; ~~and~~

19.26 (2) bicycle safety, including relevant traffic laws, use and proper fit of protective
 19.27 headgear, bicycle parts and safety features, and safe biking techniques; and

19.28 (3) electric-assisted bicycle safety, including that a person under the age of 15 is not
 19.29 allowed to operate an electric-assisted bicycle.

19.30 (c) A nonpublic school may provide nonpublic school pupils enrolled in kindergarten
 19.31 through grade 8 with training as specified in paragraphs (a) and (b).

20.1 Sec. 6. Minnesota Statutes 2022, section 134A.09, subdivision 2a, is amended to read:

20.2 Subd. 2a. **Petty misdemeanor cases and criminal convictions; fee assessment.** (a) In
20.3 Hennepin County and Ramsey County, the district court administrator or a designee may,
20.4 upon the recommendation of the board of trustees and by standing order of the judges of
20.5 the district court, include in the costs or disbursements assessed against a defendant convicted
20.6 in the district court of the violation of a statute or municipal ordinance, a county law library
20.7 fee. This fee may be collected in all petty misdemeanor cases and criminal prosecutions in
20.8 which, upon conviction, the defendant may be subject to the payment of the costs or
20.9 disbursements in addition to a fine or other penalty. When a defendant is convicted of more
20.10 than one offense in a case, the county law library fee shall be imposed only once in that
20.11 case.

20.12 (b) The law library fee does not apply to a citation issued pursuant to sections 169.06,
20.13 subdivision 10, and 169.14, subdivision 13.

20.14 **EFFECTIVE DATE.** This section is effective June 1, 2025.

20.15 Sec. 7. Minnesota Statutes 2022, section 134A.10, subdivision 3, is amended to read:

20.16 Subd. 3. **Petty misdemeanor cases and criminal convictions; fee assessment.** (a) The
20.17 judge of district court may, upon the recommendation of the board of trustees and by standing
20.18 order, include in the costs or disbursements assessed against a defendant convicted in the
20.19 district court of the violation of any statute or municipal ordinance, in all petty misdemeanor
20.20 cases and criminal prosecutions in which, upon conviction, the defendant may be subject
20.21 to the payment of the costs or disbursements in addition to a fine or other penalty a county
20.22 law library fee. When a defendant is convicted of more than one offense in a case, the county
20.23 law library fee shall be imposed only once in that case. The item of costs or disbursements
20.24 may not be assessed for any offense committed prior to the establishment of the county law
20.25 library.

20.26 (b) The law library fee does not apply to citations issued pursuant to sections 169.06,
20.27 subdivision 10, and 169.14, subdivision 13.

20.28 **EFFECTIVE DATE.** This section is effective June 1, 2025.

20.29 Sec. 8. Minnesota Statutes 2022, section 161.089, is amended to read:

20.30 **161.089 REPORT ON DEDICATED FUND EXPENDITURES.**

20.31 By January 15 of each odd-numbered year, the commissioners of transportation and
20.32 public safety, in consultation with the commissioner of management and budget, must jointly

21.1 submit a report to the chairs and ranking minority members of the legislative committees
21.2 with jurisdiction over transportation finance. The report must:

21.3 (1) list detailed expenditures and transfers from the trunk highway fund and highway
21.4 user tax distribution fund for the previous two fiscal years and must include information on
21.5 the purpose of each expenditure.~~The report must;~~

21.6 (2) include a separate section that lists detailed expenditures and transfers from the trunk
21.7 highway fund and highway user tax distribution fund for cybersecurity; and

21.8 (3) include for each expenditure from the trunk highway fund an estimate of the
21.9 percentage of activities performed or purchases made with that expenditure that are not for
21.10 trunk highway purposes.

21.11 Sec. 9. Minnesota Statutes 2023 Supplement, section 161.178, is amended to read:

21.12 **161.178 TRANSPORTATION GREENHOUSE GAS EMISSIONS IMPACT**
21.13 **ASSESSMENT.**

21.14 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
21.15 the meanings given.

21.16 (b) "Applicable entity" means the commissioner with respect to a ~~capacity expansion~~
21.17 project or portfolio for inclusion in the state transportation improvement program or a
21.18 metropolitan planning organization with respect to a ~~capacity expansion~~ project or portfolio
21.19 for inclusion in the appropriate metropolitan transportation improvement program.

21.20 (c) "Assessment" means the ~~capacity expansion~~ impact assessment under this section.

21.21 (d) "Capacity expansion project" means a project for trunk highway construction or
21.22 reconstruction that:

21.23 (1) is a major highway project, as defined in section 174.56, subdivision 1, paragraph
21.24 (b); and

21.25 (2) adds highway traffic capacity or provides for grade separation of motor vehicle traffic
21.26 at an intersection, excluding auxiliary lanes with a length of less than 2,500 feet.

21.27 (e) "Greenhouse gas emissions" includes those emissions described in section 216H.01,
21.28 subdivision 2.

21.29 Subd. 2. **Project or portfolio assessment.** (a) Prior to inclusion of a ~~capacity expansion~~
21.30 project or portfolio in the state transportation improvement program or in a metropolitan
21.31 transportation improvement program, the applicable entity must perform a ~~capacity expansion~~

22.1 an impact assessment of the project or portfolio. Following the assessment, the applicable
 22.2 entity must determine if the project ~~conforms~~ or portfolio is proportionally in conformance
 22.3 with:

22.4 (1) the greenhouse gas emissions reduction targets under section 174.01, subdivision 3;
 22.5 and

22.6 (2) the vehicle miles traveled reduction targets established in the statewide multimodal
 22.7 transportation plan under section 174.03, subdivision 1a.

22.8 (b) If the applicable entity determines that the ~~capacity expansion~~ project or portfolio is
 22.9 not in conformance with paragraph (a), the applicable entity must:

22.10 (1) alter the scope or design of the project or any number of projects, add or remove one
 22.11 or more projects from the portfolio, or undertake a combination, and subsequently perform
 22.12 a revised assessment that meets the requirements under this section;

22.13 (2) interlink sufficient impact mitigation as provided in subdivision 4; or

22.14 (3) halt project development and disallow inclusion of the project or portfolio in the
 22.15 appropriate transportation improvement program.

22.16 Subd. 2a. **Applicable projects.** (a) For purposes of this section:

22.17 (1) prior to the date established under paragraph (b), a project or portfolio is a capacity
 22.18 expansion project; and

22.19 (2) on and after the date established under paragraph (b), a project or portfolio is a
 22.20 capacity expansion project or a collection of trunk highway and multimodal projects for a
 22.21 fiscal year and specific region.

22.22 (b) The commissioner must establish a date to implement impact assessments on the
 22.23 basis of assessing a portfolio or program of projects instead of on a project-by-project basis.

22.24 The date must be:

22.25 (1) August 1, 2027, which applies to projects that first enter the appropriate transportation
 22.26 improvement program for fiscal year 2031 or a subsequent year; or

22.27 (2) as established by the commissioner, if the commissioner:

22.28 (i) consults with metropolitan planning organizations;

22.29 (ii) prioritizes and makes reasonable efforts to meet the date under clause (1) or an earlier
 22.30 date;

23.1 (iii) determines that the date established under this clause is the earliest practicable in
 23.2 which the necessary models and tools are sufficient for analysis under this section; and

23.3 (iv) submits a notice to the chairs and ranking minority members of the legislative
 23.4 committees and divisions with jurisdiction over transportation finance and policy that must
 23.5 identify the date established and summarize the efforts under item (ii) and the determination
 23.6 under item (iii).

23.7 Subd. 3. **Assessment requirements.** (a) The commissioner must establish a process to
 23.8 ~~perform capacity expansion impact assessments. An assessment must provide for the~~
 23.9 ~~determination under subdivision 2.~~ implement the requirements under this section that
 23.10 includes:

23.11 (1) any necessary policies, procedures, manuals, and technical specifications;

23.12 (2) procedures to perform an impact assessment that provide for the determination under
 23.13 subdivision 2;

23.14 (3) in consultation with the technical advisory committee under section 161.1782, criteria
 23.15 for identification of a capacity expansion project; and

23.16 (4) related data reporting from local units of government on local multimodal
 23.17 transportation systems and local project impacts on greenhouse gas emissions and vehicle
 23.18 miles traveled.

23.19 (b) Analysis under an assessment must include but is not limited to estimates resulting
 23.20 from ~~the~~ a project or portfolio for the following:

23.21 (1) greenhouse gas emissions over a period of 20 years; and

23.22 (2) a net change in vehicle miles traveled for the affected network; and

23.23 (3) impacts to trunk highways and related impacts to local road systems, on a local,
 23.24 regional, or statewide basis, as appropriate.

23.25 Subd. 4. **Impact mitigation; interlinking.** (a) To provide for impact mitigation, the
 23.26 applicable entity must interlink the ~~capacity expansion~~ project or portfolio as provided in
 23.27 this subdivision.

23.28 (b) Impact mitigation is sufficient under subdivision 2, paragraph (b), if the ~~capacity~~
 23.29 ~~expansion~~ project or portfolio is interlinked to ~~mitigation offset~~ actions such that the total
 23.30 greenhouse gas emissions reduction from the ~~mitigation offset~~ actions, after accounting for
 23.31 the greenhouse gas emissions otherwise resulting from the ~~capacity expansion~~ project or

24.1 portfolio, is consistent with meeting the targets specified under subdivision 2, paragraph

24.2 (a). Each comparison under this paragraph must be performed over equal comparison periods.

24.3 (c) ~~A mitigation~~ An offset action consists of a project, program, ~~or~~ operations

24.4 modification, or mitigation plan in one or more of the following areas:

24.5 (1) transit expansion, including but not limited to regular route bus, arterial bus rapid
24.6 transit, highway bus rapid transit, rail transit, and intercity passenger rail;

24.7 (2) transit service improvements, including but not limited to increased service level,
24.8 transit fare reduction, and transit priority treatments;

24.9 (3) active transportation infrastructure;

24.10 (4) micromobility infrastructure and service, including but not limited to shared vehicle
24.11 services;

24.12 (5) transportation demand management, including but not limited to vanpool and shared
24.13 vehicle programs, remote work, and broadband access expansion;

24.14 (6) parking management, including but not limited to parking requirements reduction
24.15 or elimination and parking cost adjustments;

24.16 (7) land use, including but not limited to residential and other density increases, mixed-use
24.17 development, and transit-oriented development;

24.18 (8) infrastructure improvements related to traffic operations, including but not limited
24.19 to roundabouts and reduced conflict intersections; ~~and~~

24.20 (9) natural systems, including but not limited to prairie restoration, reforestation, and
24.21 urban green space; and

24.22 (10) as specified by the commissioner in the manner provided under paragraph (e).

24.23 (d) ~~A mitigation~~ An offset action may be identified as interlinked to the ~~capacity~~

24.24 ~~expansion project~~ or portfolio if:

24.25 (1) there is a specified project, program, ~~or~~ modification, or mitigation plan;

24.26 (2) the necessary funding sources are identified and sufficient amounts are committed;

24.27 (3) the mitigation is localized as provided in subdivision 5; and

24.28 (4) procedures are established to ensure that the mitigation action remains in substantially
24.29 the same form or a revised form that continues to meet the calculation under paragraph (b).

24.30 (e) The commissioner may authorize additional offset actions under paragraph (c) if:

25.1 (1) the offset action is reviewed and recommended by the technical advisory committee
 25.2 under section 161.1782; and

25.3 (2) the commissioner determines that the offset action is directly related to reduction in
 25.4 the transportation sector of greenhouse gas emissions or vehicle miles traveled.

25.5 Subd. 5. **Impact mitigation; localization.** (a) ~~A mitigation~~ An offset action under
 25.6 subdivision 4 must be localized in the following priority order:

25.7 (1) if the offset action is for one project, within or associated with at least one of the
 25.8 communities impacted by the ~~capacity expansion~~ project;

25.9 (2) if clause (1) does not apply or there is not a reasonably feasible location under clause
 25.10 (1), in areas of persistent poverty or historically disadvantaged communities, as measured
 25.11 and defined in federal law, guidance, and notices of funding opportunity;

25.12 (3) if there is not a reasonably feasible location under clauses (1) and (2), in the region
 25.13 of the ~~capacity expansion~~ project or portfolio; or

25.14 (4) if there is not a reasonably feasible location under clauses (1) to (3), on a statewide
 25.15 basis.

25.16 (b) The applicable entity must include an explanation regarding the feasibility and
 25.17 rationale for each mitigation action located under paragraph (a), clauses (2) to (4).

25.18 Subd. 6. **Public information.** The commissioner must publish information regarding
 25.19 ~~capacity expansion~~ impact assessments on the department's website. The information must
 25.20 include:

25.21 (1) for each project evaluated separately under this section, identification of ~~capacity~~
 25.22 ~~expansion projects~~ the project; and

25.23 (2) for each project evaluated separately, a summary that includes an overview of the
 25.24 ~~expansion impact~~ assessment, the impact determination by the commissioner, and project
 25.25 disposition, including a review of any ~~mitigation~~ offset actions;

25.26 (3) for each portfolio of projects, an overview of the projects, the impact determination
 25.27 by the commissioner, and a summary of any offset actions;

25.28 (4) a review of any interpretation of or additions to offset actions under subdivision 4;

25.29 (5) identification of the date established by the commissioner under subdivision 2a,
 25.30 paragraph (b);

25.31 (6) identification of any exemptions provided under subdivision 7, paragraph (b); and

26.1 (7) a summary of the activities of the technical advisory committee under section
 26.2 161.1782, including but not limited to any findings or recommendations made by the advisory
 26.3 committee.

26.4 Subd. 7. **Safety and well-being.** (a) The requirements of this section are in addition to
 26.5 and must not supplant the safety and well-being goals established under section 174.01,
 26.6 subdivision 2, clauses (1) and (2).

26.7 (b) The commissioner may exempt a project from the requirements under this section
 26.8 if the commissioner determines the project will result in a reduction in fatal and serious
 26.9 injuries and:

26.10 (1) the project is at an intersection or segment with a fatal and serious injury critical
 26.11 crash index rate of 1.5 or greater over the last five years; or

26.12 (2) the project is identified as a traffic safety priority with a high number of fatalities or
 26.13 serious injuries by the Metropolitan Council and Department of Transportation's principal
 26.14 arterial intersection conversion study or similar study.

26.15 (c) If the commissioner exempts a project under the conditions specified in paragraph
 26.16 (b), the reasons must be submitted to the chairs and ranking minority members of the
 26.17 legislative committees with jurisdiction over transportation within 90 days of the
 26.18 commissioner's decision.

26.19 Subd. 8. **Transportation impact assessment and mitigation account.** A transportation
 26.20 impact assessment and mitigation account is established in the special revenue fund. The
 26.21 account consists of funds provided by law and any other money donated, allotted, transferred,
 26.22 or otherwise provided to the account. Money in the account is annually appropriated to the
 26.23 commissioner and must only be expended on activities described or required under this
 26.24 section.

26.25 **EFFECTIVE DATE.** This section is effective February 1, 2025, except that subdivision
 26.26 8 is effective July 1, 2024. This section does not apply to a capacity expansion project that
 26.27 was either included in the state transportation improvement program or has been submitted
 26.28 for approval of the geometric layout before February 1, 2025.

26.29 Sec. 10. **[161.1782] TRANSPORTATION IMPACT ASSESSMENT; TECHNICAL**
 26.30 **ADVISORY COMMITTEE.**

26.31 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 26.32 the meanings given.

27.1 (b) "Advisory committee" means the technical advisory committee established in this
27.2 section.

27.3 (c) "Project or portfolio" is as provided in section 161.178.

27.4 Subd. 2. **Establishment.** The commissioner must establish a technical advisory committee
27.5 to assist in implementation review related to the requirements under section 161.178.

27.6 Subd. 3. **Membership; appointments.** The advisory committee is composed of the
27.7 following members:

27.8 (1) one member from the Department of Transportation, appointed by the commissioner
27.9 of transportation;

27.10 (2) one member from the Pollution Control Agency, appointed by the commissioner of
27.11 the Pollution Control Agency;

27.12 (3) one member from the Metropolitan Council, appointed by the chair of the
27.13 Metropolitan Council;

27.14 (4) one member from the Center for Transportation Studies, appointed by the president
27.15 of the University of Minnesota;

27.16 (5) one member representing metropolitan planning organizations outside the metropolitan
27.17 area, as defined in section 473.121, subdivision 2, appointed by the Association of
27.18 Metropolitan Planning Organizations;

27.19 (6) one member from the Minnesota County Engineers Association, appointed by the
27.20 commissioner of transportation;

27.21 (7) one member from the City Engineers Association of Minnesota, appointed by the
27.22 commissioner of transportation; and

27.23 (8) up to four members who are not employees of the state and who are not city or county
27.24 engineers, with no more than two who are employees of a political subdivision, appointed
27.25 by the commissioner of transportation.

27.26 Subd. 4. **Membership; requirements.** (a) To be eligible for appointment to the advisory
27.27 committee, an individual must have experience or expertise sufficient to provide assistance
27.28 in implementation or technical review related to the requirements under section 161.178.
27.29 Each appointing authority must consider appointment of individuals with expertise in travel
27.30 demand modeling, emissions modeling, traffic forecasting, land use planning, or
27.31 transportation-related greenhouse gas emissions assessment and analysis. In appointing the
27.32 members under subdivision 3, clause (6), the commissioner must also consider technical

28.1 expertise in other relevant areas that may include but is not limited to public health or natural
 28.2 systems management.

28.3 (b) Members of the advisory committee serve at the pleasure of the appointing authority.
 28.4 Vacancies must be filled by the appointing authority.

28.5 Subd. 5. **Duties.** The advisory committee must assist the commissioner in implementation
 28.6 of the requirements under section 161.178 and:

28.7 (1) perform technical review and validation of processes and methodologies used for
 28.8 impact assessment and impact mitigation;

28.9 (2) review and make recommendations on:

28.10 (i) impact assessment requirements;

28.11 (ii) models and tools for impact assessment;

28.12 (iii) methods to determine sufficiency of impact mitigation;

28.13 (iv) procedures for interlinking a project or portfolio to impact mitigation; and

28.14 (v) reporting and data collection;

28.15 (3) advise on the approach used to determine the area of influence for a project or portfolio
 28.16 for a geographic or transportation network area;

28.17 (4) develop recommendations on any clarifications, modifications, or additions to the
 28.18 offset actions authorized under section 161.178, subdivision 4; and

28.19 (5) perform other analysis or activities as requested by the commissioner.

28.20 Subd. 6. **Administration.** (a) The commissioner must provide administrative support
 28.21 to the advisory committee. Upon request, the commissioner must provide information and
 28.22 technical support to the advisory committee.

28.23 (b) Members of the advisory committee are not eligible for compensation under this
 28.24 section.

28.25 (c) The advisory committee is subject to the Minnesota Data Practices Act under chapter
 28.26 13 and to the Minnesota Open Meeting Law under chapter 13D.

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

28.28 Sec. 11. Minnesota Statutes 2022, section 161.3203, subdivision 4, is amended to read:

28.29 Subd. 4. **Reports Report.** (a) By September 1 of each year, the commissioner shall
 28.30 provide, no later than September 1, an annual written must submit a report to the legislature,

29.1 ~~in compliance with sections 3.195 and 3.197, and shall submit the report to the chairs and~~
 29.2 ~~ranking minority members of the senate and house of representatives~~ legislative committees
 29.3 having jurisdiction over transportation policy and finance.

29.4 (b) The report must list all privatization transportation contracts ~~within the meaning of~~
 29.5 ~~this section~~ that were executed or performed, whether wholly or in part, in the previous
 29.6 fiscal year. The report must identify, with respect to each contract:

29.7 (1) the contractor;

29.8 (2) contract amount;

29.9 (3) duration;

29.10 (4) work, provided or to be provided;

29.11 (5) the comprehensive estimate derived under subdivision 3, paragraph (a);

29.12 (6) the comprehensive estimate derived under subdivision 3, paragraph (b);

29.13 (7) the actual cost to the agency of the contractor's performance of the contract; and

29.14 (8) for contracts of at least \$250,000, a statement containing the commissioner's
 29.15 determinations under subdivision 3, paragraph (c).

29.16 (c) The report must collect aggregate data on each of the commissioner's district offices
 29.17 and the bridge office on barriers and challenges to the reduction of transportation contract
 29.18 privatization. The aggregate data must identify areas of concern related to transportation
 29.19 contract privatization and include information on:

29.20 (1) recruitment and retention of staff;

29.21 (2) expertise gaps;

29.22 (3) access to appropriate equipment; and

29.23 (4) the effects of geography, demographics, and socioeconomic data on transportation
 29.24 contract privatization rates.

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

29.26 Sec. 12. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
 29.27 read:

29.28 **Subd. 4. High voltage transmission; placement in right-of-way.** (a) For purposes of
 29.29 this subdivision and subdivisions 5 to 7, "high voltage transmission line" has the meaning
 29.30 given in section 216E.01, subdivision 4.

30.1 (b) Notwithstanding subdivision 1, paragraph (a), high voltage transmission lines, under
30.2 the laws of this state or the ordinance of any city or county, may be constructed, placed, or
30.3 maintained along any trunk highway, including an interstate highway and a trunk highway
30.4 that is an expressway or a freeway, except as deemed necessary by the commissioner of
30.5 transportation to protect public safety or ensure the proper function of the trunk highway
30.6 system.

30.7 (c) If the commissioner denies a high voltage electric line colocation request, the reasons
30.8 for the denial must be submitted for review to the chairs and ranking minority members of
30.9 the committees with jurisdiction over energy and transportation, the Public Utilities
30.10 Commission executive secretary, and the commissioner of commerce within 90 days of the
30.11 commissioner's denial.

30.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and
30.13 applies to colocation requests for a high voltage transmission line on or after that date.

30.14 Sec. 13. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
30.15 read:

30.16 Subd. 5. **High voltage transmission; coordination required.** Upon written request,
30.17 the commissioner must engage in coordination activities with a utility or transmission line
30.18 developer to review requested highway corridors for potential permitted locations for
30.19 transmission lines. The commissioner must assign a project coordinator within 30 days of
30.20 receiving the written request. The commissioner must share all known plans with affected
30.21 utilities or transmission line developers on potential future projects in the highway corridor
30.22 if the potential highway project impacts the placement or siting of high voltage transmission
30.23 lines.

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

30.25 Sec. 14. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
30.26 read:

30.27 Subd. 6. **High voltage transmission; constructability report; advance notice.** (a) If
30.28 the commissioner and a utility or transmission line developer identify a permissible route
30.29 along a highway corridor for possible colocation of transmission lines, a constructability
30.30 report must be prepared by the utility or transmission line developer in consultation with
30.31 the commissioner. A constructability report developed under this subdivision must be utilized
30.32 by both parties to plan and approve colocation projects.

31.1 (b) A constructability report developed under this section between the commissioner
31.2 and the parties seeking colocation must include terms and conditions for building the
31.3 colocation project. Notwithstanding the requirements in subdivision 1, the report must be
31.4 approved by the commissioner and the party or parties seeking colocation prior to the
31.5 commissioner approving and issuing a permit for use of the trunk highway right-of-way.

31.6 (c) A constructability report must include an agreed upon time frame for which there
31.7 may not be a request from the commissioner for relocation of the transmission line. If the
31.8 commissioner determines that relocation of a transmission line in the trunk highway
31.9 right-of-way is necessary, the commissioner, as much as practicable, must give a seven-year
31.10 advance notice.

31.11 (d) Notwithstanding the requirements of subdivision 7 and section 161.46, subdivision
31.12 2, if the commissioner requires the relocation of a transmission line in the interstate highway
31.13 right-of-way earlier than the agreed upon time frame in paragraph (c) in the constructability
31.14 report or provides less than a seven-year notice of relocation in the agreed upon
31.15 constructability report, the commissioner is responsible for 75 percent of the relocation
31.16 costs.

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

31.18 Sec. 15. Minnesota Statutes 2022, section 161.45, is amended by adding a subdivision to
31.19 read:

31.20 **Subd. 7. High voltage transmission; relocation reimbursement prohibited.** (a) A
31.21 high voltage transmission line that receives a route permit under chapter 216E on or after
31.22 July 1, 2024, is not eligible for relocation reimbursement under section 161.46, subdivision
31.23 2.

31.24 (b) If the commissioner orders relocation of a high voltage transmission line that is
31.25 subject to paragraph (a):

31.26 (1) a public utility, as defined in section 216B.02, subdivision 4, may recover its portion
31.27 of costs of relocating that the Public Utilities Commission deems prudently incurred as a
31.28 transmission cost adjustment pursuant to section 216B.16, subdivision 7b; and

31.29 (2) a consumer-owned utility, as defined in section 216B.2402, subdivision 2, may
31.30 recover its portion of costs of relocating the line in any manner approved by its governing
31.31 board.

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

32.1 Sec. 16. Minnesota Statutes 2022, section 161.46, subdivision 1, is amended to read:

32.2 Subdivision 1. **Definitions.** ~~(a)~~ For the purposes of this section the following terms ~~shall~~
32.3 have the meanings ~~ascribed to~~ given them:

32.4 ~~(1)~~ (b) "Utility" means all publicly, privately, and cooperatively owned systems for
32.5 supplying power, light, gas, telegraph, telephone, water, pipeline, or sewer service if such
32.6 systems be authorized by law to use public highways for the location of its facilities.

32.7 ~~(2)~~ (c) "Cost of relocation" means the entire amount paid by such utility properly
32.8 attributable to such relocation after deducting therefrom any increase in the value of the
32.9 new facility and any salvage value derived from the old facility.

32.10 (d) "High voltage transmission line" has the meaning given in section 216E.01,
32.11 subdivision 4.

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

32.13 Sec. 17. Minnesota Statutes 2023 Supplement, section 161.46, subdivision 2, is amended
32.14 to read:

32.15 Subd. 2. **Relocation of facilities; reimbursement.** ~~(a)~~ Whenever the commissioner ~~shall~~
32.16 ~~determine~~ determines that the relocation of any utility facility is necessitated by the
32.17 construction of a project on the routes of federally aided ~~state~~ trunk highways, including
32.18 urban extensions thereof, ~~which routes that~~ that are included within the National System of
32.19 Interstate Highways, the owner or operator of ~~such~~ the utility facility ~~shall~~ must relocate
32.20 ~~the same utility facility~~ in accordance with the order of the commissioner. After the
32.21 ~~completion of such relocation the cost thereof shall be ascertained and paid by the state out~~
32.22 ~~of trunk highway funds; provided, however, the amount to be paid by the state for such~~
32.23 ~~reimbursement shall not exceed the amount on which the federal government bases its~~
32.24 ~~reimbursement for said interstate system.~~ Except as provided in section 161.45, subdivision
32.25 6, paragraph (d), or 7, upon the completion of relocation of a utility facility, the cost of
32.26 relocation must be ascertained and paid out of the trunk highway fund by the commissioner,
32.27 provided the amount paid by the commissioner for reimbursement to a utility does not
32.28 exceed the amount on which the federal government bases its reimbursement for the interstate
32.29 highway system.

32.30 ~~(b) Notwithstanding paragraph (a), on or after January 1, 2024, any entity that receives~~
32.31 ~~a route permit under chapter 216E for a high-voltage transmission line necessary to~~
32.32 ~~interconnect an electric power generating facility is not eligible for relocation reimbursement~~

33.1 ~~unless the entity directly, or through its members or agents, provides retail electric service~~
 33.2 ~~in this state.~~

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

33.4 Sec. 18. Minnesota Statutes 2022, section 162.02, is amended by adding a subdivision to
 33.5 read:

33.6 Subd. 4a. **Location and establishment; limitations.** The county state-aid highway
 33.7 system must not include a segment of a county highway that is designated as a pedestrian
 33.8 mall under chapter 430.

33.9 Sec. 19. Minnesota Statutes 2022, section 162.081, subdivision 4, is amended to read:

33.10 Subd. 4. **Formula for distribution to towns; purposes.** (a) Money apportioned to a
 33.11 county from the town road account must be distributed to the treasurer of each town within
 33.12 the county, according to a distribution formula adopted by the county board. The formula
 33.13 must take into account each town's population and town road mileage, and other factors the
 33.14 county board deems advisable in the interests of achieving equity among the towns.

33.15 Distribution of town road funds to each town treasurer must be made by March 1, annually,
 33.16 or within 30 days after receipt of payment from the commissioner. Distribution of funds to
 33.17 town treasurers in a county which has not adopted a distribution formula under this
 33.18 subdivision must be made according to a formula prescribed by the commissioner by rule.

33.19 (b) Money distributed to a town under this subdivision may be expended by the town
 33.20 only for the construction, reconstruction, and gravel maintenance of town roads within the
 33.21 town, including debt service for bonds issued by the town in accordance with chapter 475,
 33.22 provided that the bonds are issued for a use allowable under this paragraph.

33.23 Sec. 20. Minnesota Statutes 2022, section 162.09, is amended by adding a subdivision to
 33.24 read:

33.25 Subd. 6a. **Location and establishment; limitations.** The municipal state-aid street
 33.26 system must not include a segment of a city street that is designated as a pedestrian mall
 33.27 under chapter 430.

33.28 Sec. 21. Minnesota Statutes 2022, section 162.145, subdivision 5, is amended to read:

33.29 Subd. 5. **Use of funds.** (a) Funds distributed under this section are available only for
 33.30 construction and maintenance of roads located within the city, including:

34.1 (1) land acquisition, environmental analysis, design, engineering, construction,
34.2 reconstruction, and maintenance;

34.3 (2) road projects partially located within the city;

34.4 (3) projects on county state-aid highways located within the city; ~~and~~

34.5 (4) cost participation on road projects under the jurisdiction of another unit of
34.6 government; and

34.7 (5) debt service for obligations issued by the city in accordance with chapter 475, provided
34.8 that the obligations are issued for a use allowable under this section.

34.9 (b) Except for projects under paragraph (a), clause (3), funds distributed under this
34.10 section are not subject to state-aid requirements under this chapter, including but not limited
34.11 to engineering standards adopted by the commissioner in rules.

34.12 Sec. 22. Minnesota Statutes 2023 Supplement, section 162.146, is amended by adding a
34.13 subdivision to read:

34.14 Subd. 3. Use of funds. (a) Funds distributed under this section are available only for
34.15 construction and maintenance of roads located within the city, including:

34.16 (1) land acquisition, environmental analysis, design, engineering, construction,
34.17 reconstruction, and maintenance;

34.18 (2) road projects partially located within the city;

34.19 (3) projects on municipal state-aid streets located within the city;

34.20 (4) projects on county state-aid highways located within the city;

34.21 (5) cost participation on road projects under the jurisdiction of another unit of government;
34.22 and

34.23 (6) debt service for obligations issued by the city in accordance with chapter 475, provided
34.24 that the obligations are issued for a use allowable under this section.

34.25 (b) Except for projects under paragraph (a), clauses (3) and (4), funds distributed under
34.26 this section are not subject to state-aid requirements under this chapter, including but not
34.27 limited to engineering standards adopted by the commissioner in rules.

34.28 Sec. 23. Minnesota Statutes 2022, section 168.002, subdivision 18, is amended to read:

34.29 Subd. 18. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle designed
34.30 and originally manufactured to operate primarily on highways, and not operated exclusively

35.1 upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle
 35.2 and includes vehicles known as trackless trolleys that are propelled by electric power obtained
 35.3 from overhead trolley wires but not operated upon rails.

35.4 (b) "Motor vehicle" includes an all-terrain vehicle only if the all-terrain vehicle (1) has
 35.5 at least four wheels, (2) is owned and operated by a physically disabled person, and (3)
 35.6 displays both disability plates and a physically disabled certificate issued under section
 35.7 169.345.

35.8 (c) "Motor vehicle" does not include an all-terrain vehicle except (1) an all-terrain vehicle
 35.9 described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before
 35.10 August 1, 1985. The owner may continue to license an all-terrain vehicle described in clause
 35.11 (2) as a motor vehicle until it is conveyed or otherwise transferred to another owner, is
 35.12 destroyed, or fails to comply with the registration and licensing requirements of this chapter.

35.13 (d) "Motor vehicle" does not include a snowmobile; a manufactured home; a park trailer;
 35.14 an electric personal assistive mobility device as defined in section 169.011, subdivision 26;
 35.15 a motorized foot scooter as defined in section 169.011, subdivision 46; or an electric-assisted
 35.16 bicycle as defined in section 169.011, subdivision 27.

35.17 (e) "Motor vehicle" includes an off-highway motorcycle modified to meet the
 35.18 requirements of chapter 169 according to section 84.788, subdivision 12.

35.19 (f) "Motor vehicle" includes a roadable aircraft as defined in section 169.011, subdivision
 35.20 67a.

35.21 Sec. 24. Minnesota Statutes 2022, section 168.002, subdivision 24, is amended to read:

35.22 Subd. 24. **Passenger automobile.** (a) "Passenger automobile" means any motor vehicle
 35.23 designed and used for carrying not more than 15 individuals, including the driver.

35.24 (b) "Passenger automobile" does not include motorcycles, motor scooters, buses, school
 35.25 buses, or commuter vans as defined in section 168.126.

35.26 (c) "Passenger automobile" includes, but is not limited to:

35.27 (1) a vehicle that is a pickup truck or a van as defined in subdivisions 26 and 40;

35.28 (2) neighborhood electric vehicles, as defined in section 169.011, subdivision 47; ~~and~~

35.29 (3) medium-speed electric vehicles, as defined in section 169.011, subdivision 39; and

35.30 (4) roadable aircraft, as defined in section 169.011, subdivision 67a.

36.1 Sec. 25. Minnesota Statutes 2022, section 168.092, is amended to read:

36.2 **168.092 ~~24-DAY~~ 60-DAY TEMPORARY VEHICLE PERMIT.**

36.3 Subdivision 1. **Resident buyer.** The motor vehicle registrar may issue a permit to a
36.4 person purchasing a new or used motor vehicle in this state for the purpose of allowing the
36.5 purchaser a reasonable time to register the vehicle and pay fees and taxes due on the transfer.
36.6 The permit is valid for a period of ~~24~~ 60 days. The permit must be in a form as the registrar
36.7 may determine, affixed to the rear of the vehicle where a license plate would normally be
36.8 affixed, and plainly visible. Each permit is valid only for the vehicle for which issued.

36.9 Subd. 2. **Dealer.** The registrar may issue permits to licensed dealers. When issuing a
36.10 permit, the dealer shall complete the permit in the manner prescribed by the department.

36.11 **EFFECTIVE DATE.** This section is effective October 1, 2024, for permits issued on
36.12 or after that date.

36.13 Sec. 26. Minnesota Statutes 2022, section 168.12, subdivision 1, is amended to read:

36.14 Subdivision 1. **Plates; design, visibility, periods of issuance.** (a) The commissioner,
36.15 upon approval and payment, shall issue to the applicant the plates required by this chapter,
36.16 bearing the state name and an assigned vehicle registration number. The number assigned
36.17 by the commissioner may be a combination of a letter or sign with figures. The color of the
36.18 plates and the color of the abbreviation of the state name and the number assigned must be
36.19 in marked contrast. The plates must be lettered, spaced, or distinguished to suitably indicate
36.20 the registration of the vehicle according to the rules of the commissioner.

36.21 (b) When a vehicle is registered on the basis of total gross weight, the plates issued must
36.22 clearly indicate by letters or other suitable insignia the maximum gross weight for which
36.23 the tax has been paid.

36.24 (c) Plates issued to a noncommercial vehicle must bear the inscription "noncommercial"
36.25 unless the vehicle is displaying a special plate authorized and issued under this chapter.

36.26 (d) A one-ton pickup truck that is used for commercial purposes and is subject to section
36.27 168.185, is eligible to display special plates as authorized and issued under this chapter.

36.28 (e) The plates must be so treated as to be at least 100 times brighter than the conventional
36.29 painted number plates. When properly mounted on an unlighted vehicle, the plates, when
36.30 viewed from a vehicle equipped with standard headlights, must be visible for a distance of
36.31 not less than 1,500 feet and readable for a distance of not less than 110 feet.

36.32 (f) The commissioner shall issue plates for the following periods:

37.1 (1) New plates issued pursuant to section 168.012, subdivision 1, must be issued to a
37.2 vehicle for as long as the vehicle is owned by the exempt agency and the plate shall not be
37.3 transferable from one vehicle to another but the plate may be transferred with the vehicle
37.4 from one tax-exempt agency to another.

37.5 (2) Plates issued for passenger automobiles must be issued for a seven-year period. All
37.6 plates issued under this paragraph must be replaced if they are seven years old or older at
37.7 the time of registration renewal or will become so during the registration period.

37.8 (3) Plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, must be
37.9 for a seven-year period.

37.10 (4) Plates issued under subdivisions 2c and 2d and sections 168.123, 168.1235, and
37.11 168.1255 must be issued for the life of the veteran under section 169.79.

37.12 (5) Plates for any vehicle not specified in clauses (1) to (3) must be issued for the life
37.13 of the vehicle.

37.14 (g) In a year in which plates are not issued, the commissioner shall issue for each
37.15 registration a sticker to designate the year of registration. This sticker must show the year
37.16 or years for which the sticker is issued, and is valid only for that period. The plates and
37.17 stickers issued for a vehicle may not be transferred to another vehicle during the period for
37.18 which the sticker is issued, except when issued for a vehicle registered under section 168.187.

37.19 (h) Despite any other provision of this subdivision, plates issued to a vehicle used for
37.20 behind-the-wheel instruction in a driver education course in a public school may be
37.21 transferred to another vehicle used for the same purpose without payment of any additional
37.22 fee. The public school shall notify the commissioner of each transfer of plates under this
37.23 paragraph. The commissioner may prescribe a format for notification.

37.24 (i) In lieu of plates required under this section, the commissioner must issue a registration
37.25 number identical to the federally issued tail number assigned to the aircraft for roadable
37.26 aircraft operating on public roadways.

37.27 Sec. 27. Minnesota Statutes 2022, section 168.127, is amended to read:

37.28 **168.127 FLEET VEHICLES; REGISTRATION, FEE.**

37.29 Subdivision 1. **Unique registration category.** (a) A unique registration category is
37.30 established for vehicles and trailers of a fleet. Vehicles registered in the fleet must be issued
37.31 a distinctive license plate. The design and size of the fleet license plate must be determined
37.32 by the commissioner.

38.1 (b) A deputy registrar may issue replacement license plates for qualified vehicles in a
38.2 registered fleet pursuant to section 168.29.

38.3 Subd. 2. **Annual registration period.** The annual registration period for vehicles in the
38.4 fleet ~~will be~~ is determined by the commissioner. The applicant must provide all information
38.5 necessary to qualify as a fleet registrant, including a list of all vehicles in the fleet. On initial
38.6 registration, all taxes and fees for vehicles in the fleet must be reassessed based on the
38.7 expiration date.

38.8 Subd. 3. **Registration cards issued.** (a) On approval of the application for fleet
38.9 registration, the commissioner must issue a registration card for each qualified vehicle in
38.10 the fleet. The registration card must be carried in the vehicle at all times and be made
38.11 available to a peace officer on demand. The registered gross weight must be indicated on
38.12 the license plate.

38.13 (b) A new vehicle may be registered to an existing fleet upon application to a deputy
38.14 registrar and payment of the fee under section 168.33, subdivision 7.

38.15 (c) A deputy registrar must issue a replacement registration card for any registered fleet
38.16 or any qualified vehicle in a registered fleet upon application.

38.17 Subd. 4. **Filing registration applications.** Initial fleet applications for registration and
38.18 renewals must be filed with the ~~registrar~~ commissioner or authorized deputy registrar.

38.19 Subd. 5. **Renewal of fleet registration.** On the renewal of a fleet registration, the
38.20 registrant ~~shall~~ must pay full licensing fees for every vehicle registered in the preceding
38.21 year unless the vehicle has been properly deleted from the fleet. In order to delete a vehicle
38.22 from a fleet, the fleet registrant must surrender to the commissioner the registration card
38.23 and license plates. The ~~registrar~~ commissioner may authorize alternative methods of deleting
38.24 vehicles from a fleet, including destruction of the license plates and registration cards. If
38.25 the card or license plates are lost or stolen, the fleet registrant ~~shall~~ must submit a sworn
38.26 statement stating the circumstances for the inability to surrender the card, stickers, and
38.27 license plates. ~~The commissioner shall assess~~ A fleet registrant who fails to renew the
38.28 licenses issued under this section or fails to report the removal of vehicles from the fleet
38.29 within 30 days of the vehicles' removal must pay a penalty of 20 percent of the total tax due
38.30 on the fleet against the fleet registrant who fails to renew the licenses issued under this
38.31 section or fails to report the removal of vehicles from the fleet within 30 days. The penalty
38.32 must be paid within 30 days after it is assessed.

39.1 Subd. 6. ~~Fee.~~ Instead of The applicant for fleet registration must pay the filing fee
 39.2 described in section 168.33, subdivision 7, the applicant for fleet registration shall pay an
 39.3 equivalent administrative fee to the commissioner for each vehicle in the fleet.

39.4 **EFFECTIVE DATE.** This section is effective October 1, 2024, for fleet vehicle
 39.5 transactions on or after that date.

39.6 Sec. 28. Minnesota Statutes 2022, section 168.1282, subdivision 1, is amended to read:

39.7 Subdivision 1. **Issuance of plates.** The commissioner must issue "Start Seeing
 39.8 Motorcycles" special license plates or a single motorcycle plate to an applicant who:

39.9 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
 39.10 truck, motorcycle, or recreational vehicle;

39.11 (2) pays a fee in the amount specified for special plates under section 168.12, subdivision
 39.12 5, for each set of plates;

39.13 (3) pays the registration tax as required under section 168.013, along with any other fees
 39.14 required by this chapter;

39.15 (4) contributes a minimum of \$10 annually to the motorcycle safety ~~fund~~ account, created
 39.16 under section 171.06, subdivision 2a, ~~paragraph (a), clause (1);~~ and

39.17 (5) complies with this chapter and rules governing registration of motor vehicles and
 39.18 licensing of drivers.

39.19 **EFFECTIVE DATE.** This section is effective July 1, 2024.

39.20 Sec. 29. **[168.24] ROADABLE AIRCRAFT REGISTRATION.**

39.21 (a) For purposes of this section, "roadable aircraft" has the meaning given in section
 39.22 360.013, subdivision 57c.

39.23 (b) An owner of a roadable aircraft must comply with all rules and requirements of this
 39.24 chapter and chapter 168A governing the titling, registration, taxation, and insurance of
 39.25 motor vehicles.

39.26 (c) A person seeking to register a roadable aircraft for operation as a motor vehicle on
 39.27 public roadways in Minnesota must apply to the commissioner. The application must contain:

39.28 (1) the name and address of the owner of the roadable aircraft;

39.29 (2) the federally issued tail number assigned to the aircraft;

39.30 (3) the make and model of the roadable aircraft; and

40.1 (4) any other information the commissioner may require.

40.2 (d) Upon receipt of a valid and complete application for registration of a roadable aircraft,
40.3 the commissioner must issue a certificate of registration.

40.4 (e) A valid registration certificate issued under this section must be located inside the
40.5 roadable aircraft when the aircraft is in operation on a public highway.

40.6 (f) A roadable aircraft registered as a motor vehicle under this section must also be
40.7 registered as an aircraft as provided in section 360.60.

40.8 Sec. 30. Minnesota Statutes 2022, section 168.27, is amended by adding a subdivision to
40.9 read:

40.10 Subd. 17a. **Dealers; duplicate or replacement plates.** (a) For purposes of this
40.11 subdivision, "motor vehicle dealer" has the meaning given in section 168.002, subdivision
40.12 6; "duplicate or replacement plates" means replacement plates issued under section 168.29;
40.13 and "registration" has the meaning given in section 168A.01, subdivision 16c.

40.14 (b) Notwithstanding section 168A.11, subdivision 1, and after the 48-hour notification
40.15 period under section 168A.11, subdivision 2, has expired, a licensed motor vehicle dealer
40.16 seeking duplicate or replacement plates for a motor vehicle held for resale and currently
40.17 registered in Minnesota under section 168.12 must submit to the commissioner an application
40.18 for a certificate of title under section 168A.05. The dealer may contract this service to a
40.19 deputy registrar and the registrar may charge a fee of \$7 per transaction to provide the
40.20 service under section 168A.11, subdivision 1, paragraph (e).

40.21 **EFFECTIVE DATE.** This section is effective October 1, 2024.

40.22 Sec. 31. Minnesota Statutes 2023 Supplement, section 168.33, subdivision 7, is amended
40.23 to read:

40.24 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes:

40.25 (1) an \$8 filing fee is imposed on every vehicle registration renewal, excluding pro rate
40.26 transactions; and

40.27 (2) a \$12 filing fee is imposed on every other type of vehicle transaction, including motor
40.28 carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

40.29 (b) Notwithstanding paragraph (a):

40.30 (1) a filing fee may not be charged for a document returned for a refund or for a correction
40.31 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

41.1 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
41.2 vehicle.

41.3 (c) The filing fee must be shown as a separate item on all registration renewal notices
41.4 sent out by the commissioner.

41.5 (d) The statutory fees and taxes, the filing fees imposed under paragraph (a), and the
41.6 surcharge imposed under paragraph (f) may be paid by credit card or debit card. The deputy
41.7 registrar may collect a surcharge on the payment made under this paragraph not greater than
41.8 the cost of processing a credit card or debit card transaction, in accordance with emergency
41.9 rules established by the commissioner of public safety. The surcharge authorized by this
41.10 paragraph must be used to pay the cost of processing credit and debit card transactions.

41.11 (e) The fees collected under paragraph (a) by the department must be allocated as follows:

41.12 (1) of the fees collected under paragraph (a), clause (1):

41.13 (i) \$6.50 must be deposited in the driver and vehicle services operating account under
41.14 section 299A.705, subdivision 1; and

41.15 (ii) \$1.50 must be deposited in the driver and vehicle services technology account under
41.16 section 299A.705, subdivision 3; and

41.17 (2) of the fees collected under paragraph (a), clause (2):

41.18 (i) \$3.50 must be deposited in the general fund;

41.19 (ii) \$7 must be deposited in the driver and vehicle services operating account under
41.20 section 299A.705, subdivision 1; and

41.21 (iii) \$1.50 must be deposited in the driver and vehicle services technology account under
41.22 section 299A.705, subdivision 3.

41.23 (f) In addition to all other statutory fees and taxes, a deputy registrar must assess a \$1
41.24 surcharge on every transaction for which filing fees are collected under this subdivision.
41.25 The surcharge authorized by this paragraph must be (1) deposited in the treasury of the
41.26 place for which the deputy registrar is appointed, or (2) if the deputy registrar is not a public
41.27 official, retained by the deputy registrar. For purposes of this paragraph, a deputy registrar
41.28 does not include the commissioner.

41.29 (g) At least quarterly, the commissioner must compile data related to transactions
41.30 completed by deputy registrars for which no filing fee under this section was collected, and
41.31 distribute to each deputy registrar an amount calculated as (1) the number of no-fee
41.32 transactions completed by that deputy registrar, multiplied by (2) \$25. The total amount

42.1 distributed to deputy registrars under this paragraph is appropriated to the commissioner
 42.2 from the driver and vehicle services operating account in the special revenue fund.

42.3 Sec. 32. Minnesota Statutes 2022, section 168.33, is amended by adding a subdivision to
 42.4 read:

42.5 Subd. 8b. **Open bidding.** (a) Notwithstanding any statute or rule to the contrary, if a
 42.6 deputy registrar appointed under this section permanently stops offering services at the
 42.7 approved office location and permanently closes the approved office location, the
 42.8 commissioner must allow an open bidding process for the appointment of a replacement
 42.9 deputy registrar. If available, the replacement deputy registrar appointed by the commissioner
 42.10 under this section must continue to offer services at the approved office location. If the
 42.11 existing office location is not available to the replacement deputy registrar, the replacement
 42.12 office location must be within the same county.

42.13 (b) The commissioner must not give any preference to any partner, owner, manager, or
 42.14 employee of the closed deputy registrar office location in the open bidding process.

42.15 (c) The commissioner must adopt rules to administer and enforce an open bidding process
 42.16 to select a replacement deputy registrar. If the replacement deputy registrar elects to not
 42.17 offer services at the office location of the prior registrar, the Minnesota Rules, chapter 7406,
 42.18 governing the selection of a proposed office location of a driver's license agent apply.

42.19 **EFFECTIVE DATE.** This section is effective October 1, 2025.

42.20 Sec. 33. Minnesota Statutes 2023 Supplement, section 168.345, subdivision 2, is amended
 42.21 to read:

42.22 Subd. 2. **Lessees; information.** (a) The commissioner may not furnish information about
 42.23 registered owners of ~~passenger automobiles who are~~ motor vehicle lessees under a lease
 42.24 for a term of 180 days or more to any person except:

42.25 (1) the owner of the vehicle;

42.26 (2) the lessee;

42.27 (3) personnel of law enforcement agencies ~~and~~;

42.28 (4) trade associations performing a member service under section 604.15, subdivision
 42.29 4a, ~~and~~;

42.30 (5) licensed dealers in connection with a vehicle sale or lease;

42.31 (6) federal, state, and local governmental units; and;

43.1 (7) at the commissioner's discretion, to persons who use the information to notify lessees
43.2 of automobile recalls.

43.3 (b) The commissioner may release information about motor vehicle lessees in the form
43.4 of summary data, as defined in section 13.02, to persons who use the information in
43.5 conducting statistical analysis and market research.

43.6 **EFFECTIVE DATE.** This section is effective October 1, 2024.

43.7 Sec. 34. Minnesota Statutes 2022, section 168A.03, subdivision 2, is amended to read:

43.8 Subd. 2. **Dealers.** Except as provided in section 168.27, subdivision 17a, no certificate
43.9 of title need be obtained for a vehicle owned by a manufacturer or dealer and held for sale,
43.10 even though incidentally moved on the highway or used pursuant to section 168.27 or
43.11 168.28, or a vehicle used by a manufacturer solely for testing.

43.12 **EFFECTIVE DATE.** This section is effective October 1, 2024.

43.13 Sec. 35. Minnesota Statutes 2022, section 168A.11, subdivision 1, is amended to read:

43.14 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who
43.15 buys a vehicle and holds it for resale need not apply for a certificate of title, except as
43.16 provided under section 168.27, subdivision 17a. Upon transferring the vehicle to another
43.17 person, other than by the creation of a security interest, the dealer shall promptly execute
43.18 the assignment and warranty of title by a dealer, showing the names and addresses of the
43.19 transferee and of any secured party holding a security interest created or reserved at the
43.20 time of the resale, and the date of the security agreement in the spaces provided therefor on
43.21 the certificate of title or secure reassignment.

43.22 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the
43.23 dealer need not register the vehicle except as provided in section 168.27, subdivision 17a.
43.24 If a dealer elects to apply for a certificate of title on a vehicle held for resale but is not
43.25 requesting duplicate or replacement plates under section 168.12, the dealer need not register
43.26 the vehicle but shall pay one month's registration tax. If a dealer elects to apply for a
43.27 certificate of title on a vehicle held for resale, the department shall not place any legend on
43.28 the title that no motor vehicle sales tax was paid by the dealer, but may indicate on the title
43.29 whether the vehicle is a new or used vehicle.

43.30 (c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer
43.31 shall also, in the space provided therefor on the certificate of title or secure reassignment,
43.32 state the true cumulative mileage registered on the odometer or that the exact mileage is

44.1 unknown if the odometer reading is known by the transferor to be different from the true
44.2 mileage.

44.3 (d) The transferee shall complete the application for title section on the certificate of
44.4 title or separate title application form prescribed by the department. The dealer shall mail
44.5 or deliver the certificate to the registrar or deputy registrar with the transferee's application
44.6 for a new certificate and appropriate taxes and fees, within ~~ten business~~ 30 days.

44.7 (e) With respect to vehicles sold to buyers who will remove the vehicle from this state,
44.8 the dealer shall remove any license plates from the vehicle, issue a 31-day temporary permit
44.9 pursuant to section 168.091, and notify the registrar within 48 hours of the sale that the
44.10 vehicle has been removed from this state. The notification must be made in an electronic
44.11 format prescribed by the registrar. The dealer may contract with a deputy registrar for the
44.12 notification of sale to an out-of-state buyer. The deputy registrar may charge a fee of \$7 per
44.13 transaction to provide this service.

44.14 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
44.15 after that date.

44.16 Sec. 36. Minnesota Statutes 2022, section 168B.035, subdivision 3, is amended to read:

44.17 Subd. 3. **Towing prohibited.** (a) A towing authority may not tow a motor vehicle
44.18 because:

44.19 (1) the vehicle has expired registration tabs that have been expired for less than 90 days;
44.20 ~~or~~

44.21 (2) the vehicle is at a parking meter on which the time has expired and the vehicle has
44.22 fewer than five unpaid parking tickets; or

44.23 (3) the vehicle is identified in conjunction with a citation to the vehicle owner or lessee
44.24 for (i) a violation under section 169.06, subdivision 10, or (ii) a violation under section
44.25 169.14, subdivision 13.

44.26 (b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:

44.27 (1) the vehicle is parked in violation of snow emergency regulations;

44.28 (2) the vehicle is parked in a rush-hour restricted parking area;

44.29 (3) the vehicle is blocking a driveway, alley, or fire hydrant;

44.30 (4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is
44.31 prohibited;

- 45.1 (5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;
- 45.2 (6) the vehicle is parked in a disability transfer zone or disability parking space without
45.3 a disability parking certificate or disability license plates;
- 45.4 (7) the vehicle is parked in an area that has been posted for temporary restricted parking
45.5 (i) at least 12 hours in advance in a home rule charter or statutory city having a population
45.6 under 50,000, or (ii) at least 24 hours in advance in another political subdivision;
- 45.7 (8) the vehicle is parked within the right-of-way of a controlled-access highway or within
45.8 the traveled portion of a public street when travel is allowed there;
- 45.9 (9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by
45.10 fire, police, public safety, or emergency vehicles;
- 45.11 (10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International
45.12 Airport owned by the Metropolitan Airports Commission;
- 45.13 (11) a law enforcement official has probable cause to believe that the vehicle is stolen,
45.14 or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably
45.15 necessary to obtain or preserve the evidence;
- 45.16 (12) the driver, operator, or person in physical control of the vehicle is taken into custody
45.17 and the vehicle is impounded for safekeeping;
- 45.18 (13) a law enforcement official has probable cause to believe that the owner, operator,
45.19 or person in physical control of the vehicle has failed to respond to five or more citations
45.20 for parking or traffic offenses;
- 45.21 (14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use
45.22 by taxicabs;
- 45.23 (15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;
- 45.24 (16) the vehicle is parked, on a school day during prohibited hours, in a school zone on
45.25 a public street where official signs prohibit parking; or
- 45.26 (17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section
45.27 168B.011, and subject to immediate removal under this chapter.
- 45.28 (c) A violation under section 169.06, subdivision 10, or 169.14, subdivision 13, is not
45.29 a traffic offense under paragraph (b), clause (13).

45.30 Sec. 37. Minnesota Statutes 2022, section 169.011, subdivision 3a, is amended to read:

45.31 Subd. 3a. **Autocycle.** (a) "Autocycle" means a motorcycle that:

- 46.1 (1) has three wheels in contact with the ground;
- 46.2 (2) is designed with seating that does not require operators or any occupants to straddle
- 46.3 or sit astride it;
- 46.4 (3) has a steering wheel;
- 46.5 (4) is equipped with antilock brakes; and
- 46.6 (5) is originally manufactured to meet federal motor vehicle safety standards for
- 46.7 motorcycles in Code of Federal Regulations, title 49, part 571, and successor requirements.

46.8 (b) An autocycle does not include a roadable aircraft as defined in subdivision 67a.

46.9 Sec. 38. Minnesota Statutes 2023 Supplement, section 169.011, subdivision 27, is amended

46.10 to read:

46.11 Subd. 27. **Electric-assisted bicycle.** (a) "Electric-assisted bicycle" means a bicycle with

46.12 two or three wheels that:

46.13 (1) has a saddle and fully operable pedals for human propulsion;

46.14 (2) meets the requirements for bicycles under Code of Federal Regulations, title 16, part

46.15 1512, or successor requirements;

46.16 (3) is equipped with an electric motor that has a power output of not more than 750

46.17 watts;

46.18 (4) meets the requirements of a class 1, class 2, ~~or~~ class 3, or multiple mode

46.19 electric-assisted bicycle; and

46.20 (5) has a battery or electric drive system that has been tested to an applicable safety

46.21 standard by a third-party testing laboratory.

46.22 (b) A vehicle is not an electric-assisted bicycle if it is designed, manufactured, or intended

46.23 by the manufacturer or seller to be configured or modified to not meet the requirements for

46.24 an electric-assisted bicycle or operate within the requirements for an electric-assisted bicycle

46.25 class, including:

46.26 (1) a mechanical switch or button;

46.27 (2) a modification or change in the software controlling the electric drive system;

46.28 (3) the use of an application; or

46.29 (4) through any other means intended by the manufacturer or seller to modify the vehicle

46.30 to no longer meet the requirements or classification of an electric-assisted bicycle.

47.1 Sec. 39. Minnesota Statutes 2022, section 169.011, subdivision 44, is amended to read:

47.2 Subd. 44. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle
47.3 for the use of the rider and designed to travel on not more than three wheels in contact with
47.4 the ground, including motor scooters and autocycles. Motorcycle does not include (1)
47.5 motorized bicycles as defined in subdivision 45, (2) electric-assisted bicycles as defined in
47.6 subdivision 27, ~~or~~ (3) a tractor, or (4) roadable aircraft as defined in subdivision 67a.

47.7 Sec. 40. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
47.8 to read:

47.9 Subd. 45a. **Multiple mode electric-assisted bicycle.** "Multiple mode electric-assisted
47.10 bicycle" means an electric-assisted bicycle equipped with switchable or programmable
47.11 modes that provide for operation as two or more of a class 1, class 2, or class 3
47.12 electric-assisted bicycle in conformance with the definition and requirements under this
47.13 chapter for each respective class.

47.14 Sec. 41. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
47.15 to read:

47.16 Subd. 62b. **Red light camera system.** "Red light camera system" means an electronic
47.17 system of one or more cameras or other motor vehicle sensors that is specifically designed
47.18 to automatically produce recorded images of a motor vehicle operated in violation of a
47.19 traffic-control signal, including related information technology for recorded image storage,
47.20 retrieval, and transmission.

47.21 Sec. 42. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
47.22 to read:

47.23 Subd. 67a. **Roadable aircraft.** "Roadable aircraft" means any aircraft capable of taking
47.24 off and landing from a suitable airfield which is also designed to be operated on a public
47.25 highway as a motor vehicle.

47.26 Sec. 43. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
47.27 to read:

47.28 Subd. 77a. **Speed safety camera system.** "Speed safety camera system" means an
47.29 electronic system of one or more cameras or other motor vehicle sensors that is specifically
47.30 designed to automatically produce recorded images of a motor vehicle operated in violation

48.1 of the speed limit, including related information technology for recorded image storage,
48.2 retrieval, and transmission.

48.3 Sec. 44. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
48.4 to read:

48.5 Subd. 85a. **Traffic safety camera system.** "Traffic safety camera system" means a red
48.6 light camera system, a speed safety camera system, or both in combination.

48.7 Sec. 45. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision
48.8 to read:

48.9 Subd. 92b. **Vulnerable road user.** "Vulnerable road user" means a person in the
48.10 right-of-way of a highway, including but not limited to a bikeway and an adjacent sidewalk
48.11 or trail, who is:

48.12 (1) a pedestrian;

48.13 (2) on a bicycle, electric-assisted bicycle, or other nonmotorized vehicle or device;

48.14 (3) on an electric personal assistive mobility device;

48.15 (4) on an implement of husbandry; or

48.16 (5) riding an animal.

48.17 Vulnerable road user includes the operator and any passengers for a vehicle, device, or
48.18 personal conveyance identified in this subdivision.

48.19 Sec. 46. Minnesota Statutes 2022, section 169.04, is amended to read:

48.20 **169.04 LOCAL AUTHORITY.**

48.21 (a) The provisions of this chapter shall not be deemed to prevent local authorities, with
48.22 respect to streets and highways under their jurisdiction, and with the consent of the
48.23 commissioner, with respect to state trunk highways, within the corporate limits of a
48.24 municipality, or within the limits of a town in a county in this state now having or which
48.25 may hereafter have, a population of 500,000 or more, and a land area of not more than 600
48.26 square miles, and within the reasonable exercise of the police power from:

48.27 (1) regulating the standing or parking of vehicles;

48.28 (2) regulating traffic by means of police officers or traffic-control signals;

48.29 (3) regulating or prohibiting processions or assemblages on the highways;

49.1 (4) designating particular highways as one-way roadways and requiring that all vehicles,
49.2 except emergency vehicles, when on an emergency run, thereon be moved in one specific
49.3 direction;

49.4 (5) designating any highway as a through highway and requiring that all vehicles stop
49.5 before entering or crossing the same, or designating any intersection as a stop intersection,
49.6 and requiring all vehicles to stop at one or more entrances to such intersections;

49.7 (6) restricting the use of highways as authorized in sections 169.80 to 169.88;

49.8 (7) regulating speed limits through the use of a speed safety camera system implemented
49.9 under section 169.147; and

49.10 (8) regulating traffic control through the use of a red light camera system implemented
49.11 under section 169.147.

49.12 (b) No ordinance or regulation enacted under paragraph (a), clause (4), (5), or (6), shall
49.13 be effective until signs giving notice of such local traffic regulations are posted upon and
49.14 kept posted upon or at the entrance to the highway or part thereof affected as may be most
49.15 appropriate.

49.16 (c) No ordinance or regulation enacted under paragraph (a), clause (3), or any other
49.17 provision of law shall prohibit:

49.18 (1) the use of motorcycles or vehicles utilizing flashing red lights for the purpose of
49.19 escorting funeral processions, oversize buildings, heavy equipment, parades or similar
49.20 processions or assemblages on the highways; or

49.21 (2) the use of motorcycles or vehicles that are owned by the funeral home and that utilize
49.22 flashing red lights for the purpose of escorting funeral processions.

49.23 (d) Ordinances or regulations enacted under paragraph (a), clauses (7) and (8), may only
49.24 be effective after June 1, 2025, and before June 1, 2029.

49.25 Sec. 47. Minnesota Statutes 2022, section 169.06, is amended by adding a subdivision to
49.26 read:

49.27 Subd. 10. **Red light camera; penalty.** (a) Subject to subdivision 11, if a motor vehicle
49.28 is operated in violation of a traffic-control signal and the violation is identified through the
49.29 use of a red light camera system implemented under section 169.147, the owner of the
49.30 vehicle or the lessee of the vehicle is guilty of a petty misdemeanor and must pay a fine of
49.31 \$40.

50.1 (b) A person who commits a first offense under paragraph (a) must be given a warning
50.2 and is not subject to a fine or conviction under paragraph (a). A person who commits a
50.3 second offense under paragraph (a) is eligible for diversion, which must include a traffic
50.4 safety course established under section 169.147, subdivision 11. A person who enters
50.5 diversion and completes the traffic safety course is not subject to a fine or conviction under
50.6 paragraph (a).

50.7 (c) This subdivision applies to violations committed on or after June 1, 2025, and before
50.8 June 1, 2029.

50.9 Sec. 48. Minnesota Statutes 2022, section 169.06, is amended by adding a subdivision to
50.10 read:

50.11 Subd. 11. **Red light camera; limitations.** (a) An owner or lessee of a motor vehicle is
50.12 not subject to a fine or conviction under subdivision 10 if any of the conditions under section
50.13 169.14, subdivision 14, paragraph (a), clauses (1) to (6), are met.

50.14 (b) The owner or lessee of a motor vehicle may not be issued a citation under subdivision
50.15 10 and under another subdivision in this section for the same conduct.

50.16 (c) A fine or conviction under subdivision 10 does not constitute grounds for revocation
50.17 or suspension of a person's driver's license.

50.18 (d) This subdivision applies to violations committed on or after June 1, 2025, and before
50.19 June 1, 2029.

50.20 Sec. 49. Minnesota Statutes 2022, section 169.14, subdivision 10, is amended to read:

50.21 Subd. 10. **Radar; speed-measuring device; standards of evidence.** (a) In any
50.22 prosecution in which the rate of speed of a motor vehicle is relevant, evidence of the speed
50.23 as indicated on radar or other speed-measuring device, including but not limited to a speed
50.24 safety camera system, is admissible in evidence, subject to the following conditions:

50.25 (1) the officer or traffic enforcement agent under section 169.147 operating the device
50.26 has sufficient training to properly operate the equipment;

50.27 (2) the officer or traffic enforcement agent testifies as to the manner in which the device
50.28 was set up and operated;

50.29 (3) the device was operated with minimal distortion or interference from outside sources;
50.30 and

51.1 (4) the device was tested by an accurate and reliable external mechanism, method, or
51.2 system at the time it was set up.

51.3 (b) Records of tests made of such devices and kept in the regular course of operations
51.4 of any law enforcement agency are admissible in evidence without further foundation as to
51.5 the results of the tests. The records shall be available to a defendant upon demand. Nothing
51.6 in this subdivision shall be construed to preclude or interfere with cross examination or
51.7 impeachment of evidence of the rate of speed as indicated on the radar or speed-measuring
51.8 device.

51.9 (c) Evidence from a speed safety camera system may be used solely for a citation or
51.10 prosecution for a violation under subdivision 13.

51.11 Sec. 50. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to
51.12 read:

51.13 Subd. 13. **Speed safety camera; penalty.** (a) Subject to subdivision 14, if a motor
51.14 vehicle is operated in violation of a speed limit and the violation is identified through the
51.15 use of a speed safety camera system implemented under section 169.147, the owner of the
51.16 vehicle or the lessee of the vehicle is guilty of a petty misdemeanor and must pay a fine of:

51.17 (1) \$40; or

51.18 (2) \$80, if the violation is for a speed at least 20 miles per hour in excess of the speed
51.19 limit.

51.20 (b) A person who commits a first offense under paragraph (a) must be given a warning
51.21 and is not subject to a fine or conviction under paragraph (a). A person who commits a
51.22 second offense under paragraph (a) is eligible for diversion, which must include a traffic
51.23 safety course established under section 169.147, subdivision 11. A person who enters
51.24 diversion and completes the traffic safety course is not subject to a fine or conviction under
51.25 paragraph (a).

51.26 (c) This subdivision applies to violations committed on or after June 1, 2025, and before
51.27 June 1, 2029.

51.28 Sec. 51. Minnesota Statutes 2022, section 169.14, is amended by adding a subdivision to
51.29 read:

51.30 Subd. 14. **Speed safety camera; limitations.** (a) An owner or lessee of a motor vehicle
51.31 is not subject to a fine or conviction under subdivision 13 if:

- 52.1 (1) the vehicle was stolen at the time of the violation;
- 52.2 (2) a transfer of interest in the vehicle in compliance with section 168A.10 was made
- 52.3 before the time of the violation;
- 52.4 (3) the vehicle owner is a lessor of the motor vehicle, and the lessor identifies the name
- 52.5 and address of the lessee;
- 52.6 (4) the vehicle is an authorized emergency vehicle operated in the performance of official
- 52.7 duties at the time of the violation;
- 52.8 (5) another person is convicted, within the meaning under section 171.01, subdivision
- 52.9 29, for the same violation; or
- 52.10 (6) the vehicle owner provides a sworn statement to the court or prosecuting authority
- 52.11 that the owner was not operating the vehicle at the time of the violation.
- 52.12 (b) The owner or lessee of a motor vehicle may not be issued a citation under subdivision
- 52.13 13 and under another subdivision in this section for the same conduct.
- 52.14 (c) A fine or conviction under subdivision 13 does not constitute grounds for revocation
- 52.15 or suspension of a person's driver's license.
- 52.16 (d) This subdivision applies to violations committed on or after June 1, 2025, and before
- 52.17 June 1, 2029.
- 52.18 **Sec. 52. [169.147] TRAFFIC SAFETY CAMERA SYSTEM PILOT PROGRAM.**
- 52.19 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
- 52.20 the meanings given.
- 52.21 (b) "Camera-based traffic enforcement" means enforcement of traffic control through
- 52.22 the use of a red light camera system, speed limits through the use of a speed safety camera
- 52.23 system, or both.
- 52.24 (c) "Commissioner" means the commissioner of transportation.
- 52.25 (d) "Commissioners" means the commissioner of transportation as the lead in coordination
- 52.26 with the commissioner of public safety.
- 52.27 (e) "Implementing authority" means the commissioners, with respect to trunk highways,
- 52.28 and any local authority that implements camera-based traffic enforcement under this section.
- 52.29 (f) "Local authority" means a local unit of government authorized under the pilot program
- 52.30 as provided under subdivision 2.

53.1 (g) "Monitoring site" means a location at which a traffic safety camera system is placed
53.2 and operated under this section.

53.3 (h) "Pilot program" means the traffic safety camera pilot program established in this
53.4 section.

53.5 (i) "Traffic enforcement agent" means a licensed peace officer or an employee of a local
53.6 authority who is designated as provided in this section.

53.7 Subd. 2. **Pilot program establishment.** (a) In conformance with this section, the
53.8 commissioner of transportation, in coordination with the commissioner of public safety,
53.9 must establish a traffic safety camera pilot program that provides for education and
53.10 enforcement of speeding violations, traffic-control signal violations, or both in conjunction
53.11 with use of traffic safety camera systems.

53.12 (b) The authority for camera-based traffic enforcement under the pilot program is limited
53.13 to June 1, 2025, to May 31, 2029.

53.14 (c) Only the following may implement camera-based traffic enforcement under the pilot
53.15 program:

53.16 (1) the commissioners, as provided under paragraph (d);

53.17 (2) the city of Minneapolis, as provided under paragraph (e);

53.18 (3) the city of Mendota Heights;

53.19 (4) one statutory or home rule charter city or town located outside of a metropolitan
53.20 county, as defined in section 473.121, subdivision 4, as determined by the commissioner;
53.21 and

53.22 (5) one county, as determined by the commissioner.

53.23 (d) Under the pilot program, the commissioners must, beginning June 1, 2025, commence
53.24 enforcement of speeding violations in trunk highway work zones as specified under
53.25 subdivision 6, paragraph (f).

53.26 (e) The city of Minneapolis is prohibited from implementing the pilot program or
53.27 camera-based traffic enforcement through or in substantive coordination with the city's
53.28 police department.

53.29 Subd. 3. **Local authority requirements.** Prior to implementation of camera-based traffic
53.30 enforcement, a local authority must:

54.1 (1) incorporate both camera-based traffic enforcement and additional strategies designed
 54.2 to improve traffic safety in a local traffic safety action plan, transportation plan, or
 54.3 comprehensive plan;

54.4 (2) notify the commissioner; and

54.5 (3) review and ensure compliance with the requirements under this section.

54.6 Subd. 4. **Traffic safety camera system requirements.** (a) By May 1, 2025, the
 54.7 commissioners must establish traffic safety camera system standards that include:

54.8 (1) recording and data requirements as specified in subdivision 15;

54.9 (2) requirements for monitoring site signage in conformance with the requirements under
 54.10 subdivision 5, paragraph (b), clause (3);

54.11 (3) procedures for traffic safety camera system placement in conformance with the
 54.12 requirements under subdivision 6;

54.13 (4) training and qualification of individuals to inspect and calibrate a traffic safety camera
 54.14 system;

54.15 (5) procedures for initial calibration of the traffic safety camera system prior to
 54.16 deployment; and

54.17 (6) requirements for regular traffic safety camera system inspection and maintenance
 54.18 by a qualified individual.

54.19 (b) Prior to establishing the standards under paragraph (a), the commissioners must
 54.20 solicit review and comments and consider any comments received.

54.21 (c) An implementing authority must follow the requirements and standards established
 54.22 under this subdivision.

54.23 Subd. 5. **Public engagement and notice.** (a) The commissioner and each implementing
 54.24 authority must maintain information on their respective websites that, at a minimum:

54.25 (1) summarizes implementation of traffic safety camera systems under the pilot program;

54.26 (2) provides each camera system impact study performed by the implementing authority
 54.27 under subdivision 6, paragraph (b);

54.28 (3) provides information and procedures for a person to contest a citation under the pilot
 54.29 program; and

54.30 (4) identifies the current geographic locations of camera-based traffic enforcement that
 54.31 are under the jurisdiction of the implementing authority.

55.1 (b) An implementing authority must:

55.2 (1) implement a general public engagement and information campaign prior to
55.3 commencing camera-based speed enforcement under the pilot program;

55.4 (2) perform public engagement as part of conducting a camera system impact study
55.5 under subdivision 6, paragraph (b); and

55.6 (3) place conspicuous signage prior to the motorist's arrival at each monitoring site,
55.7 which must:

55.8 (i) notify motor vehicle operators of the use of a traffic safety camera system to detect
55.9 violations; and

55.10 (ii) if a speed safety camera is in use, identify the speed limit.

55.11 (c) Public engagement under paragraph (b) must include but is not limited to:

55.12 (1) outreach to populations that are traditionally underrepresented in public policy or
55.13 planning processes;

55.14 (2) consolidation and analysis of public feedback; and

55.15 (3) creation of an engagement summary that identifies public feedback and the resulting
55.16 impacts on implementation of camera-based traffic enforcement.

55.17 Subd. 6. **Placement requirements.** (a) A local authority with fewer than 10,000 residents
55.18 may place no more than one traffic safety camera system, whether the camera system is
55.19 activated or inactive. A local authority with at least 10,000 residents may place no more
55.20 than one traffic safety camera system per 10,000 residents, whether the camera system is
55.21 activated or inactive. An implementing authority may move the location of a traffic safety
55.22 camera system if the placement requirements under this subdivision are met.

55.23 (b) An implementing authority may only place a traffic safety camera system in
55.24 conformance with the results of a camera system impact study. At a minimum, the study
55.25 must:

55.26 (1) include evaluation of crash rates and severity, vehicle speed, equity, and traffic safety
55.27 treatment alternatives;

55.28 (2) identify traffic safety camera system locations; and

55.29 (3) explain how the locations comply with the placement requirements under paragraph

55.30 (d).

55.31 (c) An implementing authority may only place a traffic safety camera system:

56.1 (1) in a trunk highway work zone; or

56.2 (2) at a location that:

56.3 (i) is within 2,000 feet of (A) a public or nonpublic school, (B) a school zone established

56.4 under section 169.14, subdivision 5a, or (C) a public or private postsecondary institution;

56.5 and

56.6 (ii) has an identified traffic safety concern, as indicated by crash or law enforcement

56.7 data, safety plans, or other documentation.

56.8 (d) An implementing authority that places more than one traffic safety camera system

56.9 must ensure that the cameras are placed in geographically distinct areas and in multiple

56.10 communities with differing socioeconomic conditions.

56.11 (e) An implementing authority may place a traffic safety camera system on a street or

56.12 highway that is not under its jurisdiction only upon approval by the road authority that has

56.13 jurisdiction.

56.14 (f) The commissioner must establish monitoring sites on at least two trunk highway

56.15 work zone segments.

56.16 Subd. 7. **Traffic-control devices.** (a) An implementing authority must not adjust the

56.17 change interval for the steady yellow indication in a traffic-control signal:

56.18 (1) for one month prior to beginning to operate a red light camera system at the associated

56.19 intersection; or

56.20 (2) during the period that the red light camera system is operated at the associated

56.21 intersection.

56.22 (b) The yellow change interval for a traffic-control signal that is subject to paragraph

56.23 (a) must meet or exceed the standards and guidance specified in the Manual on Uniform

56.24 Traffic Control Devices adopted under section 169.06, subdivision 1.

56.25 (c) An implementing authority that adjusts the yellow change interval for a traffic-control

56.26 signal at an intersection where a red light camera system is being operated must deactivate

56.27 the red light camera system and subsequently meet the requirements under paragraph (a).

56.28 Subd. 8. **Traffic enforcement agents.** (a) An implementing authority may designate

56.29 one or more permanent employees of the authority, who is not a licensed peace officer, as

56.30 a traffic enforcement agent. A licensed peace officer is a traffic enforcement agent and is

56.31 not required to be designated under this subdivision. An employee of a private entity may

56.32 not be designated as a traffic enforcement agent.

57.1 (b) An implementing authority must ensure that a traffic enforcement agent is properly
57.2 trained in the use of equipment and the requirements governing traffic safety camera
57.3 implementation.

57.4 (c) A traffic enforcement agent who is not a licensed peace officer has the authority to
57.5 issue citations under this section only while actually engaged in job duties and otherwise
57.6 has none of the other powers and privileges reserved to peace officers.

57.7 Subd. 9. Citations; warnings. (a) A traffic enforcement agent under the pilot program
57.8 has the exclusive authority to issue a citation to the owner or lessee of a motor vehicle for
57.9 (1) a violation under section 169.06, subdivision 10, and (2) a violation under section 169.14,
57.10 subdivision 13.

57.11 (b) A traffic enforcement agent may only issue a citation if:

57.12 (1) the violation is committed at least 30 days after the relevant implementing authority
57.13 has commenced camera-based traffic enforcement;

57.14 (2) with respect to speed limits, the speeding violation is at least ten miles per hour in
57.15 excess of the speed limit; and

57.16 (3) a traffic enforcement agent has inspected and verified recorded images provided by
57.17 the traffic safety camera system.

57.18 (c) An implementing authority must provide a warning for a traffic-control signal
57.19 violation under section 169.06, subdivision 10, or a speeding violation under section 169.14,
57.20 subdivision 13, for the period from (1) the date when camera-based traffic enforcement is
57.21 first commenced, to (2) the date when citations are authorized under paragraph (b), clause
57.22 (1).

57.23 (d) Notwithstanding section 169.022, an implementing authority may specify a speed
57.24 in excess of the speed limit that is higher than the amount specified in paragraph (b), clause
57.25 (2), at which to proceed with issuance of a citation.

57.26 (e) A citation may be issued through the United States mail if postmarked within: (1)
57.27 14 days of the violation for a vehicle registered in Minnesota; or (2) 30 days of the violation
57.28 for a vehicle registered outside of Minnesota. Section 168.346, subdivision 2, applies to a
57.29 private entity that provides citation mailing services under this section.

57.30 Subd. 10. Uniform citation. (a) There must be a uniform traffic safety camera citation
57.31 issued throughout the state by a traffic enforcement agent for a violation as provided under
57.32 this section. The uniform traffic safety camera citation is in the form and has the effect of
57.33 a summons and complaint.

58.1 (b) The commissioner of public safety must prescribe the detailed form of the uniform
58.2 traffic safety camera citation. As appropriate, the citation design must conform with the
58.3 requirements for a uniform traffic ticket under section 169.99, subdivisions 1 and 1d. The
58.4 citation design must include:

58.5 (1) a brief overview of the pilot program and implementation of traffic safety camera
58.6 systems;

58.7 (2) a summary of the circumstances of the citation that includes identification of the
58.8 motor vehicle involved, the date and time of the violation, and the location where the
58.9 violation occurred;

58.10 (3) copy of the recorded image or primary images used to identify a violation;

58.11 (4) a notification that the recorded images under clause (3) are evidence of a violation
58.12 under section 169.06, subdivision 10, or 169.14, subdivision 13;

58.13 (5) a statement signed by the traffic enforcement agent who issued the citation stating
58.14 that the agent has inspected the recorded images and determined that the violation occurred
58.15 in the specified motor vehicle;

58.16 (6) a summary of the limitations under sections 169.06, subdivision 11, and 169.14,
58.17 subdivision 14;

58.18 (7) information on the diversion and traffic safety course requirements under sections
58.19 169.06, subdivision 10, paragraph (b), and 169.14, subdivision 13, paragraph (b);

58.20 (8) the total amount of the fine imposed;

58.21 (9) a notification that the person has the right to contest the citation;

58.22 (10) information on the process and procedures for a person to contest the citation; and

58.23 (11) a statement that payment of the fine constitutes a plea of guilty and failure to appear
58.24 in court is considered a plea of guilty, as provided under section 169.91.

58.25 (c) The commissioner of public safety must make the information required under
58.26 paragraph (b) available in languages that are commonly spoken in the state and in each area
58.27 in which a local authority has implemented camera-based traffic enforcement.

58.28 Subd. 11. **Traffic safety course.** (a) The commissioners must establish a traffic safety
58.29 course that provides at least 30 minutes of instruction on speeding, traffic-control signals,
58.30 and other traffic safety topics. The curriculum must include safety risks associated with
58.31 speed and speeding in school zones and work zones.

59.1 (b) The commissioners must not impose a fee for an individual who is authorized to
59.2 attend the course under sections 169.06, subdivision 10, and 169.14, subdivision 13.

59.3 Subd. 12. **Third-party agreements.** (a) An implementing authority may enter into
59.4 agreements with a private entity for operations, services, or equipment under this section.
59.5 Payment under a contract with a private entity must not be based on the number of violations,
59.6 citations issued, or other similar means.

59.7 (b) An implementing authority that enters into a third-party agreement under this
59.8 subdivision must perform a data practices audit of the private entity to confirm compliance
59.9 with the requirements under subdivisions 14 to 16 and chapter 13. An audit must be
59.10 undertaken at least every other year.

59.11 Subd. 13. **Use of revenue.** (a) Revenue from citations received by an implementing
59.12 authority that is attributable to camera-based traffic enforcement must be allocated as follows:

59.13 (1) first as necessary to provide for implementation costs, which may include but is not
59.14 limited to procurement and installation of traffic safety camera systems, traffic safety
59.15 planning, and public engagement; and

59.16 (2) the remainder for traffic safety measures that perform traffic calming.

59.17 (b) The amount expended under paragraph (a), clause (2), must supplement and not
59.18 supplant existing expenditures for traffic safety.

59.19 Subd. 14. **Data practices; general requirements.** (a) All data collected by a traffic
59.20 safety camera system are private data on individuals as defined in section 13.02, subdivision
59.21 12, or nonpublic data as defined in section 13.02, subdivision 9, unless the data are public
59.22 under section 13.82, subdivision 2, 3, or 6, or are criminal investigative data under section
59.23 13.82, subdivision 7.

59.24 (b) An agreement with a private entity and an implementing authority pursuant to
59.25 subdivision 12 is subject to section 13.05, subdivisions 6 and 11.

59.26 (c) A private entity must use the data gathered under this section only for purposes of
59.27 camera-based traffic enforcement under the pilot program and must not share or disseminate
59.28 the data with an entity other than the appropriate implementing authority, except pursuant
59.29 to a court order. Nothing in this subdivision prevents a private entity from sharing or
59.30 disseminating summary data, as defined in section 13.02, subdivision 19.

59.31 (d) Traffic safety camera system data are not subject to subpoena, discovery, or admission
59.32 into evidence in any prosecution, civil action, or administrative process that is not taken
59.33 pursuant to section 169.06, subdivision 10, or 169.14, subdivision 13.

60.1 Subd. 15. **Data practices; traffic safety camera system.** A traffic safety camera system:
60.2 (1) is limited to collection of the following data:
60.3 (i) recorded video or images of the rear license plate of a motor vehicle;
60.4 (ii) recorded video or images of motor vehicles and areas surrounding the vehicles to
60.5 the extent necessary to (A) identify a violation of a traffic-control device, or (B) calculate
60.6 vehicle speeds;
60.7 (iii) date, time, and vehicle location that correlates to the data collected under item (i)
60.8 or (ii); and
60.9 (iv) general traffic data:
60.10 (A) collected specifically for purposes of pilot program analysis and evaluation;
60.11 (B) that does not include recorded video or images;
60.12 (C) in which individuals or unique vehicles are not identified; and
60.13 (D) from which an individual or unique vehicle is not ascertainable;
60.14 (2) must not record in a manner that makes any individual personally identifiable,
60.15 including but not limited to the motor vehicle operator or occupants; and
60.16 (3) may only record or retain the data specified in clause (1), items (i) to (iii), if the
60.17 traffic safety camera system identifies an appropriate potential violation for review by a
60.18 traffic enforcement agent.

60.19 Subd. 16. **Data practices; destruction of data.** (a) Notwithstanding section 138.17,
60.20 and except as otherwise provided in this subdivision, data collected by a traffic safety camera
60.21 system must be destroyed within 30 days of the date of collection unless the data are criminal
60.22 investigative data under section 13.82, subdivision 7, related to a violation of a traffic-control
60.23 signal or a speed limit.

60.24 (b) Upon written request to a law enforcement agency from an individual who is the
60.25 subject of a pending criminal charge or complaint, along with the case or complaint number
60.26 and a statement that the data may be used as exculpatory evidence, data otherwise subject
60.27 to destruction under paragraph (a) must be preserved by the law enforcement agency until
60.28 the charge or complaint is resolved or dismissed.

60.29 (c) Upon written request from a program participant under chapter 5B, data collected
60.30 by a traffic safety camera system related to the program participant must be destroyed at
60.31 the time of collection or upon receipt of the request, whichever occurs later, unless the data

61.1 are active criminal investigative data. The existence of a request submitted under this
61.2 paragraph is private data on individuals as defined in section 13.02, subdivision 12.

61.3 (d) Notwithstanding section 138.17, data collected by a traffic safety camera system
61.4 must be destroyed within three years of the resolution of a citation issued pursuant to this
61.5 section.

61.6 (e) The destruction requirements under this subdivision do not apply to: (1) general
61.7 traffic data as provided under subdivision 15, clause (1), item (iv); and (2) data that identifies
61.8 the number of warnings or citations issued to an individual under this section.

61.9 Subd. 17. **Exempt from rulemaking.** Rules adopted to implement this section are
61.10 exempt from rulemaking under chapter 14 and are not subject to exempt rulemaking
61.11 procedures under section 14.386.

61.12 Subd. 18. **Expiration.** This section expires May 31, 2029.

61.13 Sec. 53. Minnesota Statutes 2022, section 169.222, subdivision 2, is amended to read:

61.14 Subd. 2. **Manner and number riding.** ~~No bicycle, including a tandem bicycle, cargo~~
61.15 ~~or utility bicycle, or trailer, shall be used to carry more persons at one time than the number~~
61.16 ~~for which it is designed and equipped, except an adult rider may carry a child in a seat~~
61.17 ~~designed for carrying children that is securely attached to the bicycle.~~ (a) For purposes of
61.18 this subdivision, bicycle includes a tandem bicycle, electric-assisted bicycle, cargo or utility
61.19 bicycle, or trailer.

61.20 (b) No person may operate a bicycle while carrying more than the number of riders for
61.21 which the bicycle is designed and equipped.

61.22 (c) Notwithstanding paragraph (b), an adult bicycle operator may carry a child in a trailer
61.23 or seat designed for carrying children that is securely attached to a bicycle.

61.24 Sec. 54. Minnesota Statutes 2022, section 169.222, subdivision 6a, is amended to read:

61.25 Subd. 6a. **Electric-assisted bicycle; riding rules.** (a) A person may operate an
61.26 electric-assisted bicycle in the same manner as provided for operation of other bicycles,
61.27 including but not limited to operation on the shoulder of a roadway, a bicycle lane, and a
61.28 bicycle route, and operation without the motor engaged on a bikeway or bicycle trail.

61.29 (b) A person may operate a class 1 or class 2 electric-assisted bicycle with the motor
61.30 engaged on a bicycle path, bicycle trail, or shared use path unless prohibited under section

62.1 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2,
62.2 paragraph (b), as applicable.

62.3 (c) A person may operate a class 3 electric-assisted bicycle or multiple mode
62.4 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared
62.5 use path unless the local authority or state agency having jurisdiction over the bicycle path
62.6 or trail prohibits the operation.

62.7 (d) The local authority or state agency having jurisdiction over a trail or over a bike park
62.8 that is designated as nonmotorized and that has a natural surface tread made by clearing
62.9 and grading the native soil with no added surfacing materials may regulate the operation of
62.10 an electric-assisted bicycle.

62.11 (e) ~~No~~ A person under the age of 15 ~~shall~~ may not operate an electric-assisted bicycle.

62.12 Sec. 55. Minnesota Statutes 2022, section 169.222, subdivision 6b, is amended to read:

62.13 Subd. 6b. **Electric-assisted bicycle; equipment.** (a) The manufacturer or distributor of
62.14 an electric-assisted bicycle must apply a label to the bicycle that is permanently affixed in
62.15 a prominent location. The label must contain the ~~classification~~ class number, top assisted
62.16 speed, and motor wattage of the electric-assisted bicycle, and must be printed in a legible
62.17 font with at least 9-point type. A multiple mode electric-assisted bicycle must have labeling
62.18 that identifies the highest class or each of the electric-assisted bicycle classes in which it is
62.19 capable of operating.

62.20 (b) A person must not modify an electric-assisted bicycle to change the motor-powered
62.21 speed capability or motor engagement so that the bicycle no longer meets the requirements
62.22 for the applicable class, unless:

62.23 (1) the person replaces the label required in paragraph (a) with revised information; or

62.24 (2) for a vehicle that no longer meets the requirements for any electric-assisted bicycle
62.25 class, the person removes the labeling as an electric-assisted bicycle.

62.26 (c) An electric-assisted bicycle must operate in a manner so that the electric motor is
62.27 disengaged or ceases to function ~~when the rider stops pedaling or:~~ (1) when the brakes are
62.28 applied; or (2) except for a class 2 electric-assisted bicycle or a multiple mode
62.29 electric-assisted bicycle operating in class 2 mode, when the rider stops pedaling.

62.30 (d) A class 3 electric-assisted bicycle or multiple mode electric-assisted bicycle must
62.31 be equipped with a speedometer that displays the speed at which the bicycle is traveling in
62.32 miles per hour.

63.1 (e) A multiple mode electric-assisted bicycle equipped with a throttle must not be capable
 63.2 of exceeding 20 miles per hour on motorized propulsion alone in any mode when the throttle
 63.3 is engaged.

63.4 Sec. 56. Minnesota Statutes 2022, section 169.346, subdivision 2, is amended to read:

63.5 Subd. 2. **Disability parking space signs.** (a) Parking spaces reserved for physically
 63.6 disabled persons must be designated and identified by the posting of signs incorporating
 63.7 the international symbol of access in white on blue and indicating that violators are subject
 63.8 to a fine of up to \$200. These parking spaces are reserved for disabled persons with motor
 63.9 vehicles displaying the required certificate, plates, permit valid for 30 days, or insignia.

63.10 (b) For purposes of this subdivision, a parking space that is clearly identified as reserved
 63.11 for physically disabled persons by a permanently posted sign that does not meet all design
 63.12 standards, is considered designated and reserved for physically disabled persons. A sign
 63.13 posted for the purpose of this section must be visible from inside a motor vehicle parked in
 63.14 the space, be kept clear of snow or other obstructions which block its visibility, and be
 63.15 nonmovable.

63.16 (c) By August 1, 2024, the Minnesota Council on Disability must select and propose a
 63.17 statewide uniform disability parking space sign that is consistent with the Americans with
 63.18 Disabilities Act. The selected and proposed sign must not display any variation of the word
 63.19 "handicapped." As part of selecting and proposing a statewide uniform disability parking
 63.20 space sign, the Minnesota Council on Disability may encourage owners or managers of
 63.21 property to replace existing disability parking space signs at the owner's earliest opportunity
 63.22 once the sign is made available for distribution. An applicable owner or manager of property
 63.23 on which a disability parking space sign is located must replace all existing disability parking
 63.24 space signs with the selected and proposed sign at the owner's or manager's earliest
 63.25 opportunity but no later than July 1, 2026.

63.26 (d) Beginning on August 1, 2025, an applicable owner or manager of property on which
 63.27 a disability parking sign may be located must install and display the new uniform disability
 63.28 parking sign required in paragraph (c) at:

63.29 (1) newly created on-site parking facilities; and

63.30 (2) existing on-site parking facilities when the manager or owner replaces existing
 63.31 disability parking space signs.

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

64.1 Sec. 57. [169.515] LIGHTS ON GRANT PROGRAM.

64.2 Subdivision 1. Grant program established. The Lights On grant program is established
64.3 under this section to provide drivers on Minnesota roads with vouchers of up to \$250 to use
64.4 at participating auto repair shops to repair or replace broken or malfunctioning lighting
64.5 equipment required under sections 169.49 to 169.51.

64.6 Subd. 2. Eligibility. Counties, cities, towns, the State Patrol, and local law enforcement
64.7 agencies, including law enforcement agencies of a federally recognized Tribe, as defined
64.8 in United States Code, title 25, section 5304(e), are eligible to apply for grants under this
64.9 section.

64.10 Subd. 3. Application; use of grant award. (a) The commissioner of public safety must
64.11 develop application materials and procedures for the Lights On grant program.

64.12 (b) The application must describe the type or types of intended vouchers, the amount of
64.13 money requested, and any other information deemed necessary by the commissioner.

64.14 (c) Applicants must submit an application under this section in the form and manner
64.15 prescribed by the commissioner.

64.16 (d) Applicants must describe how grant money will be used to provide and distribute
64.17 vouchers to drivers.

64.18 (e) Applicants must keep records of vouchers distributed and records of all expenses
64.19 associated with awarded grant money.

64.20 (f) Applicants must not use awarded grant money for administrative costs. A nonstate
64.21 organization that contracts with the commissioner to operate the program must not retain
64.22 any of the grant money for administrative costs.

64.23 (g) An applicant must not distribute more than one voucher per motor vehicle in a 90-day
64.24 period.

64.25 (h) A voucher that is distributed to a driver must contain the following information:

64.26 (1) the motor vehicle license plate number;

64.27 (2) the date of issuance; and

64.28 (3) the badge number of the officer distributing the voucher.

64.29 Subd. 4. Grant criteria. Preference for grant awards must be given to applicants whose
64.30 proposals provide resources and vouchers to individuals residing in geographic areas that
64.31 (i) have higher crash rates or higher number of tickets issued for broken or malfunctioning

65.1 lighting equipment, or (ii) are high poverty areas. For purposes of this section, "high poverty
65.2 area" means a census tract as reported in the most recently completed decennial census
65.3 published by the United States Bureau of the Census that has a poverty area rate of at least
65.4 20 percent or in which the median family income does not exceed 80 percent of the greater
65.5 of the statewide or metropolitan median family income.

65.6 Subd. 5. **Reporting.** (a) By February 1 each year, grant recipients must submit a report
65.7 to the commissioner itemizing all expenditures made using grant money during the previous
65.8 calendar year, the purpose of each expenditure, and the disposition of each contact made
65.9 with drivers with malfunctioning or broken lighting equipment. The report must be in the
65.10 form and manner prescribed by the commissioner.

65.11 (b) By March 15 each year, the commissioner must submit a report to the chairs, ranking
65.12 minority members, and staff of the legislative committees with jurisdiction over transportation
65.13 policy and finance. The report must list, for the previous calendar year:

65.14 (1) the participating grant recipients and the total number and dollar amount of vouchers
65.15 that each grant recipient distributed; and

65.16 (2) the participating auto repair shops and the total number and dollar amount of vouchers
65.17 that each received.

65.18 Grant recipients and any program organization contracted by the commissioner must provide
65.19 information as requested by the commissioner to complete the report required under this
65.20 paragraph.

65.21 Sec. 58. Minnesota Statutes 2022, section 169.685, subdivision 7, is amended to read:

65.22 **Subd. 7. Appropriation; special account.** The Minnesota child passenger restraint and
65.23 education account is created in the ~~state treasury~~ special revenue fund, consisting of fines
65.24 collected under subdivision 5 and other money appropriated or donated. The money in the
65.25 account is annually appropriated to the commissioner of public safety to be used to provide
65.26 child passenger restraint systems to families in financial need, school districts and child
65.27 care providers that provide for the transportation of pupils to and from school using type
65.28 III vehicles or school buses with a gross vehicle weight rating of 10,000 pounds or less, and
65.29 to provide an educational program on the need for and proper use of child passenger restraint
65.30 systems. Information on the commissioner's activities and expenditure of funds under this
65.31 section must be available upon request.

66.1 Sec. 59. Minnesota Statutes 2022, section 169.79, is amended by adding a subdivision to
66.2 read:

66.3 Subd. 3b. Roadable aircraft. Notwithstanding subdivision 1 and section 168.09,
66.4 subdivision 1, a roadable aircraft is not required to display a license plate.

66.5 Sec. 60. Minnesota Statutes 2022, section 169.869, subdivision 1, is amended to read:

66.6 Subdivision 1. **Definition.** For purposes of this section, "road construction materials"
66.7 means street or highway construction materials, including ~~but not limited to~~ aggregate
66.8 material as defined in section 298.75, subdivision 1, paragraph (a), hot mix asphalt, plastic
66.9 concrete, cementitious materials, concrete admixtures, asphalt cement, ~~and~~ recycled road
66.10 materials, and bulk aggregate materials that are delivered to an aggregate plant or production
66.11 facility or are used in the production of asphalt or concrete, not including those materials
66.12 that require the vehicle to be marked or placarded in accordance with section 221.033 and
66.13 Code of Federal Regulations, title 49, part 172.

66.14 Sec. 61. Minnesota Statutes 2022, section 169.974, subdivision 5, is amended to read:

66.15 Subd. 5. **Driving rules.** (a) An operator of a motorcycle must ride only upon a permanent
66.16 and regular seat which is attached to the vehicle for that purpose. No other person ~~shall~~ may
66.17 ride on a motorcycle, except that passengers may ride (1) upon a permanent and regular
66.18 operator's seat if designed for two persons, (2) upon additional seats attached to or in the
66.19 vehicle, or (3) in a sidecar attached to the vehicle. The operator of a motorcycle is prohibited
66.20 from carrying passengers in a number in excess of the designed capacity of the motorcycle
66.21 or sidecar attached to it. A passenger is prohibited from being carried in a position that
66.22 interferes with the safe operation of the motorcycle or the view of the operator.

66.23 (b) No person ~~shall~~ may ride upon a motorcycle as a passenger unless the person can
66.24 reach the footrests or floorboards with both feet.

66.25 (c) Except for passengers of sidecars, drivers and passengers of three-wheeled
66.26 motorcycles, and persons in an autocycle, no person ~~shall~~ may operate or ride upon a
66.27 motorcycle except while sitting astride the seat, facing forward, with one leg on either side
66.28 of the motorcycle.

66.29 (d) No person ~~shall~~ may operate a motorcycle while carrying animals, packages, bundles,
66.30 or other cargo which prevent the person from keeping both hands on the handlebars.

66.31 (e) No person ~~shall~~ may operate a motorcycle between lanes of moving or stationary
66.32 vehicles headed in the same direction, nor ~~shall~~ may any person drive a motorcycle abreast

67.1 of or overtake or pass another vehicle within the same traffic lane, unless the operator of
 67.2 the motorcycle is traveling at not more than 25 miles per hour and no more than 15 miles
 67.3 per hour over the speed of traffic. Motorcycles may, with the consent of both drivers, be
 67.4 operated not more than two abreast in a single traffic lane if the vehicles fit safely within
 67.5 the designated space of the lane. An operator of a motor vehicle that intentionally impedes
 67.6 or attempts to prevent any operator of a motorcycle from operating a motorcycle as permitted
 67.7 under this paragraph is guilty of a petty misdemeanor.

67.8 (f) Motor vehicles including motorcycles are entitled to the full use of a traffic lane and
 67.9 no motor vehicle may be driven or operated in a manner so as to deprive a motorcycle of
 67.10 the full use of a traffic lane.

67.11 (g) A person operating a motorcycle upon a roadway must be granted the rights and is
 67.12 subject to the duties applicable to a motor vehicle as provided by law, except as to those
 67.13 provisions which by their nature can have no application.

67.14 (h) Paragraph (e) of this subdivision does not apply to police officers in the performance
 67.15 of their official duties.

67.16 (i) No person ~~shall~~ may operate a motorcycle on a street or highway unless the headlight
 67.17 or headlights are lighted at all times the motorcycle is so operated.

67.18 (j) A person parking a motorcycle on the roadway of a street or highway must:

67.19 (1) if parking in a marked parking space, park the motorcycle completely within the
 67.20 marked space; and

67.21 (2) park the motorcycle in such a way that the front of the motorcycle is pointed or
 67.22 angled toward the nearest lane of traffic to the extent practicable and necessary to allow the
 67.23 operator to (i) view any traffic in both directions of the street or highway without having
 67.24 to move the motorcycle into a lane of traffic and without losing balance or control of the
 67.25 motorcycle, and (ii) ride the motorcycle forward and directly into a lane of traffic when the
 67.26 lane is sufficiently clear of traffic.

67.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

67.28 Sec. 62. **[169.975] OPERATION OF ROADABLE AIRCRAFT.**

67.29 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have
 67.30 the meanings given.

67.31 (b) "Aircraft" has the meaning given in section 360.013, subdivision 37.

68.1 (c) "Airport" has the meaning given in section 360.013, subdivision 39, and includes a
68.2 personal-use airport as defined in Minnesota Rules, part 8800.0100, subpart 22a.

68.3 (d) "Restricted landing area" has the meaning given in section 360.013, subdivision 57.

68.4 (e) "Unlicensed landing area" has the meaning given in Minnesota Rules, part 8800.0100,
68.5 subpart 32a.

68.6 Subd. 2. **Operation.** (a) A roadable aircraft is considered a motor vehicle when in
68.7 operation, including on a public highway, except when the vehicle is (1) at an airport, (2)
68.8 on a restricted landing area, (3) on an unlicensed landing area, or (4) in flight. When operating
68.9 a roadable aircraft as a motor vehicle, an operator must comply with all rules and
68.10 requirements set forth in this chapter governing the operation of a motor vehicle.

68.11 (b) When in operation at an airport, on a restricted landing area, on an unlicensed landing
68.12 area, or in flight, a roadable aircraft is considered an aircraft and the operator must comply
68.13 with all rules and requirements set forth in chapter 360. An owner of a roadable aircraft
68.14 registered in Minnesota under this chapter must comply with all rules and requirements of
68.15 this chapter and chapter 360 governing the registration, taxation, and insurance of aircraft.

68.16 (c) A roadable aircraft may only take off or land at an airport, unlicensed landing area,
68.17 or restricted landing area.

68.18 Sec. 63. Minnesota Statutes 2022, section 169.99, subdivision 1, is amended to read:

68.19 Subdivision 1. **Form.** (a) Except as provided in subdivision 3; section 169.147,
68.20 subdivision 8; and section 169.999, subdivision 3, there shall be a uniform ticket issued
68.21 throughout the state by the police and peace officers or by any other person for violations
68.22 of this chapter and ordinances in conformity thereto. Such uniform traffic ticket shall be in
68.23 the form and have the effect of a summons and complaint. Except as provided in paragraph
68.24 (b), the uniform ticket shall state that if the defendant fails to appear in court in response to
68.25 the ticket, an arrest warrant may be issued. The uniform traffic ticket shall consist of four
68.26 parts, on paper sensitized so that copies may be made without the use of carbon paper, as
68.27 follows:

68.28 (1) the complaint, with reverse side for officer's notes for testifying in court, driver's
68.29 past record, and court's action, printed on white paper;

68.30 (2) the abstract of court record for the Department of Public Safety, which shall be a
68.31 copy of the complaint with the certificate of conviction on the reverse side, printed on yellow
68.32 paper;

69.1 (3) the police record, which shall be a copy of the complaint and of the reverse side of
69.2 copy (1), printed on pink paper; and

69.3 (4) the summons, with, on the reverse side, such information as the court may wish to
69.4 give concerning the Traffic Violations Bureau, and a plea of guilty and waiver, printed on
69.5 off-white tag stock.

69.6 (b) If the offense is a petty misdemeanor, the uniform ticket must state that a failure to
69.7 appear will be considered a plea of guilty and waiver of the right to trial, unless the failure
69.8 to appear is due to circumstances beyond the person's control.

69.9 Sec. 64. Minnesota Statutes 2022, section 171.01, subdivision 40, is amended to read:

69.10 Subd. 40. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle
69.11 for the use of the rider and designed to travel on not more than three wheels in contact with
69.12 the ground, ~~including.~~ Motorcycle includes motor scooters and bicycles with motor attached;
69.13 ~~but excluding.~~

69.14 (b) Motorcycle excludes tractors and, motorized bicycles, and roadable aircraft as defined
69.15 in section 169.011, subdivision 67a.

69.16 Sec. 65. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to
69.17 read:

69.18 Subd. 45c. **Residence address and permanent mailing address.** "Residence address"
69.19 and "permanent mailing address" means, for purposes of drivers' licenses, enhanced drivers'
69.20 licenses, REAL ID-compliant drivers' licenses and identification cards, instruction permits,
69.21 identification cards, and enhanced identification cards, the postal address of the permanent
69.22 domicile within this state where an individual:

69.23 (1) resides;

69.24 (2) intends to reside within 30 calendar days after the date of application; or

69.25 (3) intends to return whenever absent.

69.26 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
69.27 after that date.

70.1 Sec. 66. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to
70.2 read:

70.3 Subd. 48e. **Temporary mailing address.** "Temporary mailing address" means the
70.4 mailing address of any place where a person regularly or occasionally stays and may receive
70.5 mail in their name other than the person's residence address. A temporary mailing address
70.6 does not include the designated address under section 5B.05.

70.7 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
70.8 after that date.

70.9 Sec. 67. Minnesota Statutes 2022, section 171.06, subdivision 2a, is amended to read:

70.10 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) In addition to the appropriate fee
70.11 under subdivision 2, the fee for a two-wheeled vehicle endorsement on a driver's license is:

70.12 (1) \$26.50 for an initial endorsement or a duplicate license obtained for the purpose of
70.13 adding the endorsement; and

70.14 (2) \$17 for each license renewal with the endorsement.

70.15 (b) The additional fee must be paid into the state treasury and credited as follows:

70.16 (1) \$19 of the additional fee under paragraph (a), clause (1), and \$11 of the additional
70.17 fee under paragraph (a), clause (2), to the motorcycle safety ~~fund~~ account, which is hereby
70.18 created in the special revenue fund; and

70.19 (2) the remainder to the general fund.

70.20 (c) All application forms prepared by the commissioner for two-wheeled vehicle
70.21 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle
70.22 safety ~~fund~~ account.

70.23 **EFFECTIVE DATE.** This section is effective July 1, 2024.

70.24 Sec. 68. Minnesota Statutes 2023 Supplement, section 171.06, subdivision 3, is amended
70.25 to read:

70.26 Subd. 3. **Contents of application; other information.** (a) An application must:

70.27 (1) state the full name, date of birth, sex, and either (i) the residence address of the
70.28 applicant, or (ii) designated address under section 5B.05;

71.1 (2) as may be required by the commissioner, contain a description of the applicant and
 71.2 any other facts pertaining to the applicant, the applicant's driving privileges, and the
 71.3 applicant's ability to operate a motor vehicle with safety;

71.4 (3) state:

71.5 (i) the applicant's Social Security number; or

71.6 (ii) if the applicant does not have a Social Security number and is applying for a
 71.7 Minnesota identification card, instruction permit, or class D provisional or driver's license,
 71.8 that the applicant elects not to specify a Social Security number;

71.9 (4) contain a notification to the applicant of the availability of a living will/health care
 71.10 directive designation on the license under section 171.07, subdivision 7;

71.11 (5) include a method for the applicant to:

71.12 (i) request a veteran designation on the license under section 171.07, subdivision 15,
 71.13 and the driving record under section 171.12, subdivision 5a;

71.14 (ii) indicate a desire to make an anatomical gift under subdivision 3b, paragraph (e);

71.15 (iii) as applicable, designate document retention as provided under section 171.12,
 71.16 subdivision 3c;

71.17 (iv) indicate emergency contacts as provided under section 171.12, subdivision 5b;

71.18 (v) indicate the applicant's race and ethnicity; ~~and~~

71.19 (vi) indicate caretaker information as provided under section 171.12, subdivision 5c;

71.20 and

71.21 (vii) indicate a temporary mailing address separate from the applicant's residence address
 71.22 listed on the identification card or license; and

71.23 (6) meet the requirements under section 201.161, subdivision 3.

71.24 (b) Applications must be accompanied by satisfactory evidence demonstrating:

71.25 (1) identity, date of birth, and any legal name change if applicable; and

71.26 (2) for driver's licenses and Minnesota identification cards that meet all requirements of
 71.27 the REAL ID Act:

71.28 (i) principal residence address in Minnesota, including application for a change of address,
 71.29 unless the applicant provides a designated address under section 5B.05;

71.30 (ii) Social Security number, or related documentation as applicable; and

72.1 (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

72.2 (c) An application for an enhanced driver's license or enhanced identification card must
72.3 be accompanied by:

72.4 (1) satisfactory evidence demonstrating the applicant's full legal name and United States
72.5 citizenship; and

72.6 (2) a photographic identity document.

72.7 (d) A valid Department of Corrections or Federal Bureau of Prisons identification card
72.8 containing the applicant's full name, date of birth, and photograph issued to the applicant
72.9 is an acceptable form of proof of identity in an application for an identification card,
72.10 instruction permit, or driver's license as a secondary document for purposes of Minnesota
72.11 Rules, part 7410.0400, and successor rules.

72.12 (e) An application form must not provide for identification of (1) the accompanying
72.13 documents used by an applicant to demonstrate identity, or (2) except as provided in
72.14 paragraphs (b) and (c), the applicant's citizenship, immigration status, or lawful presence
72.15 in the United States. The commissioner and a driver's license agent must not inquire about
72.16 an applicant's citizenship, immigration status, or lawful presence in the United States, except
72.17 as provided in paragraphs (b) and (c).

72.18 (f) If an applicant designates a temporary mailing address under paragraph (a), clause
72.19 (5), item (vii), the commissioner must use the temporary mailing address in lieu of the
72.20 applicant's residence address for delivery of the driver's license or identification card. The
72.21 commissioner must send all other correspondence to the applicant's residence address.
72.22 Nothing in this paragraph or paragraph (a), clause (5), item (vii), may be construed to modify
72.23 or remove proof of residency requirements at the time of application for an initial driver's
72.24 permit, driver's license, or identification card.

72.25 (g) The commissioner must provide information on the department's website on the
72.26 option for an applicant to designate a temporary mailing address. The information on the
72.27 department's website must:

72.28 (1) be easily accessible and address frequently asked questions;

72.29 (2) detail the department's requirements for the use of a temporary mailing address;

72.30 (3) compare the use of a temporary mailing address to the use of an applicant's residence
72.31 address; and

73.1 (4) clarify that a driver's license or identification card will not be delivered to a forwarded
73.2 mail address;

73.3 **EFFECTIVE DATE.** This section is effective October 1, 2024, for applications on or
73.4 after that date.

73.5 Sec. 69. Minnesota Statutes 2022, section 171.06, is amended by adding a subdivision to
73.6 read:

73.7 Subd. 7a. **REAL ID-compliant and noncompliant drivers' licenses; online renewal.** (a)
73.8 For purposes of this subdivision, "applicant" or "renewal applicant" means a person who
73.9 renews a REAL ID-compliant or noncompliant driver's license or identification card through
73.10 the department's online renewal system established in this subdivision.

73.11 (b) The commissioner must establish a process for an applicant to renew a REAL
73.12 ID-compliant or noncompliant driver's license or identification card, whether by website or
73.13 some other means, as provided by this subdivision.

73.14 (c) The commissioner may renew a REAL ID-compliant or noncompliant driver's license
73.15 or identification card for an individual who does not renew in person if:

73.16 (1) there is no material change in identity, including any change to the applicant's name,
73.17 address, signature, and driver's license or identification card number;

73.18 (2) the renewal application is not for a different type or class of driver's license or
73.19 Minnesota identification card;

73.20 (3) the renewal application is not for an enhanced driver's license or identification card;

73.21 (4) the commissioner has a previous photograph of the applicant on file that was taken
73.22 within the last five years or in conjunction with the most recent issuance of the applicant's
73.23 current credential; and

73.24 (5) for a driver's license renewal, the applicant submits a vision examination certificate
73.25 that:

73.26 (i) has been completed within the last two years;

73.27 (ii) is signed by a licensed physician or an optometrist, including one who holds a similar
73.28 license in a jurisdiction outside the United States; and

73.29 (iii) is in a form prescribed by the commissioner.

74.1 (d) The commissioner must use the photograph on file as specified in paragraph (c),
 74.2 clause (4), for the applicant's REAL ID-compliant or noncompliant driver's license or
 74.3 identification card.

74.4 (e) The commissioner must provide detailed and easily accessible information on the
 74.5 department's website about online renewals for REAL ID-compliant and noncompliant
 74.6 drivers' licenses and identification cards. The information must be clearly organized to assist
 74.7 an applicant in completing online renewal, including but not limited to the photograph and
 74.8 vision examination requirements under this section and section 171.13, subdivision 1.

74.9 (f) By each July 31, 50 percent of the revenue collected in the previous fiscal year from
 74.10 the filing fees assessed for transactions completed under this subdivision must be distributed
 74.11 as payments to each full-service provider and driver's license agent that was in operation
 74.12 during the last quarter of the previous fiscal year. The distribution must be based
 74.13 proportionally on the total number of transactions completed by each full-service provider
 74.14 and driver's license agent. For the purposes of the distribution calculation in this paragraph,
 74.15 the number of transactions completed by a driver's license agent must first be multiplied by
 74.16 0.2. The amount to be distributed under this paragraph is appropriated to the commissioner
 74.17 from the driver and vehicle services operating account in the special revenue fund.

74.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, for renewals on or after
 74.19 that date.

74.20 Sec. 70. Minnesota Statutes 2023 Supplement, section 171.061, subdivision 4, is amended
 74.21 to read:

74.22 **Subd. 4. Fee; equipment.** (a) The agent may charge and retain a filing fee for each
 74.23 application as follows:

- | | | |
|-------|---|----------|
| 74.24 | (1) New application for a noncompliant, REAL ID-compliant, or | \$ 16.00 |
| 74.25 | enhanced driver's license or identification card | |
| 74.26 | (2) Renewal application for a noncompliant, REAL ID-compliant, or | \$ 11.00 |
| 74.27 | enhanced driver's license or identification card | |

74.28 Except as provided in paragraph (c), the fee must cover all expenses involved in receiving,
 74.29 accepting, or forwarding to the department the applications and fees required under sections
 74.30 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

74.31 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
 74.32 credit card or debit card. The driver's license agent may collect a convenience fee on the
 74.33 statutory fees and filing fees not greater than the cost of processing a credit card or debit
 74.34 card transaction. The convenience fee must be used to pay the cost of processing credit card

75.1 and debit card transactions. The commissioner must adopt rules to administer this paragraph
75.2 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
75.3 does not apply.

75.4 (c) The department must maintain the photo identification and vision examination
75.5 equipment for all agents. All photo identification and vision examination equipment must
75.6 be compatible with standards established by the department.

75.7 (d) A filing fee retained by the agent employed by a county board must be paid into the
75.8 county treasury and credited to the general revenue fund of the county. An agent who is not
75.9 an employee of the county must retain the filing fee in lieu of county employment or salary
75.10 and is considered an independent contractor for pension purposes, coverage under the
75.11 Minnesota State Retirement System, or membership in the Public Employees Retirement
75.12 Association.

75.13 (e) Before the end of the first working day following the final day of the reporting period
75.14 established by the department, the agent must forward to the department all applications
75.15 and fees collected during the reporting period except as provided in paragraph (d).

75.16 (f) At least quarterly, the commissioner must compile data related to transactions
75.17 completed by driver's license agents for which no filing fee under this section was collected,
75.18 and distribute to each driver's license agent an amount calculated as (1) the number of no-fee
75.19 transactions completed by that driver's license agent, multiplied by (2) \$25. The total amount
75.20 distributed to driver's license agent under this paragraph is appropriated to the commissioner
75.21 from the driver and vehicle services operating account in the special revenue fund.

75.22 Sec. 71. Minnesota Statutes 2022, section 171.061, is amended by adding a subdivision
75.23 to read:

75.24 Subd. 5a. **Open bidding.** (a) Notwithstanding any statute or rule to the contrary, if a
75.25 driver's license agent appointed under this section permanently stops offering services at
75.26 the approved office location and permanently closes the approved office location, the
75.27 commissioner must allow an open bidding process for the appointment of a replacement
75.28 driver's license agent. If available, the replacement driver's license agent appointed by the
75.29 commissioner under this section must continue to offer services at the approved office
75.30 location. If the existing office location is not available to the replacement driver's license
75.31 agent, the replacement office location must be within the same county.

75.32 (b) The commissioner must not give any preference to any partner, owner, manager, or
75.33 employee of the closed driver's license agent office location in the open bidding process.

76.1 (c) The commissioner must adopt rules to administer and enforce an open bidding process
 76.2 to select a replacement driver's license agent. If the replacement driver's license agent elects
 76.3 to not offer services at the office location of the prior agent, the Minnesota Rules, chapter
 76.4 7404, governing the selection of a proposed office location of a driver's license agent apply.

76.5 **EFFECTIVE DATE.** This section is effective October 1, 2025.

76.6 Sec. 72. Minnesota Statutes 2023 Supplement, section 171.0705, subdivision 2, is amended
 76.7 to read:

76.8 Subd. 2. **Driver's manual; ~~bicycle traffic~~ vulnerable road users.** The commissioner
 76.9 ~~shall~~ must include in ~~each edition~~ of the driver's manual published by the department a
 76.10 section relating to vulnerable road users and motorcyclists or operators of two- or
 76.11 three-wheeled vehicles that, at a minimum, includes:

76.12 (1) bicycle and electric-assisted bicycle traffic laws, including any changes in the law
 76.13 which affect bicycle traffic;

76.14 (2) traffic laws related to pedestrians and pedestrian safety; and

76.15 (3) traffic laws related to motorcycles, autocycles, motorized bicycles, motorized foot
 76.16 scooters, and electric personal assistive mobility devices.

76.17 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 76.18 applies to each edition of the manual published on or after that date.

76.19 Sec. 73. Minnesota Statutes 2022, section 171.12, is amended by adding a subdivision to
 76.20 read:

76.21 Subd. 6a. **Driving record; traffic safety camera system.** (a) The commissioner of
 76.22 public safety must not record on an individual's driving record any violation of:

76.23 (1) a traffic-control signal under section 169.06, subdivision 10; or

76.24 (2) a speed limit under section 169.14, subdivision 13.

76.25 (b) This subdivision applies to violations committed on or after June 1, 2025, and before
 76.26 June 1, 2029.

76.27 Sec. 74. Minnesota Statutes 2023 Supplement, section 171.13, subdivision 1, is amended
 76.28 to read:

76.29 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
 76.30 **disabled veterans.** (a) Except as otherwise provided in this section, the commissioner must

77.1 examine each applicant for a driver's license by such agency as the commissioner directs.

77.2 This examination must include:

77.3 (1) one of the following:

77.4 (i) a test of the applicant's eyesight, ~~provided that this requirement is met by submission~~
77.5 ~~of a vision examination certificate under section 171.06, subdivision 7; or~~

77.6 (ii) submission of a vision examination certificate by the applicant meeting the
77.7 requirements of the commissioner under section 171.06, subdivision 7 or 7a;

77.8 (2) a test of the applicant's ability to read and understand highway signs regulating,
77.9 warning, and directing traffic;

77.10 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
77.11 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
77.12 penalties and financial consequences resulting from violations of laws prohibiting the
77.13 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
77.14 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
77.15 transportation safety, including the significance of school bus lights, signals, stop arm, and
77.16 passing a school bus; (vi) traffic laws related to vulnerable road users and motorcyclists,
77.17 including but not limited to operators of bicycles and pedestrians; and (vii) the circumstances
77.18 and dangers of carbon monoxide poisoning;

77.19 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the
77.20 operation of a motor vehicle; and

77.21 (5) other physical and mental examinations as the commissioner finds necessary to
77.22 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

77.23 (b) Notwithstanding paragraph (a), the commissioner must not deny an application for
77.24 a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in
77.25 color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans
77.26 operating motor vehicles especially equipped for disabled persons, if otherwise entitled to
77.27 a license, must be granted such license.

77.28 (c) The commissioner must ensure that an applicant may take an exam either in the
77.29 county where the applicant resides or in an adjacent county at a reasonably convenient
77.30 location. The schedule for each exam station must be posted on the department's website.

77.31 (d) The commissioner shall ensure that an applicant is able to obtain an appointment for
77.32 an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the

78.1 applicant's request if, under the applicable statutes and rules of the commissioner, the
78.2 applicant is eligible to take the examination.

78.3 (e) The commissioner must provide real-time information on the department's website
78.4 about the availability and location of exam appointments. The website must show the next
78.5 available exam dates and times for each exam station. The website must also provide an
78.6 option for a person to enter an address to see the date and time of the next available exam
78.7 at each exam station sorted by distance from the address provided.

78.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, for renewals on or after
78.9 that date.

78.10 Sec. 75. Minnesota Statutes 2022, section 171.13, subdivision 9, is amended to read:

78.11 **Subd. 9. Online driver's license knowledge testing authorization.** (a) The commissioner
78.12 must implement online knowledge testing as provided in this subdivision. The commissioner
78.13 must not charge a fee to a driver education program or an authorized entity for access to
78.14 the online knowledge testing system or for administering the online knowledge test. ~~The~~
78.15 ~~commissioner must administer the fourth or subsequent knowledge test for a person.~~

78.16 (b) Upon written request from a driver education program licensed by the department,
78.17 the commissioner must grant access to the department's web-based knowledge testing system
78.18 to the driver education program. Once granted access to the online knowledge testing system,
78.19 a driver education program may administer the online knowledge test to a student of the
78.20 program.

78.21 (c) An entity other than a driver education program may apply to the commissioner for
78.22 authority to administer online knowledge tests. The commissioner may approve or disapprove
78.23 an application for administering the online knowledge tests under this paragraph. Upon
78.24 approving an application of an entity, the commissioner must grant access to the department's
78.25 web-based knowledge testing system to that authorized entity. Once granted access to the
78.26 online knowledge testing system, the authorized entity may administer the online knowledge
78.27 test.

78.28 (d) A driver education program or authorized entity:

78.29 (1) must provide all computers and equipment for persons that take the online knowledge
78.30 test;

78.31 (2) must provide appropriate proctors to monitor persons taking the online knowledge
78.32 test; and

79.1 (3) may charge a fee of no more than \$10 for administering the online knowledge test.

79.2 (e) For purposes of paragraph (d), clause (2), a proctor must be:

79.3 (1) an employee of the driver education program, authorized entity, or a state or local
79.4 government;

79.5 (2) a driver's license agent; or

79.6 (3) a classroom teacher, school administrator, or paraprofessional at a public or private
79.7 school, excluding a home school.

79.8 The proctor must be physically present at the location where the test is being administered.

79.9 A proctor must not be a relative of the person taking the test. For purposes of this paragraph,
79.10 a relative is a spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
79.11 including adoptive, half, step, and in-law relationships.

79.12 **EFFECTIVE DATE.** This section is effective August 1, 2025.

79.13 Sec. 76. Minnesota Statutes 2022, section 171.13, is amended by adding a subdivision to
79.14 read:

79.15 **Subd. 10. Written examination plain language requirements.** (a) For purposes of this
79.16 subdivision, the following terms have the meanings given:

79.17 (1) "committee" means the Department of Public Safety, Division of Driver and Vehicle
79.18 Services Test Maintenance Committee responsible for monitoring, reviewing, and editing
79.19 the written portion of the driver's knowledge examination on behalf of the Division of Driver
79.20 and Vehicle Services;

79.21 (2) "plain language standards" means the requirements specified in paragraph (b) and
79.22 the requirements of the Plain Writing Act, Public Law 111-274, and Executive Order 14-07;
79.23 and

79.24 (3) "written examination" means the written portion of the driver's knowledge examination
79.25 in English and administered under this section.

79.26 (b) By February 1, 2025, the commissioner must implement plain language standards
79.27 and create a new written portion of the knowledge examination to ensure the written
79.28 examination is a fair assessment of the state's traffic and driving laws. The new written
79.29 portion of the knowledge examination, to the extent practicable, must be organized to serve
79.30 the reader's needs and written using clear, simplified language with the following grammatical
79.31 standards:

- 80.1 (1) "you" and other pronouns address the test-taker directly;
- 80.2 (2) use the active voice;
- 80.3 (3) use short, simple sentences and straightforward questions;
- 80.4 (4) avoid complex and compound sentence structures;
- 80.5 (5) use commonly used and familiar words;
- 80.6 (6) avoid turning verbs into nouns through nominalization;
- 80.7 (7) minimize the use of abbreviations;
- 80.8 (8) place words carefully to avoid large gaps between the subject, verb, and object in a
80.9 sentence;
- 80.10 (9) avoid confusing terms such as "either/or" and "neither/nor";
- 80.11 (10) use simple verb tenses, including the simple present verb tense where practicable,
80.12 to explain confusing or complex concepts;
- 80.13 (11) omit double negatives and terms like "except for," "unless," and "indicated
80.14 otherwise";
- 80.15 (12) avoid hidden terms and use concrete, familiar words to describe confusing or
80.16 complex concepts or items;
- 80.17 (13) omit excess and unnecessary words;
- 80.18 (14) use the word "must" to express requirements;
- 80.19 (15) put exceptions at the end of a question;
- 80.20 (16) place modifying terms in correct locations; and
- 80.21 (17) any other recommended strategies and techniques designed to offer clear
80.22 communication to test-takers.
- 80.23 (c) Any revisions or additions to the subjects tested on a knowledge examination must
80.24 be written using the plain language standards specified in paragraph (b). Revisions made
80.25 to the written examination must assess whether the applicant understands the traffic laws
80.26 of Minnesota and test knowledge of the requirements specified in subdivision 1, paragraph
80.27 (a), clauses (2) and (3).
- 80.28 (d) The committee must convene its first meeting by August 1, 2024. Before publication
80.29 of the new written examination under plain language requirements, the committee must
80.30 meet at least four times before January 1, 2025. The commissioner may enter into an

81.1 agreement with a third party to propose, draft, and revise the written examination under the
 81.2 requirements of this subdivision.

81.3 (e) The commissioner may adopt plain language standards into other Division of Driver
 81.4 and Vehicle Services materials, including the driver's manual under section 171.0705.

81.5 Sec. 77. Minnesota Statutes 2022, section 171.16, subdivision 3, is amended to read:

81.6 Subd. 3. **Failure to pay fine.** The commissioner is prohibited from suspending a person's
 81.7 driver's license based solely on the fact that a person:

81.8 (1) has been convicted of:

81.9 (i) violating a law of this state or an ordinance of a political subdivision which regulates
 81.10 the operation or parking of motor vehicles;

81.11 (ii) a violation under section 169.06, subdivision 10; or

81.12 (iii) a violation under section 169.14, subdivision 13;

81.13 (2) has been sentenced to the payment of a fine or had a surcharge levied against that
 81.14 person, or sentenced to a fine upon which a surcharge was levied; and

81.15 (3) has refused or failed to comply with that sentence or to pay the surcharge.

81.16 Sec. 78. Minnesota Statutes 2022, section 171.30, subdivision 1, is amended to read:

81.17 Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a limited license
 81.18 to the driver under the conditions in paragraph (b) in any case where a person's license has
 81.19 been:

81.20 (1) suspended under section 171.18, 171.173, 171.186, or 171.187;

81.21 (2) revoked, canceled, or denied under section:

81.22 (i) 169.792;

81.23 (ii) 169.797;

81.24 (iii) 169A.52:

81.25 (A) subdivision 3, paragraph (a), clause (1) or (2); or

81.26 (B) subdivision 4, paragraph (a), clause (1) or (2), if the test results indicate an alcohol
 81.27 concentration of less than twice the legal limit;

81.28 (iv) 171.17; or

- 82.1 (v) 171.172;
- 82.2 (3) revoked, canceled, or denied under section 169A.54:
- 82.3 (i) subdivision 1, clause (1), if the test results indicate an alcohol concentration of less
82.4 than twice the legal limit;
- 82.5 (ii) subdivision 1, clause (2); or
- 82.6 (iii) subdivision 2, if the person does not have a qualified prior impaired driving incident
82.7 as defined in section 169A.03, subdivision 22, on the person's record, and the test results
82.8 indicate an alcohol concentration of less than twice the legal limit; or
- 82.9 (4) revoked, canceled, or denied under section 171.177:
- 82.10 (i) subdivision 4, paragraph (a), clause (1) or (2); or
- 82.11 (ii) subdivision 5, paragraph (a), clause (1) or (2), if the test results indicate an alcohol
82.12 concentration of less than twice the legal limit.
- 82.13 (b) The following conditions for a limited license under paragraph (a) include:
- 82.14 (1) if the driver's livelihood or attendance at a substance use disorder treatment or
82.15 counseling program depends upon the use of the driver's license;
- 82.16 (2) if the use of a driver's license by a homemaker is necessary to prevent the substantial
82.17 disruption of the education, medical, or nutritional needs of the family of the homemaker;
- 82.18 ~~or~~
- 82.19 (3) if attendance at a postsecondary institution of education by an enrolled student of
82.20 that institution depends upon the use of the driver's license; or
- 82.21 (4) if the use of a driver's license by a treatment court participant materially supports
82.22 successful attendance or participation in treatment court.
- 82.23 (c) Except as provided in subdivision 1a, the commissioner in issuing a limited license
82.24 may impose such conditions and limitations as in the commissioner's judgment are necessary
82.25 to the interests of the public safety and welfare including reexamination as to the driver's
82.26 qualifications. The license may be limited to the operation of particular vehicles, to particular
82.27 classes and times of operation, and to particular conditions of traffic. The commissioner
82.28 may require that an applicant for a limited license affirmatively demonstrate that use of
82.29 public transportation or carpooling as an alternative to a limited license would be a significant
82.30 hardship.
- 82.31 (d) For purposes of this subdivision:

83.1 (1) "homemaker" refers to the person primarily performing the domestic tasks in a
83.2 household of residents consisting of at least the person and the person's dependent child or
83.3 other dependents; and

83.4 (2) "twice the legal limit" means an alcohol concentration of two times the limit specified
83.5 in section 169A.20, subdivision 1, clause (5).

83.6 (e) The limited license issued by the commissioner shall clearly indicate the limitations
83.7 imposed and the driver operating under the limited license shall have the license in possession
83.8 at all times when operating as a driver.

83.9 (f) In determining whether to issue a limited license, the commissioner shall consider
83.10 the number and the seriousness of prior convictions and the entire driving record of the
83.11 driver and shall consider the number of miles driven by the driver annually.

83.12 (g) If the person's driver's license or permit to drive has been revoked under section
83.13 169.792 or 169.797, the commissioner may only issue a limited license to the person after
83.14 the person has presented an insurance identification card, policy, or written statement
83.15 indicating that the driver or owner has insurance coverage satisfactory to the commissioner
83.16 of public safety. The commissioner of public safety may require the insurance identification
83.17 card provided to satisfy this subdivision be certified by the insurance company to be
83.18 noncancelable for a period not to exceed 12 months.

83.19 (h) The limited license issued by the commissioner to a person under section 171.186,
83.20 subdivision 4, must expire 90 days after the date it is issued. The commissioner must not
83.21 issue a limited license to a person who previously has been issued a limited license under
83.22 section 171.186, subdivision 4.

83.23 (i) The commissioner shall not issue a limited driver's license to any person described
83.24 in section 171.04, subdivision 1, clause (6), (7), (8), (11), or (14).

83.25 (j) The commissioner shall not issue a class A, class B, or class C limited license.

83.26 **EFFECTIVE DATE.** This section is effective August 1, 2024, for licenses issued on
83.27 or after that date.

83.28 Sec. 79. Minnesota Statutes 2022, section 171.30, is amended by adding a subdivision to
83.29 read:

83.30 **Subd. 1a. Treatment court participants; conditions of issuance.** (a) The commissioner
83.31 may impose certain conditions on the issuance or use of a limited license to a treatment
83.32 court participant, including but not limited to:

84.1 (1) requiring a reexamination of the driver's qualifications;
 84.2 (2) limiting operation to a particular vehicle or vehicles;
 84.3 (3) operating certain classes of vehicles or operating a vehicle at certain times;
 84.4 (4) limiting operation to certain traffic conditions; or
 84.5 (5) any other conditions in the commissioner's judgment as necessary to protect the
 84.6 interests of public safety and welfare.

84.7 (b) The commissioner must require continued participation in treatment court as a
 84.8 condition of a limited license issued to a treatment court participant. The commissioner
 84.9 must not impose any condition or limit that would prevent a treatment court participant who
 84.10 qualifies for a limited license from participating in any hearings, meetings, treatment or
 84.11 counseling programs, sober support activities, community service events, or any other
 84.12 program or activity ordered or required by a treatment court.

84.13 (c) Upon request from the commissioner, a peace officer as defined in section 626.84,
 84.14 subdivision 1, paragraph (c), or a law enforcement agency as defined in section 626.84,
 84.15 subdivision 1, paragraph (f), a treatment court coordinator must verify whether a person is
 84.16 a participant in treatment court and provide the date, time, and location of any hearings,
 84.17 meetings, treatment or counseling programs, sober support activities, community service
 84.18 events, or any other program or activity the treatment court has ordered or required the
 84.19 person to attend.

84.20 (d) A treatment court coordinator must notify the commissioner if a person is terminated
 84.21 from participation in treatment court. Notification must be made in a form and manner
 84.22 established by the commissioner and may be made by a district court administrator.

84.23 **EFFECTIVE DATE.** This section is effective August 1, 2024, for licenses issued on
 84.24 or after that date.

84.25 Sec. 80. Minnesota Statutes 2022, section 171.30, is amended by adding a subdivision to
 84.26 read:

84.27 Subd. 6. **Treatment court; data classification.** Court records and information on driving
 84.28 restrictions for limited license holders who are treatment court participants are classified as
 84.29 private data on individuals, as defined in section 13.02, subdivision 12, but may be disclosed
 84.30 to chiefs of police, county sheriffs, prosecuting attorneys, and other law enforcement agencies
 84.31 with the power to arrest.

84.32 **EFFECTIVE DATE.** This section is effective August 1, 2024.

85.1 Sec. 81. Minnesota Statutes 2023 Supplement, section 171.301, subdivision 3, is amended
85.2 to read:

85.3 Subd. 3. **Fees prohibited.** (a) For a reintegration driver's license under this section:

85.4 (1) the commissioner must not impose:

85.5 (i) a fee, surcharge, or filing fee under section 171.06, subdivision 2; ~~or~~

85.6 (ii) a reinstatement fee under sections 171.20, subdivision 4, and 171.29, subdivision 2;

85.7 or

85.8 (iii) an endorsement fee under section 171.06, subdivision 2a; and

85.9 (2) a driver's license agent must not impose a filing fee under section 171.061, subdivision
85.10 4.

85.11 (b) Issuance of a reintegration driver's license does not forgive or otherwise discharge
85.12 any unpaid fees or fines.

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

85.14 Sec. 82. Minnesota Statutes 2023 Supplement, section 171.301, subdivision 6, is amended
85.15 to read:

85.16 Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule
85.17 to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license
85.18 to a person who possesses a reintegration driver's license if:

85.19 (1) the person has possessed the reintegration driver's license for at least one full year;

85.20 (2) the reintegration driver's license has not been canceled under subdivision 4 and has
85.21 not expired under subdivision 5;

85.22 (3) the person meets the application requirements under section 171.06, including payment
85.23 of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and
85.24 2a, and 171.061, subdivision 4; and

85.25 (4) issuance of the license does not conflict with the requirements of the nonresident
85.26 violator compact.

85.27 (b) The commissioner must forgive any outstanding balance due on a reinstatement fee
85.28 or surcharge under ~~section~~ sections 171.20, subdivision 4, and 171.29, subdivision 2, for a
85.29 person who is eligible and applies for a license under paragraph (a).

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

86.1 Sec. 83. Minnesota Statutes 2022, section 171.335, subdivision 3, is amended to read:

86.2 Subd. 3. **Appropriation.** (a) All funds in the motorcycle safety ~~fund~~ account created ~~by~~
86.3 under section 171.06, subdivision 2a, are ~~hereby~~ annually appropriated to the commissioner
86.4 of public safety to carry out the purposes of subdivisions 1 and 2.

86.5 (b) Of the money appropriated under paragraph (a):

86.6 (1) not more than five percent shall be expended to defray the administrative costs of
86.7 carrying out the purposes of subdivisions 1 and 2; and

86.8 (2) not more than 65 percent shall be expended for the combined purpose of training
86.9 and coordinating the activities of motorcycle safety instructors and making reimbursements
86.10 to schools and other approved organizations.

86.11 **EFFECTIVE DATE.** This section is effective July 1, 2024.

86.12 Sec. 84. Minnesota Statutes 2022, section 174.02, is amended by adding a subdivision to
86.13 read:

86.14 Subd. 11. **Tribal worksite training program.** The commissioner must establish a Tribal
86.15 worksite training program for state-funded construction projects. The commissioner may
86.16 enter into an agreement with any private, public, or Tribal entity for the planning, designing,
86.17 developing, and hosting of the program. The commissioner must not use trunk highway
86.18 funds for the worksite training program if the state-funded construction project is not a
86.19 highway construction project.

86.20 Sec. 85. Minnesota Statutes 2022, section 174.185, is amended to read:

86.21 **174.185 PAVEMENT LIFE-CYCLE COST ANALYSIS.**

86.22 Subdivision 1. **Definitions.** For the purposes of this section, the following definitions
86.23 apply.

86.24 (a) ~~"Life-cycle cost" is the sum of the cost of the initial pavement project and all~~
86.25 ~~anticipated costs for maintenance, repair, and resurfacing over the life of the pavement.~~
86.26 ~~Anticipated costs must be based on Minnesota's actual or reasonably projected maintenance,~~
86.27 ~~repair, and resurfacing schedules, and costs determined by the Department of Transportation~~
86.28 ~~district personnel based upon recently awarded local projects and experience with local~~
86.29 ~~material costs.~~

86.30 (b) ~~(a) "Life-cycle cost analysis" is or "analysis" means a comparison of life-cycle costs~~
86.31 ~~among competing paving materials using equal design lives and equal comparison periods.~~

87.1 process for evaluating the total economic worth of a usable project segment by analyzing
 87.2 initial costs and discounted future costs, such as maintenance, user costs, reconstruction,
 87.3 rehabilitation, restoring, and resurfacing costs over the life of the project segment.

87.4 (b) "Minimum requirements" means a combination of pavement, base, and subbase
 87.5 materials that minimizes the total system cost to achieve the specified design performance
 87.6 requirements. Design performance requirements are based on design traffic volumes,
 87.7 reliability, standard deviation, pavement structural characteristics, and various material
 87.8 properties for structural design.

87.9 (c) "Pavement" means any material used for paved traffic lanes, typically asphalt or
 87.10 concrete, including the underlying materials inherent to each pavement alternative considered.

87.11 (d) "Rounded value" means a measurement that is rounded to the nearest half-inch
 87.12 increment.

87.13 (e) "Shoulder" means the portion of the highway that is contiguous with the regularly
 87.14 traveled portion of the highway, outside of the edge of the pavement, and for accommodation
 87.15 of stopped vehicles, emergency use, and lateral support of base and surface courses.

87.16 (f) "Substantial plan development" means the point in time during the plan development
 87.17 process after which any further activities would preclude any of the feasible alternatives
 87.18 from being selected or constructed.

87.19 (g) "Superfluous materials" means materials that are in excess of rounded values and
 87.20 that are not necessary to meet the minimum requirements for a feasible alternative.

87.21 **Subd. 2. Required analysis.** (a) For each project in the reconditioning, resurfacing, and
 87.22 road repair funding categories any project with 60,000 or more square yards of paving,
 87.23 including for the shoulder, the commissioner shall must perform a life-cycle cost analysis
 87.24 and shall document the lowest life-cycle costs and all alternatives considered. The
 87.25 commissioner shall document the chosen pavement strategy and, if the lowest life cycle is
 87.26 not selected, document the justification for the chosen strategy. A life-cycle cost analysis
 87.27 is required for projects to be constructed after July 1, 2011, and document the chosen
 87.28 pavement strategy as provided in this section. The commissioner must perform the life-cycle
 87.29 cost analysis prior to substantial plan development.

87.30 (b) When conducting a life-cycle cost analysis, the commissioner must:

87.31 (1) derive initial and future costs from Minnesota-based historical data of roadways with
 87.32 similar characteristics, including but not limited to similar geographical location, rural or

- 88.1 urban classification, traffic volumes, construction practices, staging, and vehicle classification
 88.2 percentages;
- 88.3 (2) determine the analysis period based on the longest design life of all feasible
 88.4 alternatives or 60 years, whichever is longer;
- 88.5 (3) compensate for any life added or lost due to rounding if pavement thickness is rounded
 88.6 up or down;
- 88.7 (4) ensure that each feasible alternative being considered in the analysis meets the
 88.8 minimum requirements for that alternative and must consider only the pavement, base, and
 88.9 subbase materials that are required to meet the minimum criteria for that alternative;
- 88.10 (5) identify all feasible alternatives, including a full range of rehabilitation strategies for
 88.11 both rigid and flexible pavements;
- 88.12 (6) include agency costs, including but not limited to initial pavement, future rehabilitation
 88.13 and maintenance projects, overhead, design, contract administration, and routine maintenance;
- 88.14 (7) include mobilization costs related to construction, maintenance, or rehabilitation;
- 88.15 (8) include costs for traffic control to protect workers and the public during each
 88.16 construction, maintenance, or rehabilitation activity in the analysis;
- 88.17 (9) identify and use realistic timing of future maintenance and construction practices
 88.18 using similar characteristics, including but not limited to similar geographical location, rural
 88.19 or urban classification, traffic volumes, construction practices, staging, and vehicle
 88.20 classification percentages;
- 88.21 (10) for each feasible alternative with residual service life at the end of the analysis
 88.22 period, calculate the value of any residual service life and include the value as a credit in
 88.23 the final year of the analysis period;
- 88.24 (11) include an explanation of the methodology used to produce the cost estimate and
 88.25 why that method was selected; and
- 88.26 (12) include an explanation of the timing selected of rehabilitation and maintenance and
 88.27 why that timing was selected.
- 88.28 (c) The commissioner must not include the following in a life-cycle cost analysis:
- 88.29 (1) elements that are the same for all alternatives;
- 88.30 (2) life-cycle calculations for shoulder pavement, shoulder base, or shoulder subbase;
 88.31 and

89.1 (3) any superfluous material that is included as part of the feasible alternative but is not
89.2 required to meet the minimum requirements of the feasible alternative, including any material
89.3 that may be included due to the designer's preference or recommendation in the department's
89.4 Pavement Design Manual. This clause does not preclude the commissioner from selecting
89.5 a pavement strategy that uses superfluous materials, but the superfluous materials must not
89.6 be a factor in making the selection.

89.7 Subd. 2a. **Review and collaboration.** (a) Before finalizing a pavement selection, the
89.8 commissioner must post a draft of the life-cycle cost analysis and the draft pavement selection
89.9 on the department's Office of Materials and Road Research website for 21 days. During
89.10 this period, the commissioner must allow industry association representatives to submit
89.11 questions and comments. The commissioner must collaborate with the person who submitted
89.12 the question or comment, where necessary, to ensure the commissioner fully understands
89.13 the question or comment. The commissioner must respond to each comment or question in
89.14 writing, which must include a description of any associated changes that will be made to
89.15 the life-cycle cost analysis.

89.16 (b) After the review period under paragraph (a) closes, the commissioner must make
89.17 revisions to the life-cycle cost analysis in response to questions or comments received. If
89.18 the commissioner revises the type of pavement from concrete to asphalt or from asphalt to
89.19 concrete, the commissioner must post the revised life-cycle cost analysis for review in
89.20 accordance with the requirements under paragraph (a).

89.21 Subd. 2b. **Selection.** (a) After the review period required in subdivision 2a and any
89.22 subsequent changes to the analysis, the commissioner must select the pavement strategy
89.23 and prepare a document of justification. At a minimum, the document of justification must:

89.24 (1) explain why the pavement strategy was selected;

89.25 (2) if the lowest life-cycle cost is not selected, justify why a strategy with a higher
89.26 life-cycle cost was selected;

89.27 (3) include all comments and questions received during the review period and the
89.28 commissioner's responses to each; and

89.29 (4) identify any superfluous materials, quantify the superfluous materials' associated
89.30 costs, and provide the rationale for the superfluous materials' inclusion.

89.31 (b) The commissioner must submit the analysis and document of justification to a licensed
89.32 professional engineer for review. A life-cycle cost analysis is not considered final until it

90.1 is certified and signed by a licensed professional engineer as provided by Minnesota Rules,
 90.2 part 1800.4200.

90.3 (c) For all projects that began construction on or after January 1, 2024, the commissioner
 90.4 must store all life-cycle cost analyses and documents of justification on the department's
 90.5 website in a manner that allows the public to easily access the documents.

90.6 (d) After completing the certification and signature requirements in paragraph (b) and
 90.7 the posting requirements in paragraph (c), the commissioner may advance the project to
 90.8 substantial plan development.

90.9 Subd. 3. **Report.** The commissioner ~~shall~~ must report by January 31 annually to the
 90.10 chairs and ranking minority members of the ~~senate and house of representatives~~ legislative
 90.11 committees with jurisdiction over transportation finance on life-cycle cost analyses under
 90.12 this section. At a minimum, the report must include information on the results of the analyses
 90.13 ~~required in~~ under subdivision 2, the public review under subdivision 2a, and the final
 90.14 selection and document of justification under subdivision 2b.

90.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

90.16 Sec. 86. **[174.249] ZERO-EMISSION TRANSIT BUSES.**

90.17 Subdivision 1. **Definition.** For purposes of this section, "zero-emission transit bus" has
 90.18 the meaning given in section 473.3927, subdivision 1a.

90.19 Subd. 2. **Bus procurement exemptions.** (a) The commissioner must establish a process
 90.20 to issue a procurement exemption from the requirements under sections 473.388, subdivision
 90.21 9, and 473.3927, subdivision 4. An exemption may (1) extend the commencement date for
 90.22 the respective zero-emission transit bus procurement requirements, or (2) provide for a
 90.23 zero-emission transit bus procurement percentage or phase-in schedule.

90.24 (b) An entity that seeks an exemption must submit an application, in the form and manner
 90.25 specified by the commissioner, that includes:

90.26 (1) a justification for the exemption;

90.27 (2) a review of activities related to zero-emission transit bus transition planning;

90.28 (3) demonstration of efforts to procure zero-emission transit buses and associated
 90.29 infrastructure;

90.30 (4) a proposed timeline for full compliance, which must include annual procurement
 90.31 targets and associated milestones; and

91.1 (5) information required by the commissioner.

91.2 (c) The commissioner may only issue a procurement exemption following a determination
 91.3 that:

91.4 (1) the applicant has made good faith effort to follow the guidance and recommendations
 91.5 of the transition plan under section 473.3927; and

91.6 (2) full compliance with procurement requirements is not feasible within the specified
 91.7 time period due to:

91.8 (i) technology, infrastructure, utility interconnection, funding, or bus availability
 91.9 constraints;

91.10 (ii) a resulting material impact on service reliability or on other means of reducing
 91.11 greenhouse gas emissions under the transit provider's purview, including transit service
 91.12 expansion; or

91.13 (iii) other specified and documented constraints.

91.14 (d) The commissioner must deny an application for procurement exemption following
 91.15 a determination that the applicant made inadequate efforts to meet the relevant procurement
 91.16 requirements.

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

91.18 Sec. 87. Minnesota Statutes 2022, section 174.40, subdivision 3, is amended to read:

91.19 Subd. 3. **Safe routes to school accounts.** (a) A safe routes to school account is established
 91.20 in the bond proceeds fund. The account consists of state bond proceeds appropriated to the
 91.21 commissioner. Money in the account may only be expended on bond-eligible costs of a
 91.22 project receiving financial assistance as provided under this section. All uses of funds from
 91.23 the account must be for publicly owned property.

91.24 (b) A safe routes to school account is established in the ~~general~~ special revenue fund.
 91.25 The account consists of funds as provided by law, and any other money donated, allotted,
 91.26 transferred, or otherwise provided to the account. Money in the account may only be
 91.27 expended on a project receiving financial assistance as provided under this section.

92.1 Sec. 88. **[174.46] CONSTRUCTION OF NONARTERIAL BUS RAPID TRANSIT**
 92.2 **FACILITIES.**

92.3 (a) For purposes of this section, "total estimated construction cost" means either (1) the
 92.4 cost of construction for a complete transit line project or (2) the sum of the costs of all
 92.5 discrete segments of a transit line project.

92.6 (b) If a planned bus rapid transit line has either (1) a total estimated construction cost
 92.7 of more than \$100,000,000 or (2) will operate substantially within separated rights-of-way,
 92.8 the commissioner is the responsible authority and must construct bus rapid transit facilities
 92.9 and infrastructure in the metropolitan area. The commissioner must ensure any construction
 92.10 project subject to this section is constructed in compliance with applicable plans and designs
 92.11 adopted by the Metropolitan Council.

92.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 92.13 applies to projects that enter into full funding grant agreements on or after that date.

92.14 Sec. 89. Minnesota Statutes 2023 Supplement, section 174.49, subdivision 6, is amended
 92.15 to read:

92.16 Subd. 6. **Metropolitan counties; use of funds.** (a) A metropolitan county must use
 92.17 funds that are received under subdivision 5 as follows:

92.18 (1) 41.5 percent for active transportation and transportation corridor safety studies;

92.19 (2) 41.5 percent for:

92.20 (i) repair, preservation, and rehabilitation of transportation systems; and

92.21 (ii) roadway replacement to reconstruct, reclaim, or modernize a corridor without adding
 92.22 traffic capacity, except for auxiliary lanes with a length of less than 2,500 feet; and

92.23 (3) 17 percent for any of the following:

92.24 (i) transit purposes, including but not limited to operations, maintenance, capital
 92.25 maintenance, demand response service, and assistance to replacement service providers
 92.26 under section 473.388;

92.27 (ii) complete streets projects, as provided under section 174.75; and

92.28 (iii) projects, programs, or operations activities that meet the requirements of a mitigation
 92.29 action under section 161.178, subdivision 4.

92.30 (b) Funds under paragraph (a), clause (3), must supplement and not supplant existing
 92.31 sources of revenue.

93.1 (c) A metropolitan county may use funds that are received under subdivision 5 as debt
 93.2 service for obligations issued by the county in accordance with chapter 475, provided that
 93.3 the obligations are issued for a use allowable under this section.

93.4 Sec. 90. **[174.595] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**

93.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 93.6 the meanings given.

93.7 (b) "Capital building asset" includes but is not limited to district headquarter buildings,
 93.8 truck stations, salt storage or other unheated storage buildings, deicing and anti-icing
 93.9 facilities, fuel dispensing facilities, highway rest areas, and vehicle weigh and inspection
 93.10 stations.

93.11 (c) "Commissioner" means the commissioner of transportation.

93.12 (d) "Department" means the Department of Transportation.

93.13 (e) "Program" means the transportation facilities capital program established in this
 93.14 section.

93.15 Subd. 2. **Program established.** The commissioner must establish a transportation
 93.16 facilities capital program in conformance with this section to provide for capital building
 93.17 asset projects related to buildings and other capital facilities of the department.

93.18 Subd. 3. **Transportation facilities capital accounts.** (a) A transportation facilities
 93.19 capital account is established in the trunk highway fund. The account consists of money
 93.20 appropriated from the trunk highway fund for the purposes of the program and any other
 93.21 money donated, allotted, transferred, or otherwise provided to the account by law.

93.22 (b) A transportation facilities capital subaccount is established in the bond proceeds
 93.23 account in the trunk highway fund. The subaccount consists of trunk highway bond proceeds
 93.24 appropriated to the commissioner for the purposes of the program. Money in the subaccount
 93.25 may only be expended on trunk highway purposes including the purposes specified in this
 93.26 section.

93.27 Subd. 4. **Implementation standards.** The commissioner must establish a process to
 93.28 implement the program that includes allocation of funding based on review of eligible
 93.29 projects as provided under subdivision 5 and prioritization as provided under subdivision
 93.30 6. The process must be in conformance with trunk highway fund uses for the purposes of
 93.31 constructing, improving, and maintaining the trunk highway system in the state pursuant
 93.32 to the Minnesota Constitution, article XIV.

- 94.1 Subd. 5. **Eligible expenditures.** A project is eligible under this section only if it:
- 94.2 (1) involves the construction, improvement, or maintenance of a capital building asset
- 94.3 that is part of the trunk highway system;
- 94.4 (2) performs at least one of the following:
- 94.5 (i) supports the programmatic mission of the department;
- 94.6 (ii) extends the useful life of existing buildings; or
- 94.7 (iii) renovates or constructs facilities to meet the department's current and future
- 94.8 operational needs; and
- 94.9 (3) complies with the sustainable building guidelines provided in section 16B.325.
- 94.10 Subd. 6. **Prioritization.** In prioritizing funding allocation among projects under the
- 94.11 program, the commissioner must consider:
- 94.12 (1) whether a project ensures effective and efficient condition and operation of the
- 94.13 facility;
- 94.14 (2) the urgency in ensuring the safe use of existing buildings;
- 94.15 (3) the project's total life-cycle cost;
- 94.16 (4) additional criteria for priorities otherwise specified in law that apply to a category
- 94.17 listed in the act making an appropriation for the program; and
- 94.18 (5) any other criteria the commissioner deems necessary.
- 94.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

94.20 Sec. 91. Minnesota Statutes 2023 Supplement, section 174.634, subdivision 2, is amended

94.21 to read:

94.22 Subd. 2. **Passenger rail account; transfers; appropriation.** (a) A passenger rail account

94.23 is established in the special revenue fund. The account consists of funds as provided in this

94.24 subdivision and any other money donated, allotted, transferred, collected, or otherwise

94.25 provided to the account.

94.26 (b) By July 15 annually beginning in calendar year 2027, the commissioner of revenue

94.27 must transfer an amount from the general fund to the passenger rail account that equals 50

94.28 percent of the portion of the state general tax under section 275.025 levied on railroad

94.29 operating property, as defined under section 273.13, subdivision 24, in the prior calendar

94.30 year.

95.1 (c) Money in the account is annually appropriated to the commissioner of transportation
 95.2 for the ~~net~~ operating and capital maintenance costs of intercity passenger rail, which may
 95.3 include but are not limited to planning, designing, developing, constructing, equipping,
 95.4 administering, operating, promoting, maintaining, and improving passenger rail service
 95.5 within the state, after accounting for operating revenue, federal funds, and other sources.

95.6 (d) By November 1 each year, the commissioner must report on the passenger rail account
 95.7 to the chairs, ranking minority members, and staff of the legislative committees with
 95.8 jurisdiction over transportation policy and finance. The report must, at a minimum, include:

95.9 (1) the actual revenue and expenditures in each of the previous two fiscal years;

95.10 (2) the budgeted and forecasted revenue and expenditures in the current fiscal year and
 95.11 each fiscal year within the state forecast period; and

95.12 (3) the uses of expenditures or planned expenditures in each fiscal year included under
 95.13 clauses (1) and (2).

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

95.15 Sec. 92. Minnesota Statutes 2023 Supplement, section 174.634, is amended by adding a
 95.16 subdivision to read:

95.17 **Subd. 3. Fee and revenue collection authorized.** (a) The commissioner may, directly
 95.18 or through a contractor, vendor, operator, or partnership with a federal or state government
 95.19 entity, including Amtrak, collect a fee or other revenue related to passenger rail services
 95.20 within the state. Fees and revenue to be collected include but are not limited to fees and
 95.21 revenue generated through ticket sales and sales of on-board and promotional goods. Revenue
 95.22 may be collected as determined by the commissioner. Fees and revenue under this section
 95.23 are subject to section 16A.1283, except for an increase of a fee enacted under this section.

95.24 (b) Fees and revenue collected under this subdivision must be deposited in the passenger
 95.25 rail account under subdivision 2.

95.26 Sec. 93. Minnesota Statutes 2022, section 174.75, subdivision 1, is amended to read:

95.27 Subdivision 1. **Definition Definitions.** (a) For purposes of this section, the following
 95.28 terms have the meanings given.

95.29 (b) "Complete streets" is the planning, scoping, design, implementation, operation, and
 95.30 maintenance of roads in order to reasonably address the safety and accessibility needs of
 95.31 users of all ages and abilities. Complete streets considers the needs of motorists, pedestrians,

96.1 transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along
 96.2 and across roads, intersections, and crossings in a manner that is sensitive to the local context
 96.3 and recognizes that the needs vary in urban, suburban, and rural settings.

96.4 (c) "Vulnerable road user" has the meaning given in section 169.011, subdivision 92b.

96.5 Sec. 94. Minnesota Statutes 2022, section 174.75, subdivision 2, is amended to read:

96.6 Subd. 2. **Implementation.** (a) The commissioner shall ~~shall~~ must implement a complete
 96.7 streets policy after consultation with stakeholders, state and regional agencies, local
 96.8 governments, and road authorities. The commissioner, after such consultation, shall ~~shall~~ must
 96.9 address relevant protocols, guidance, standards, requirements, and training, ~~and shall~~
 96.10 integrate.

96.11 (b) The complete streets policy must include but is not limited to:

96.12 (1) integration of related principles of context-sensitive solutions;

96.13 (2) integration throughout the project development process;

96.14 (3) methods to evaluate inclusion of active transportation facilities in a project, which
 96.15 may include but is not limited to sidewalks, crosswalk markings, pedestrian accessibility,
 96.16 and bikeways; and

96.17 (4) consideration of consultation with other road authorities regarding existing and
 96.18 planned active transportation network connections.

96.19 Sec. 95. Minnesota Statutes 2022, section 174.75, is amended by adding a subdivision to
 96.20 read:

96.21 Subd. 2a. **Implementation guidance.** The commissioner must maintain guidance that
 96.22 accompanies the complete streets policy under this section. The guidance must include
 96.23 sections on:

96.24 (1) an analysis framework that provides for:

96.25 (i) identification of characteristics of a project;

96.26 (ii) highway system categorization based on context, including population density, land
 96.27 use, density and scale of surrounding development, volume of highway use, and the nature
 96.28 and extent of active transportation; and

97.1 (iii) relative emphasis for different road system users in each of the categories under
 97.2 item (ii) in a manner that supports safety and mobility of vulnerable road users, motorcyclists
 97.3 or other operators of two- or three-wheeled vehicles, and public transit users; and

97.4 (2) an analysis of speed limit reductions and associated roadway design modifications
 97.5 to support safety and mobility in active transportation.

97.6 Sec. 96. Minnesota Statutes 2022, section 216E.02, subdivision 1, is amended to read:

97.7 Subdivision 1. **Policy.** The legislature hereby declares it to be the policy of the state to
 97.8 locate large electric power facilities and high voltage transmission lines in an orderly manner
 97.9 compatible with environmental preservation and the efficient use of resources. In accordance
 97.10 with this policy the commission shall choose locations that minimize adverse human and
 97.11 environmental impact while insuring continuing electric power system reliability and integrity
 97.12 and insuring that electric energy needs are met and fulfilled in an orderly and timely fashion.

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

97.14 Sec. 97. **[219.382] WAYSIDE DETECTOR SYSTEMS.**

97.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 97.16 the meanings given.

97.17 (b) "Hazardous substance" has the meaning given in section 219.055, subdivision 1,
 97.18 paragraph (e).

97.19 (c) "Wayside detector system" means one or more electronic devices that: (1) perform
 97.20 automated scanning of passing trains, rolling stock, and on-track equipment to detect defects
 97.21 or precursors to defects in equipment or component parts; and (2) provide notification to
 97.22 individuals of a defect or precursor to a defect.

97.23 Subd. 2. **Application.** The requirements in this section apply to:

97.24 (1) a Class I railroad;

97.25 (2) a Class II railroad; and

97.26 (3) a Class III railroad when transporting a hazardous substance at a speed that exceeds
 97.27 ten miles per hour.

97.28 Subd. 3. **Wayside detector system requirements.** (a) A railroad must maintain
 97.29 operational wayside detector systems located at intervals of:

97.30 (1) at least every ten miles of mainline track in the state; or

98.1 (2) at least every 15 miles of mainline track in the state if necessary due to the natural
98.2 terrain.

98.3 (b) A wayside detector system under this section must include a hot bearings detector
98.4 and a dragging equipment detector.

98.5 Subd. 4. **Defect notifications.** Promptly after a wayside detector system provides a
98.6 notification regarding a defect, the railroad must:

98.7 (1) stop the train in accordance with the railroad's applicable safety procedures;

98.8 (2) inspect the location of the defect from a position on the ground;

98.9 (3) if the inspection indicates that the train is not safe for movement, make necessary
98.10 repairs prior to movement;

98.11 (4) if the inspection indicates that the train is safe for movement or if repairs are
98.12 performed under clause (3):

98.13 (i) proceed at a speed that does not exceed (A) 30 miles per hour if the train is not
98.14 transporting a hazardous substance, or (B) ten miles per hour if the train is transporting a
98.15 hazardous substance; and

98.16 (ii) remove and set out any defective car at the earliest opportunity; and

98.17 (5) provide for the train crew to prepare a written inspection report and submit it to the
98.18 appropriate personnel within the railroad.

98.19 Subd. 5. **Report to commissioner.** By January 15 annually, a railroad that is subject to
98.20 this section must submit a report to the commissioner on wayside detector systems installed
98.21 in this state. At a minimum, the report must include:

98.22 (1) an overview of each wayside detector system, which must include:

98.23 (i) its type and primary characteristics;

98.24 (ii) the nearest milepost number, latitude and longitude coordinates, or other information
98.25 that specifically identifies its location; and

98.26 (iii) a review of the operational status of the hot bearings detector and the dragging
98.27 equipment detector throughout the prior 12 months; and

98.28 (2) other information on wayside detector systems as required by the commissioner.

98.29 **EFFECTIVE DATE.** This section is effective January 1, 2025.

99.1 Sec. 98. [219.5505] TRAIN LENGTH.

99.2 Subdivision 1. Definition. For purposes of this section, "railroad" means a common
 99.3 carrier that is classified by federal law or regulation as a Class I railroad, Class I rail carrier,
 99.4 Class II railroad, Class II rail carrier, Class III railroad, or Class III rail carrier.

99.5 Subd. 2. Maximum length. A railroad must not operate a train in this state that has a
 99.6 total length in excess of 8,500 feet.

99.7 Subd. 3. Penalty. (a) A railroad that violates this section is subject to a penalty of:

99.8 (1) not less than \$1,000 or more than \$5,000 for a first offense;

99.9 (2) not less than \$5,000 or more than \$10,000 for a second offense committed within
 99.10 three years of the first offense; and

99.11 (3) not less than \$25,000 for a third or subsequent offense committed within three years
 99.12 of the first offense.

99.13 (b) The commissioner of transportation may enforce this section in a civil action before
 99.14 a judge of a county in which the violation occurs.

99.15 (c) Fines collected under this section must be deposited in the state rail safety inspection
 99.16 account in the special revenue fund.

99.17 EFFECTIVE DATE. This section is effective August 1, 2024, and applies to violations
 99.18 committed on or after that date.

99.19 Sec. 99. [219.756] YARDMASTER HOURS OF SERVICE.

99.20 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
 99.21 the meanings given.

99.22 (b) "Railroad" means a common carrier that is classified by federal law or regulation as
 99.23 a Class I railroad, Class I rail carrier, Class II railroad, Class II rail carrier, Class III railroad,
 99.24 or Class III rail carrier.

99.25 (c) "Yardmaster" means an employee of a common carrier who is responsible for
 99.26 supervising and coordinating the control of trains and engines operating within a railyard,
 99.27 not including a dispatching service employee, signal employee, or train employee as those
 99.28 terms are defined in United States Code, title 49, section 21101.

99.29 Subd. 2. Hours of service. (a) A railroad operating in this state must not require or allow
 99.30 a yardmaster to remain or go on duty:

100.1 (1) in any month when the employee has spent a total of 276 hours on duty or in any
 100.2 other mandatory service for the carrier;

100.3 (2) for a period exceeding 12 consecutive hours; and

100.4 (3) unless the employee has had at least ten consecutive hours off duty during the prior
 100.5 24 hours.

100.6 (b) A railroad operating in this state must not require or allow a yardmaster to remain
 100.7 or go on duty after the employee has initiated an on-duty period each day for six consecutive
 100.8 days unless the employee has had 48 consecutive hours off at the employee's home terminal,
 100.9 during which time the employee is unavailable for any service.

100.10 Sec. 100. Minnesota Statutes 2022, section 221.0255, subdivision 4, is amended to read:

100.11 Subd. 4. **Motor carrier of railroad employees; requirements.** (a) The motor carrier
 100.12 of railroad employees must implement a policy that provides for annual training and
 100.13 certification of the operator in:

100.14 (1) safe operation of the vehicle transporting railroad employees;

100.15 (2) knowing and understanding relevant laws, rules of the road, and safety policies;

100.16 (3) handling emergency situations;

100.17 (4) proper use of seat belts;

100.18 (5) performance of pretrip and posttrip vehicle inspections, and inspection record keeping;

100.19 and

100.20 (6) proper maintenance of required records.

100.21 (b) The motor carrier of railroad employees must:

100.22 (1) confirm that the person is not disqualified under subdivision 6, by performing a
 100.23 criminal background check of the operator, which must include:

100.24 (i) a criminal history check of the state criminal records repository; and

100.25 (ii) if the operator has resided in Minnesota less than five years, a criminal history check
 100.26 from each state of residence for the previous five years;

100.27 (2) annually verify the operator's driver's license;

100.28 (3) document meeting the requirements in this subdivision, which must include
 100.29 maintaining at the carrier's business location:

101.1 (i) a driver qualification file on each operator who transports passengers under this
101.2 section; and

101.3 (ii) records of pretrip and posttrip vehicle inspections as required under subdivision 3,
101.4 paragraph (a), clause (3);

101.5 (4) maintain liability insurance in a minimum amount of \$5,000,000 regardless of the
101.6 seating capacity of the vehicle;

101.7 (5) maintain uninsured and underinsured coverage in a minimum amount of ~~\$1,000,000~~
101.8 \$2,000,000; and

101.9 (6) ensure inspection of each vehicle operated under this section as provided under
101.10 section 169.781.

101.11 (c) A driver qualification file under paragraph (b), clause (3), must include:

101.12 (1) a copy of the operator's most recent medical examiner's certificate;

101.13 (2) a copy of the operator's current driver's license;

101.14 (3) documentation of annual license verification;

101.15 (4) documentation of annual training;

101.16 (5) documentation of any known violations of motor vehicle or traffic laws; and

101.17 (6) responses from previous employers, if required by the current employer.

101.18 (d) The driver qualification file must be retained for one year following the date of
101.19 separation of employment of the driver from the carrier. A record of inspection under
101.20 paragraph (b), clause (3), item (ii), must be retained for one year following the date of
101.21 inspection.

101.22 (e) If a party contracts with the motor carrier on behalf of the railroad to transport the
101.23 railroad employees, then the insurance requirements may be satisfied by either that party
101.24 or the motor carrier, so long as the motor carrier is a named insured or additional insured
101.25 under any policy.

101.26 Sec. 101. Minnesota Statutes 2022, section 221.0255, is amended by adding a subdivision
101.27 to read:

101.28 Subd. 10. **Penalty; civil action.** (a) A railroad or motor carrier of railroad employees
101.29 that violates this section is subject to a penalty of:

101.30 (1) not less than \$200 but not more than \$500 for a first offense;

102.1 (2) not less than \$500 but not more than \$1,000 for a second offense; and

102.2 (3) not less than \$1,000 but not more than \$5,000 for a third or subsequent offense
 102.3 committed within three years of the first offense.

102.4 (b) The commissioner may enforce this section in a civil action before a judge of a county
 102.5 in which the violation occurs.

102.6 (c) Fines collected under this section must be deposited in the state rail safety inspection
 102.7 account in the special revenue fund.

102.8 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to violations
 102.9 committed on or after that date.

102.10 Sec. 102. Minnesota Statutes 2022, section 297A.815, subdivision 3, is amended to read:

102.11 Subd. 3. **Motor vehicle lease sales tax revenue.** (a) On or before June 30 of each fiscal
 102.12 year, the commissioner of revenue must estimate the revenues, including interest and
 102.13 penalties and minus refunds, collected under this section for the current fiscal year.

102.14 (b) By July 15 of the subsequent fiscal year, the commissioner of management and
 102.15 budget must transfer the revenues estimated under paragraph (a) from the general fund as
 102.16 follows:

102.17 (1) 38 percent to the county state-aid highway fund;

102.18 (2) 38 percent to the greater Minnesota transit account;

102.19 (3) 13 percent to the ~~Minnesota state transportation fund~~ local bridge program account
 102.20 in the special revenue fund, which is hereby created; and

102.21 (4) 11 percent to the highway user tax distribution fund.

102.22 (c) Notwithstanding any other law to the contrary, the commissioner of transportation
 102.23 must allocate the funds transferred under paragraph (b), clause (1), to the counties in the
 102.24 metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of
 102.25 Hennepin and Ramsey, so that each county receives the percentage that its population, as
 102.26 defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year
 102.27 prior to the current calendar year, bears to the total population of the counties receiving
 102.28 funds under this paragraph.

102.29 (d) ~~The amount transferred~~ Money in the local bridge program account under paragraph
 102.30 (b), clause (3), ~~must be used~~ is appropriated to the commissioner of transportation for the
 102.31 local bridge program under section 174.50, subdivisions 6 to 7.

103.1 (e) The revenues under this subdivision do not include the revenues, including interest
 103.2 and penalties and minus refunds, generated by the sales tax imposed under section 297A.62,
 103.3 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
 103.4 article XI, section 15.

103.5 Sec. 103. Minnesota Statutes 2023 Supplement, section 297A.993, subdivision 2a, is
 103.6 amended to read:

103.7 Subd. 2a. **Uses reporting.** By February 15 of each even-numbered year, a metropolitan
 103.8 county, as defined in section 473.121, subdivision 4, that imposes the taxes under this section
 103.9 must submit a report to the chairs, ranking minority members, and staff of the legislative
 103.10 committees with jurisdiction over transportation policy and finance. For the purpose of this
 103.11 subdivision, "staff" means those employees who are identified in any of the following roles
 103.12 for the legislative committees: committee administrator, committee legislative assistant,
 103.13 caucus research, fiscal analysis, counsel, or nonpartisan research. At a minimum, the report
 103.14 must include:

103.15 (1) actual transportation sales tax collections by the county over the previous five calendar
 103.16 years;

103.17 (2) an estimation of the total sales tax revenue that is estimated to be collected by the
 103.18 county in the current year and for the next ten calendar years; and

103.19 (3) for each of the previous five calendar years, the current calendar year, and for the
 103.20 next ten calendar years:

103.21 (i) the amount of sales tax revenue expended or proposed to be expended for each of
 103.22 the following:

103.23 (A) planning, construction, operation, or maintenance of guideways, as defined in section
 103.24 473.4485, subdivision 1, paragraph (d);

103.25 (B) nonguideway transit and active transportation uses;

103.26 (C) highway uses; and

103.27 (D) uses not otherwise specified in subitems (A) to (C); ~~and~~

103.28 (ii) completed, current, planned, and eligible projects for each category under item (i);
 103.29 and

103.30 (iii) an estimated balance of unspent or undesignated county sales tax revenue.

104.1 Sec. 104. [325F.661] SALE OF ELECTRIC-ASSISTED BICYCLES AND OTHER
104.2 ELECTRIC CYCLES.

104.3 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
104.4 the meanings given.

104.5 (b) "Class 1 electric-assisted bicycle," "class 2 electric-assisted bicycle," and "class 3
104.6 electric-assisted bicycle" have the meanings given in section 169.011, subdivisions 15a,
104.7 15b, and 15c.

104.8 (c) "Electric-assisted bicycle" has the meaning given in section 169.011, subdivision
104.9 27.

104.10 (d) "Motorcycle" has the meaning given in section 169.011, subdivision 44.

104.11 (e) "Motorized bicycle" has the meaning given in section 169.011, subdivision 45.

104.12 (f) "Multiple mode electric-assisted bicycle" has the meaning given in section 169.011,
104.13 subdivision 45a.

104.14 Subd. 2. Electric-assisted bicycle. Before a purchase is completed, a seller of an
104.15 electric-assisted bicycle must disclose to a consumer in written form:

104.16 (1) the maximum motor power of the electric-assisted bicycle;

104.17 (2) the maximum speed of the electric-assisted bicycle, as evaluated using a test method
104.18 matching the criteria specified in Code of Federal Regulations, title 16, section 1512.2(a)(2),
104.19 or successor requirements; and

104.20 (3) whether the electric-assisted bicycle is a class 1, class 2, class 3, or multiple mode
104.21 electric-assisted bicycle.

104.22 Subd. 3. Other electric cycles. (a) A seller of a motorized bicycle or motorcycle equipped
104.23 with an electric motor for propulsion may not sell the vehicle or offer the vehicle for sale
104.24 if it is labeled as a class 1, class 2, class 3, or multiple mode electric-assisted bicycle.

104.25 (b) Before a purchase is completed and in any advertising materials, a seller of a
104.26 motorized bicycle or motorcycle equipped with an electric motor for propulsion who
104.27 describes the vehicle as an "electric bicycle," "electric bike," "e-bike," or other similar term
104.28 must disclose to a consumer:

104.29 (1) the name or classification of the vehicle under state law or the most likely
104.30 classification following an intended or anticipated vehicle modification as defined in section
104.31 169.011, subdivision 27, paragraph (b); and

105.1 (2) the following statement:

105.2 "This vehicle is not an "electric-assisted bicycle" as defined in Minnesota law. It is
105.3 instead a type of motor vehicle and subject to applicable motor vehicle laws if used on
105.4 public roads or public lands. Your insurance policies might not provide coverage for crashes
105.5 involving the use of this vehicle. To determine coverage, you should contact your insurance
105.6 company or agent."

105.7 (c) Advertising materials under paragraph (b) include but are not limited to a website
105.8 or social media post that identifies or promotes the vehicle.

105.9 (d) The disclosure under paragraph (b) must be (1) written, and (2) provided clearly and
105.10 conspicuously and in a manner designed to attract the attention of a consumer.

105.11 Subd. 4. **Unlawful practices.** It is an unlawful practice under section 325F.69 to advertise,
105.12 offer for sale, or sell a motorized bicycle or motorcycle equipped with an electric motor for
105.13 propulsion:

105.14 (1) as an electric-assisted bicycle; or

105.15 (2) using the words "electric bicycle," "electric bike," "e-bike," or other similar term
105.16 without providing the disclosure required under subdivision 3.

105.17 Sec. 105. Minnesota Statutes 2023 Supplement, section 357.021, subdivision 6, is amended
105.18 to read:

105.19 **Subd. 6. Surcharges on criminal and traffic offenders.** (a) Except as provided in this
105.20 subdivision, the court shall impose and the court administrator shall collect a \$75 surcharge
105.21 on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty
105.22 misdemeanor offense, other than a violation of: (1) a law or ordinance relating to vehicle
105.23 parking, for which there is a \$12 surcharge; and (2) section 609.855, subdivision 1, 3, or
105.24 3a, for which there is a \$25 surcharge. When a defendant is convicted of more than one
105.25 offense in a case, the surcharge shall be imposed only once in that case. In the Second
105.26 Judicial District, the court shall impose, and the court administrator shall collect, an additional
105.27 \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor,
105.28 or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle
105.29 parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The
105.30 surcharge shall be imposed whether or not the person is sentenced to imprisonment or the
105.31 sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty
105.32 misdemeanor for which no fine is imposed.

106.1 (b) The court may reduce the amount or waive payment of the surcharge required under
 106.2 this subdivision on a showing of indigency or undue hardship upon the convicted person
 106.3 or the convicted person's immediate family. Additionally, the court may permit the defendant
 106.4 to perform community work service in lieu of a surcharge.

106.5 (c) The court administrator or other entity collecting a surcharge shall forward it to the
 106.6 commissioner of management and budget.

106.7 (d) If the convicted person is sentenced to imprisonment and has not paid the surcharge
 106.8 before the term of imprisonment begins, the chief executive officer of the correctional
 106.9 facility in which the convicted person is incarcerated shall collect the surcharge from any
 106.10 earnings the inmate accrues from work performed in the facility or while on conditional
 106.11 release. The chief executive officer shall forward the amount collected to the court
 106.12 administrator or other entity collecting the surcharge imposed by the court.

106.13 (e) A person who enters a diversion program, continuance without prosecution,
 106.14 continuance for dismissal, or stay of adjudication for a violation of chapter 169 must pay
 106.15 the surcharge described in this subdivision. A surcharge imposed under this paragraph shall
 106.16 be imposed only once per case.

106.17 (f) The surcharge does not apply to:

106.18 (1) citations issued pursuant to section 169.06, subdivision 10;

106.19 (2) citations issued pursuant to section 169.14, subdivision 13;

106.20 (3) administrative citations issued pursuant to section 169.999; or

106.21 ~~(g) The surcharge does not apply to~~ (4) administrative citations issued by transit rider
 106.22 investment program personnel pursuant to section 473.4075.

106.23 **EFFECTIVE DATE.** This section is effective June 1, 2025.

106.24 Sec. 106. Minnesota Statutes 2022, section 360.013, is amended by adding a subdivision
 106.25 to read:

106.26 Subd. 57c. **Roadable aircraft.** "Roadable aircraft" has the meaning given in section
 106.27 169.011, subdivision 67a.

106.28 Sec. 107. **[430.001] DEFINITIONS.**

106.29 Subdivision 1. **Definitions.** For the purposes of this chapter, the following terms have
 106.30 the meanings given.

107.1 Subd. 2. **City.** "City" means a home rule charter or statutory city.

107.2 Subd. 3. **City council.** "City council" means the governing body of a city.

107.3 Subd. 4. **System of streets, parks, and parkways.** "System of streets, parks, and
 107.4 parkways" means a body of contiguous land designated to be used in part for streets and in
 107.5 part for parks or parkways.

107.6 Sec. 108. Minnesota Statutes 2022, section 430.01, subdivision 1, is amended to read:

107.7 Subdivision 1. **Streets; parks; and parkways.** The council and the board of park
 107.8 commissioners of a city ~~of the first class~~ may designate land to be acquired for a system of
 107.9 streets, parks, and parkways. They may take this action only by concurrent resolution adopted
 107.10 by a majority vote of each body. The land must be acquired under this chapter, in proceedings
 107.11 conducted either by the city council or the board of park commissioners, as stated in the
 107.12 resolution. The concurrent resolution must designate which part is for streets, which part is
 107.13 for parks, and which part is for parkways.

107.14 Sec. 109. Minnesota Statutes 2022, section 430.01, subdivision 2, is amended to read:

107.15 Subd. 2. **Parking lots; pedestrian malls and uses.** The council of a city ~~of the first~~
 107.16 ~~class~~ may by resolution designate land to be acquired, improved, and operated for motor
 107.17 vehicle parking lots. By resolution, the council may designate lands to be acquired, improved,
 107.18 and operated for pedestrian malls. By ordinance adopted under section 430.011, the council
 107.19 may designate ~~streets in central business districts~~ any property within a city right-of-way
 107.20 to be improved primarily for pedestrian uses.

107.21 Sec. 110. Minnesota Statutes 2022, section 430.011, subdivision 1, is amended to read:

107.22 Subdivision 1. **Legislative findings.** The legislature finds that: (1) increases in population
 107.23 and automobile usage have created traffic congestion in ~~central business districts of cities~~
 107.24 ~~of the first class~~ cities; (2) those conditions endanger pedestrians and impede the movement
 107.25 of police and fire equipment, ambulances, and other emergency vehicles; (3) certain streets
 107.26 ~~in those central business districts~~ cities have been improved to their maximum width for
 107.27 sidewalk and roadway purposes and cannot be further widened without taking valuable
 107.28 buildings and improvements, substantially impairing the primary function of those city
 107.29 streets as pedestrian facilities, and impairing the cities' sources of tax revenue; and (4)
 107.30 limitation on the use of those streets by private vehicles may be found by the council of any
 107.31 city ~~of the first class~~ to be in the interest of the city and state, to be of benefit to adjoining
 107.32 properties, and to be essential to the effective use of the streets for street purposes.

108.1 Sec. 111. Minnesota Statutes 2022, section 430.011, subdivision 2, is amended to read:

108.2 Subd. 2. **Statement of policy.** It is the state's policy to permit the city council of any
 108.3 city ~~of the first class~~ to protect the public welfare and the interests of the public in the safe
 108.4 and effective movement of persons and to preserve and enhance the function and appearance
 108.5 of ~~the central business districts of cities of the first class~~ cities by adopting pedestrian mall
 108.6 ordinances under this section.

108.7 Sec. 112. Minnesota Statutes 2022, section 430.011, subdivision 3, is amended to read:

108.8 Subd. 3. **Pedestrian mall ordinances authorized.** (a) A pedestrian mall ordinance may
 108.9 be adopted if the city council finds that:

108.10 (1) a street or a part of a street (i) is not a part of any ~~state~~ highway, (ii) is located
 108.11 ~~primarily in a central business district~~ within a city right-of-way, and (iii) is improved to
 108.12 its maximum width for roadway and sidewalk purposes, ~~and (iv) is congested during all or~~
 108.13 ~~a substantial part of normal business hours;~~

108.14 (2) the movement of police and fire equipment and other emergency vehicles would not
 108.15 be impeded;

108.16 ~~(2)~~ (3) reasonably convenient alternate routes exist for private vehicles to other parts of
 108.17 the city and state;

108.18 ~~(3)~~ (4) continued unlimited use of the street or part of the street by private vehicles may
 108.19 endanger pedestrians;

108.20 ~~(4)~~ (5) abutting properties can reasonably and adequately receive and deliver merchandise
 108.21 and materials from other streets and alleys or through arrangements for limited use of the
 108.22 streets by carriers of merchandise and materials; and

108.23 ~~(5)~~ (6) it would be in the best interests of the city and the public and of benefit to adjacent
 108.24 properties to use the street primarily for pedestrian purposes and pedestrian use is the highest
 108.25 and best use of the street or part of it.

108.26 (b) In addition to meeting the criteria under paragraph (a), a pedestrian mall ordinance
 108.27 may be adopted relating to property that is immediately adjacent to at least one side of an
 108.28 intersection with a road that is not within the city right-of-way only if the city has consulted
 108.29 with the other road authority, including for consideration of changes to traffic flow. If the
 108.30 other road authority is opposed to the location of the proposed pedestrian mall, the city must
 108.31 make publicly available a detailed written response to the road authority before adopting
 108.32 the ordinance.

109.1 (c) A city must receive the approval of the county to use part of a county road as a
 109.2 pedestrian mall and must collaborate with all relevant state and local governments in the
 109.3 pedestrian mall planning process.

109.4 Sec. 113. Minnesota Statutes 2022, section 430.023, is amended to read:

109.5 **430.023 WHEN CLERK TO MAIL NOTICE IN CONDEMNATION**
 109.6 **PROCEEDING.**

109.7 If a city ~~of the first class~~ is authorized in its charter to condemn property for public use
 109.8 and to appoint commissioners to assess damages or benefits on condemned property and is
 109.9 required by its charter to give notice of the filing of the commissioners' report, the city clerk
 109.10 shall give the required notice. Notice must be given by mailing it to the person whose name
 109.11 appears on the records of the auditor of the county in which the city is located as the person
 109.12 who last paid the taxes on the property proposed to be taken, within 48 hours after the filing
 109.13 of the commissioners' report.

109.14 Sec. 114. Minnesota Statutes 2022, section 430.031, subdivision 1, is amended to read:

109.15 Subdivision 1. **Limitation of actions.** No action may be commenced or maintained, and
 109.16 no defense interposed, questioning the validity, regularity, or legality of all or part of a
 109.17 pedestrian mall ordinance, or an amendment, to it adopted by a city ~~of the first class~~ under
 109.18 section 430.011, subdivision 3 or 13 except by an appeal to the district court of the county
 109.19 in which the city is located within 20 days after the final adoption and publication of the
 109.20 ordinance or amendment.

109.21 Sec. 115. Minnesota Statutes 2022, section 430.13, is amended to read:

109.22 **~~430.13 SCOPE OF CHAPTER; DEFINITION; BONDED DEBT.~~**

109.23 ~~This chapter applies to cities of the first class.~~

109.24 ~~The term "city council" means the governing body of a city.~~

109.25 Certificates or bonds that may be issued to finance an improvement under this chapter
 109.26 are part of the bonded debt of the city. In calculating the net indebtedness of the city due to
 109.27 the issue of certificates or bonds, there may be deducted from the gross debt of the city the
 109.28 amount of certificates or bonds that are payable wholly or partly from collections of special
 109.29 assessments levied on property benefited by the improvements, including general obligations
 109.30 of the issuing city, if the city is entitled to reimbursement, in whole or in part, from the

110.1 proceeds of special assessments levied upon property especially benefited by the
110.2 improvements.

110.3 Sec. 116. Minnesota Statutes 2022, section 473.13, is amended by adding a subdivision
110.4 to read:

110.5 Subd. 6. **Transportation financial review.** (a) By December 1 annually, the council
110.6 must prepare and submit a financial review that details revenue and expenditures for the
110.7 transportation components under the council's budget. The council must submit the financial
110.8 review to the chairs, ranking minority members, and staff of the legislative committees and
110.9 divisions with jurisdiction over transportation policy and finance and to the commissioner
110.10 of management and budget. For the purposes of this subdivision, "staff" means those
110.11 employees who are identified in any of the following roles for the legislative committees:
110.12 committee administrator, committee legislative assistant, caucus research, fiscal analysis,
110.13 counsel, or nonpartisan research.

110.14 (b) At a minimum, the financial review must identify:

110.15 (1) the actual revenues, expenditures, transfers, reserves, and balances in each of the
110.16 previous four state fiscal years;

110.17 (2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances in
110.18 the current state fiscal year and each state fiscal year within the state forecast period;

110.19 (3) for the most recent completed state fiscal year, a comparison between the budgeted
110.20 and actual amounts under clause (1); and

110.21 (4) for the most recent completed state fiscal year, fund balances for each replacement
110.22 service provider under section 473.388.

110.23 (c) The information under paragraph (b), clauses (1) to (3), must include:

110.24 (1) a breakdown by each transportation funding source identified by the council, including
110.25 but not limited to legislative appropriations; federal funds; fare collections; property tax;
110.26 and sales tax, including sales tax used for active transportation under section 473.4465,
110.27 subdivision 2, paragraph (a), clause (1);

110.28 (2) a breakdown by each transportation operating budget category established by the
110.29 council, including but not limited to bus, light rail transit, commuter rail, planning, special
110.30 transportation service under section 473.386, and assistance to replacement service providers
110.31 under section 473.388; and

110.32 (3) data for operations, capital maintenance, and transit capital.

111.1 (d) The financial review must summarize reserve policies, identify the methodology for
 111.2 cost allocation, and describe revenue assumptions and variables affecting the assumptions.

111.3 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 111.4 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 111.5 Scott, and Washington.

111.6 Sec. 117. Minnesota Statutes 2022, section 473.388, is amended by adding a subdivision
 111.7 to read:

111.8 Subd. 9. **Bus procurement.** (a) For purposes of this subdivision:

111.9 (1) "qualified transit bus" has the meaning given in section 473.3927, subdivision 1a;

111.10 (2) "special transportation service" has the meaning given in section 174.29, subdivision
 111.11 1; and

111.12 (3) "zero-emission transit bus" has the meaning given in section 473.3927, subdivision
 111.13 1a.

111.14 (b) Beginning on January 1, 2030, at least 50 percent of the qualified transit buses
 111.15 annually purchased for regular route transit service or special transportation service by a
 111.16 recipient of financial assistance under this section must be a zero-emission transit bus.

111.17 (c) Beginning on January 1, 2035, any qualified transit bus purchased for regular route
 111.18 transit service or special transportation service by a recipient of financial assistance under
 111.19 this section must be a zero-emission transit bus.

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

111.21 Sec. 118. Minnesota Statutes 2022, section 473.3927, is amended to read:

111.22 **473.3927 ZERO-EMISSION AND ELECTRIC TRANSIT VEHICLES.**

111.23 Subdivision 1. **Transition plan required.** (a) The council must develop and maintain
 111.24 a zero-emission and electric transit vehicle transition plan.

111.25 (b) The council must ~~complete the initial~~ revise the plan by February 15, ~~2022~~ 2025,
 111.26 and revise the plan at least once every ~~five~~ three years following each prior revision.

111.27 Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the
 111.28 meanings given.

111.29 (b) "Greenhouse gas emissions" includes those emissions described in section 216H.01,
 111.30 subdivision 2.

112.1 (c) "Qualified transit bus" means a motor vehicle that meets the requirements under
 112.2 paragraph (d), clauses (1) and (2).

112.3 (d) "Zero-emission transit bus" means a motor vehicle that:

112.4 (1) is designed for public transit service;

112.5 (2) has a capacity of more than 15 passengers, including the driver; and

112.6 (3) produces no exhaust-based greenhouse gas emissions from the onboard source of
 112.7 motive power of the vehicle under all operating conditions.

112.8 **Subd. 2. Plan development.** At a minimum, the plan must:

112.9 (1) establish ~~implementation~~ policies and, guidance, and recommendations to implement
 112.10 the transition to a transit service fleet of exclusively zero-emission and electric transit
 112.11 vehicles, including for recipients of financial assistance under section 473.388;

112.12 (2) align with the requirements under subdivision 4 and section 473.388, subdivision 9;

112.13 (3) consider methods for transit providers to maximize greenhouse gas reduction in
 112.14 addition to zero-emission transit bus procurement, including but not limited to service
 112.15 expansion, reliability improvements, and other transit service improvements;

112.16 (4) analyze greenhouse gas emission reduction from transit improvements identified
 112.17 under clause (3) in comparison to zero-emission transit bus procurement;

112.18 (5) set transition milestones or performance measures, or both, which may include vehicle
 112.19 procurement goals over the transition period;

112.20 ~~(3)~~ (6) identify barriers, constraints, and risks, and determine objectives and strategies
 112.21 to address the issues identified;

112.22 ~~(4)~~ (7) consider findings and best practices from other transit agencies;

112.23 ~~(5)~~ (8) analyze zero-emission and electric transit vehicle technology impacts, including
 112.24 cold weather operation and emerging technologies;

112.25 (9) prioritize deployment of zero-emission transit buses based on the extent to which
 112.26 service is provided to environmental justice areas, as defined in section 116.065, subdivision
 112.27 1;

112.28 ~~(6)~~ (10) consider opportunities to prioritize the deployment of zero-emissions vehicles
 112.29 in areas with poor air quality;

113.1 (11) consider opportunities to prioritize deployment of zero-emissions transit buses
 113.2 along arterial and highway bus rapid transit routes, including methods to maximize cost
 113.3 effectiveness with bus rapid transit construction projects;

113.4 ~~(7)~~ (12) provide detailed estimates of implementation costs to implement the plan and
 113.5 meet the requirements under subdivision 4 and section 473.388, subdivision 9, which, to
 113.6 the extent feasible, must include a forecast of annual expenditures, identification of potential
 113.7 sources of funding, and a summary of any anticipated or planned activity to seek additional
 113.8 funds; and

113.9 ~~(8)~~ (13) examine capacity, constraints, and potential investments in the electric
 113.10 transmission and distribution grid, in consultation with appropriate public utilities;

113.11 (14) identify methods to coordinate necessary facility upgrades in a manner that
 113.12 maximizes cost effectiveness and overall system reliability;

113.13 (15) examine workforce impacts under the transition plan, including but not limited to
 113.14 changes in staffing complement; personnel skill gaps and needs; and employee training,
 113.15 retraining, or role transitions; and

113.16 (16) summarize updates to the plan from the most recent version.

113.17 Subd. 3. **Copy to legislature.** Upon completion or revision of the plan, the council must
 113.18 provide a copy to the chairs, ranking minority members, and staff of the legislative
 113.19 committees with jurisdiction over transportation policy and finance.

113.20 Subd. 4. **Bus procurement.** (a) Beginning on January 1, 2030, at least 50 percent of the
 113.21 qualified transit buses annually purchased for regular route transit service or special
 113.22 transportation service under section 473.386 by the council must be a zero-emission transit
 113.23 bus.

113.24 (b) Beginning on January 1, 2035, any qualified transit bus purchased for regular route
 113.25 transit service or special transportation service under section 473.386 by the council must
 113.26 be a zero-emission transit bus.

113.27 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 113.28 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 113.29 Scott, and Washington.

113.30 Sec. 119. Minnesota Statutes 2022, section 473.3994, subdivision 1a, is amended to read:

113.31 Subd. 1a. **Designation of responsible authority.** For each proposed light rail transit
 113.32 facility in the metropolitan area, the governor must designate ~~either the Metropolitan Council~~

114.1 ~~or~~ the state of Minnesota acting through the commissioner of transportation as the entity
 114.2 responsible for planning, designing, acquiring, constructing, and equipping the facility.
 114.3 ~~Notwithstanding such designation,~~ The commissioner ~~and the council~~ may enter into one
 114.4 or more cooperative agreements with the Metropolitan Council with respect to the planning,
 114.5 designing, ~~acquiring, constructing,~~ or equipping of a particular light rail transit facility that
 114.6 provide for the parties to exercise their respective authorities in support of the project in a
 114.7 manner that best serves the project and the public.

114.8 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 114.9 applies to projects that enter into full funding grant agreements on or after that date.

114.10 Sec. 120. Minnesota Statutes 2022, section 473.3994, subdivision 4, is amended to read:

114.11 Subd. 4. **Preliminary design plans; council hearing.** If the governing body of one or
 114.12 more cities, counties, or towns disapproves the preliminary design plans within the period
 114.13 allowed under subdivision 3, the council shall hold a hearing on the plans, giving the
 114.14 commissioner of transportation, ~~if the responsible authority,~~ any disapproving local
 114.15 governmental units, and other persons an opportunity to present their views on the plans.
 114.16 The council may conduct independent study as it deems desirable and may mediate and
 114.17 attempt to resolve disagreements about the plans. Within 60 days after the hearing, the
 114.18 council shall review the plans and shall decide what amendments to the plans, if any, must
 114.19 be made to accommodate the objections presented by the disapproving local governmental
 114.20 units. Amendments to the plans as decided by the council must be made before continuing
 114.21 the planning and designing process.

114.22 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 114.23 applies to projects that enter into full funding grant agreements on or after that date.

114.24 Sec. 121. Minnesota Statutes 2022, section 473.3994, subdivision 7, is amended to read:

114.25 Subd. 7. **Council review.** ~~If the commissioner is the responsible authority,~~ Before
 114.26 proceeding with construction of a light rail transit facility, the commissioner must submit
 114.27 preliminary and final design plans to the Metropolitan Council. The council must review
 114.28 the plans for consistency with the council's development guide and approve the plans.

114.29 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 114.30 applies to projects that enter into full funding grant agreements on or after that date.

115.1 Sec. 122. Minnesota Statutes 2022, section 473.3994, subdivision 9, is amended to read:

115.2 Subd. 9. **Light rail transit operating costs.** (a) Before submitting an application for
 115.3 federal assistance for light rail transit facilities in the metropolitan area, the Metropolitan
 115.4 Council must prepare an estimate of the amount of operating subsidy which will be required
 115.5 to operate light rail transit in the corridor to which the federal assistance would be applied.
 115.6 The estimate must indicate the amount of operating subsidy estimated to be required in each
 115.7 of the first ten years of operation of the light rail transit facility. ~~If the commissioner of~~
 115.8 ~~transportation is the responsible authority,~~ The commissioner must provide information
 115.9 requested by the council that is necessary to make the estimate.

115.10 (b) The council must review and evaluate the estimate developed under paragraph (a)
 115.11 with regard to the effect of operating the light rail transit facility on the currently available
 115.12 mechanisms for financing transit in the metropolitan area.

115.13 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 115.14 applies to projects that enter into full funding grant agreements on or after that date.

115.15 Sec. 123. Minnesota Statutes 2022, section 473.3994, subdivision 14, is amended to read:

115.16 Subd. 14. **Transfer of facility after construction.** ~~If the commissioner of transportation~~
 115.17 ~~is the responsible authority for a particular light rail transit facility,~~ The commissioner must
 115.18 transfer to the Metropolitan Council all facilities constructed and all equipment and property
 115.19 acquired in developing ~~the~~ a particular light rail transit facility upon completion of
 115.20 construction.

115.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 115.22 applies to projects that enter into full funding grant agreements on or after that date.

115.23 Sec. 124. Minnesota Statutes 2022, section 473.3995, is amended to read:

115.24 **473.3995 LIGHT RAIL TRANSIT; DESIGN-BUILD METHOD.**

115.25 (a) A responsible authority may use a design-build method of project development and
 115.26 construction for light rail transit. Notwithstanding any law to the contrary, a responsible
 115.27 authority may award a design-build contract on the basis of requests for proposals or requests
 115.28 for qualifications without bids. "Design-build method of project development and
 115.29 construction" means a project delivery system in which a single contractor is responsible
 115.30 for both the design and construction of the project and bids the design and construction
 115.31 together.

116.1 (b) If a responsible authority utilizes a design-build method of project development and
 116.2 construction for light rail transit, the requirements and procedures in sections 161.3410 to
 116.3 161.3426 apply to the procurement, subject to the following conditions and exceptions:

116.4 ~~(1) if the Metropolitan Council is the responsible authority for a particular light rail~~
 116.5 ~~transit project, when used in sections 161.3410 to 161.3426, (i) the terms "commissioner,"~~
 116.6 ~~"Minnesota Department of Transportation," "department," "state agencies," and "road~~
 116.7 ~~authority" refer to the Metropolitan Council, and (ii) the term "state" refers to the~~
 116.8 ~~Metropolitan Council except in references to state law or in references to the state as a~~
 116.9 ~~geographical location;~~

116.10 ~~(2)~~ (1) the provisions of section 161.3412, subdivisions 3 and 4, are not applicable to
 116.11 the procurement; and

116.12 ~~(3)~~ (2) if any federal funds are used in developing or constructing the light rail transit
 116.13 project, any provisions in sections 161.3410 to 161.3426 that are inconsistent with, or
 116.14 prohibited by, any federal law, regulation, or other requirement are not applicable to the
 116.15 procurement.

116.16 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 116.17 **applies to projects that enter into full funding grant agreements on or after that date.**

116.18 Sec. 125. Minnesota Statutes 2022, section 473.3997, is amended to read:

116.19 **473.3997 FEDERAL FUNDING; LIGHT RAIL TRANSIT.**

116.20 (a) Upon completion of the alternatives analysis and draft environmental impact statement,
 116.21 and selection of the locally preferred alternative, for each light rail transit facility, the
 116.22 responsible authority may prepare an application for federal assistance for the light rail
 116.23 transit facility. ~~If the commissioner is the responsible authority,~~ The application must be
 116.24 reviewed and approved by the Metropolitan Council before it is submitted by the
 116.25 commissioner. In reviewing the application the council must consider the operating cost
 116.26 estimate developed under section 473.3994, subdivision 9.

116.27 (b) Except for the designated responsible authority for a particular light rail transit
 116.28 facility, no political subdivision in the metropolitan area may on its own apply for federal
 116.29 assistance for light rail transit planning or construction.

116.30 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 116.31 **applies to projects that enter into full funding grant agreements on or after that date.**

117.1 Sec. 126. Minnesota Statutes 2022, section 473.405, subdivision 4, is amended to read:

117.2 Subd. 4. **Transit systems.** Except as provided by sections 174.46 and 473.3993 to
117.3 473.3997, the council may engineer, construct, equip, and operate transit and paratransit
117.4 systems, projects, or any parts thereof, including road lanes or rights-of-way, terminal
117.5 facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities
117.6 useful for or related to any public transit or paratransit system or project. The council may
117.7 sell or lease naming rights with regard to light rail transit stations and apply revenues from
117.8 sales or leases to light rail transit operating costs.

117.9 **EFFECTIVE DATE.** This section is effective the day following final enactment and
117.10 applies to projects that enter into full funding grant agreements on or after that date.

117.11 Sec. 127. Minnesota Statutes 2023 Supplement, section 473.412, subdivision 2, is amended
117.12 to read:

117.13 Subd. 2. **Standards established.** (a) ~~By October 1, 2023,~~ The Metropolitan Council
117.14 must adopt standards on cleanliness and repair of transit vehicles and stations. To the extent
117.15 practicable, the standards must address:

117.16 (1) cleaning requirements for transit stations and vehicles operated by the council;

117.17 (2) a strategy for discovering and removing vandalism, graffiti, or other defacement to
117.18 transit stations or vehicles operated by the council;

117.19 (3) a proposal for the timely repair of damage to transit stations and transit vehicle
117.20 fixtures, structures, or other property used for the purpose of supporting public transit; and

117.21 (4) any other cleanliness standards necessary to provide a quality ridership experience
117.22 for all transit users.

117.23 (b) ~~By February 1, 2024,~~ The Metropolitan Council must provide information on the
117.24 council's website on how the council solicits public feedback on cleanliness and rider
117.25 experience at transit stations and on transit vehicles. The council must post conspicuous
117.26 notice of the public feedback options at each light rail transit station and bus rapid transit
117.27 station operated by the council.

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

118.1 Sec. 128. Minnesota Statutes 2023 Supplement, section 473.412, subdivision 3, is amended
118.2 to read:

118.3 Subd. 3. **Report required; cleaning standards and expenditures.** (a) By ~~October 1,~~
118.4 ~~2023, and every two years~~ October 1, 2024, and every year thereafter, the Metropolitan
118.5 Council must report to the chairs and ranking minority members of the legislative committees
118.6 with jurisdiction over transit policy and finance on transit cleanliness and the ridership
118.7 experience.

118.8 (b) The ~~first~~ report due under paragraph (a) must provide information on the council's
118.9 ~~adopted~~ cleanliness standards required under subdivision 2, including whether the council
118.10 adopted new cleanliness standards or revisions to current cleanliness standards. ~~The first~~
118.11 ~~report must also provide information on how the council developed the cleanliness standards,~~
118.12 ~~the stakeholders it consulted in drafting the cleanliness standards, and the financial resources~~
118.13 ~~needed to implement the cleaning and repair standards.~~ ~~The first report must also identify~~
118.14 ~~the council's proposal for soliciting public feedback on cleanliness and rider experience at~~
118.15 ~~transit stations and on transit vehicles operated by the council.~~ A report prepared under this
118.16 subdivision must include information gathered from the required public feedback on
118.17 cleanliness and rider experience required in subdivision 2, paragraph (b). The council must
118.18 consider and recommend revisions to cleanliness standards based on the collection of public
118.19 feedback and must summarize feedback received by the council in the report.

118.20 (c) ~~For reports submitted on October 1, 2025, and every two years thereafter, the report~~
118.21 A report submitted under this subdivision must include:

118.22 (1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

118.23 (2) ~~a report on~~ the frequency, type, and location of repairs;

118.24 (3) ~~a report on~~ whether specific transit stations needed a higher proportion of cleaning
118.25 or repairs and detail the council's strategy to resolve identified and persistent concerns at
118.26 those locations;

118.27 (4) ~~a report on~~ recommendations to address workforce challenges for maintaining the
118.28 the implementation and maintenance of cleanliness and repair standards adopted by the
118.29 council, including whether the council maintained agreements with third-party services for
118.30 cleaning and repair;

118.31 (5) whether the council has adopted preventative measures against vandalism or graffiti;
118.32 and

119.1 (6) any recommendations for additions to the transit rider code of conduct ~~adopted by~~
 119.2 ~~the council~~ under section 473.4065 or the transit rider investment program under section
 119.3 473.4075.

119.4 ~~(d) The council must collect and summarize the public comments it receives and~~
 119.5 ~~incorporate those comments into the report required under paragraph (c).~~

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

119.7 Sec. 129. Minnesota Statutes 2023 Supplement, section 473.4465, subdivision 4, is amended
 119.8 to read:

119.9 **Subd. 4. Use of funds; metropolitan counties; reporting.** (a) A metropolitan county
 119.10 must use revenue from the regional transportation sales and use tax under section 297A.9915
 119.11 in conformance with the requirements under section 174.49, subdivision 6.

119.12 (b) By February 15 of each even-numbered year, a metropolitan county must submit a
 119.13 report to the chairs, ranking minority members, and staff of the legislative committees with
 119.14 jurisdiction over transportation policy and finance on the use of funds received under section
 119.15 297A.9915. This report must be submitted in conjunction with the report required under
 119.16 section 297A.993, subdivision 2a. At a minimum, the report must include:

119.17 (1) actual sales tax collections allocated to the county over the previous five calendar
 119.18 years;

119.19 (2) an estimation of the total sales tax revenue that is estimated to be allocated to the
 119.20 county in the current year and for the next ten calendar years; and

119.21 (3) for each of the previous five calendar years, the current calendar year, and for the
 119.22 next ten calendar years:

119.23 (i) the amount of sales tax revenue expended or proposed to be expended for each of
 119.24 the allowable uses under section 174.49, subdivision 6;

119.25 (ii) completed, current, planned, and eligible projects or programs for each category
 119.26 under item (i); and

119.27 (iii) an estimated balance of unspent or undesignated regional transportation sales and
 119.28 use tax revenue.

120.1 Sec. 130. Minnesota Statutes 2022, section 473.4485, is amended by adding a subdivision
120.2 to read:

120.3 Subd. 3. **Bus rapid transit project scope; infrastructure.** (a) The Metropolitan Council
120.4 must design, construct, and fully scope and fund the following elements with all bus rapid
120.5 transit projects that begin preliminary engineering on or after October 1, 2024:

120.6 (1) sidewalk curb ramps and pedestrian signals, meeting the most current Americans
120.7 with Disabilities Act standards as of the time of engineering completion, at four intersection
120.8 quadrants of the intersection at a bus rapid transit station not currently compliant with the
120.9 standards and not otherwise included in a programmed and colocated roadway reconstruction
120.10 project; and

120.11 (2) traffic signal transit priority modifications, where feasible and reasonable, to improve
120.12 speed and efficiency of service.

120.13 (b) Intersections impacted by the standards under paragraph (a) must include infrastructure
120.14 servicing the bus rapid transit station from the opposite side of a street. The standards must
120.15 exclude locations already compliant with current Americans with Disabilities Act standards
120.16 as of the time of engineering completion and those locations included in a programmed and
120.17 colocated roadway reconstruction project.

120.18 Sec. 131. Minnesota Statutes 2022, section 473.452, is amended to read:

120.19 **473.452 TRANSIT OPERATING RESERVES; REPORT.**

120.20 (a) By ~~February~~ November 1 each year, each replacement service provider under section
120.21 473.388 must report to the council its projected total operating expenses for the current
120.22 ~~calendar~~ state fiscal year and its projected operating reserve fund balance as of the previous
120.23 ~~December~~ July 31.

120.24 (b) By ~~March~~ December 1 each year, the council must submit a report to the chairs ~~and,~~
120.25 ranking minority members, and staff of the legislative committees with jurisdiction over
120.26 transportation policy and finance. The report must include:

120.27 (1) the information from each provider received under paragraph (a); and

120.28 (2) the council's projected total operating expenses for the current ~~calendar~~ state fiscal
120.29 year and its projected operating reserve fund balance as of the previous ~~December~~ July 31.

120.30 (c) For the purpose of this section, "staff" means those employees who are identified in
120.31 any of the following roles for the legislative committees: committee administrator, committee
120.32 legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan research.

121.1 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
121.2 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
121.3 Scott, and Washington.

121.4 Sec. 132. Minnesota Statutes 2022, section 480.15, is amended by adding a subdivision
121.5 to read:

121.6 **Subd. 10d. Uniform collections policies and procedures; limitations.** The uniform
121.7 collections policies and procedures under subdivision 10c must not allow collections of
121.8 court debt, as defined in subdivision 10c, or referral of court debt to the Department of
121.9 Revenue, that only arises from a single violation under section 169.06, subdivision 10, or
121.10 169.14, subdivision 13.

121.11 Sec. 133. Laws 2021, First Special Session chapter 5, article 4, section 141, is amended
121.12 to read:

121.13 Sec. 141. **DRIVER'S LICENSE SAME-DAY ISSUANCE PILOT PROJECT.**

121.14 (a) The commissioner of public safety must conduct a same-day driver's license pilot
121.15 project as described in this section. The pilot project must be in the cities of Lakeville and
121.16 Moorhead and include any driver's license agent in either city that requests to participate
121.17 in the pilot project. This section applies to driver's license agents participating in the pilot
121.18 project.

121.19 (b) An applicant who submits a properly completed application for a noncompliant
121.20 driver's license, instruction permit, or identification card must be provided with the license
121.21 or card at the time of the application. The license or card must be processed and produced
121.22 at the site of the application. The applicant must not be required to go to another location
121.23 to receive the license or card. The applicant must not be provided with a temporary license
121.24 or card.

121.25 (c) The commissioner must provide the participating driver's license agents with any
121.26 necessary equipment to process and produce the driver's licenses and identification cards
121.27 on site.

121.28 (d) The design and construction of a noncompliant driver's license, instruction permit,
121.29 or identification card issued under the pilot project must be substantially similar to centrally
121.30 issued drivers' licenses, instruction permits, or identification cards issued under Minnesota
121.31 Statutes, chapter 171.

122.1 (e) A same-day noncompliant driver's license, instruction permit, or identification card
 122.2 must, as much as practicable, contain the same security features as centrally issued
 122.3 noncompliant drivers' licenses, identification cards, or instruction permits. The security
 122.4 features of a same-day noncompliant driver's license, instruction permit, or identification
 122.5 card must not obscure the colored photograph of the licensee.

122.6 (f) To the extent practicable, the materials used in printing the noncompliant driver's
 122.7 license, instruction permit, or identification card must be substantially similar to and must
 122.8 not have significant differences in weight, thickness, or rigidity when compared to centrally
 122.9 issued licenses or cards.

122.10 (g) By January 1, 2024 2026, the commissioner must submit a report on the pilot project
 122.11 to the chairs and ranking minority members of the legislative committees with jurisdiction
 122.12 over transportation policy and finance. At a minimum, the report must include the following:

122.13 (1) a description of the pilot project and the locations that participated in the pilot project;

122.14 (2) how many noncompliant drivers' licenses, instruction permits, or identification cards
 122.15 were processed during the pilot project;

122.16 (3) any information or feedback from the driver's license agents about the pilot project;

122.17 (4) ~~a~~ an updated recommendation on whether the issuance of same-day noncompliant
 122.18 drivers' licenses, instruction permits, or identification cards should be expanded statewide
 122.19 or whether the pilot project should be expanded to additional locations across the state; and

122.20 (5) detailed information on the commissioner's implementation of the requirements in
 122.21 paragraphs (d) to (f), including a review of security features and a comparison of a centrally
 122.22 issued noncompliant driver's license, instruction permit, or identification card versus a
 122.23 noncompliant driver's license, instruction permit, or identification card issued under the
 122.24 pilot project.

122.25 Sec. 134. Laws 2021, First Special Session chapter 5, article 4, section 141, the effective
 122.26 date, is amended to read:

122.27 **EFFECTIVE DATE.** ~~This section is~~ Paragraphs (a) to (c) are effective on October 1,
 122.28 2022, and ~~applies~~ apply to applications received on or after that date. Paragraphs (d) to (g)
 122.29 are effective August 1, 2024, and apply to applications received on or after that date.

123.1 Sec. 135. Laws 2023, chapter 68, article 4, section 108, is amended to read:

123.2 Sec. 108. **ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR**
 123.3 **RAMSEY COUNTY.**

123.4 Notwithstanding Minnesota Statutes, ~~section~~ sections 168.33 and 171.061, and rules
 123.5 adopted by the commissioner of public safety limiting sites for the office of deputy registrar
 123.6 or driver's license agent based on either the distance to an existing deputy registrar or driver's
 123.7 license agent office or the annual volume of transactions processed by any deputy registrar
 123.8 or driver's license agent within Ramsey County before or after the proposed appointment,
 123.9 the commissioner of public safety must appoint a new private deputy registrar of motor
 123.10 vehicles and driver's license agent to operate a new full-service office of deputy registrar,
 123.11 with full authority to function as a registration and motor vehicle tax collection bureau or
 123.12 driver's license agent bureau, at or in the vicinity of the Hmong Village shopping center at
 123.13 1001 Johnson Parkway in the city of St. Paul. The addition of a driver's license agent
 123.14 establishes the location as a full-service office with full authority to function as a registration
 123.15 and motor vehicle tax collection and driver's license bureau. All other provisions regarding
 123.16 the appointment and operation of a deputy registrar of motor vehicles and driver's license
 123.17 agent under Minnesota Statutes, ~~section~~ sections 168.33 and 171.061, and Minnesota Rules,
 123.18 ~~chapter~~ chapters 7404 and 7406, apply to the office.

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

123.20 Sec. 136. **ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM**
 123.21 **BOARD.**

123.22 Subdivision 1. Creation. (a) The Antidisplacement Community Prosperity Program
 123.23 Board is established to implement the requirements of section 138. The board consists of
 123.24 the following members:

123.25 (1) two Hennepin County commissioners or appointed officials representing Hennepin
 123.26 County;

123.27 (2) two elected or appointed officials representing the city of Minneapolis;

123.28 (3) one elected or appointed official representing the city of Robbinsdale, appointed by
 123.29 the governor;

123.30 (4) one elected or appointed official representing the city of Crystal;

123.31 (5) one elected or appointed official representing the city of Brooklyn Park;

124.1 (6) two representatives appointed by the Blue Line Coalition;

124.2 (7) one representative appointed by the Blue Line Extension Community Advisory
 124.3 Committee;

124.4 (8) one representative appointed by the Blue Line Extension Business Advisory
 124.5 Committee;

124.6 (9) two representatives who live in the corridor and represent either the community or
 124.7 a philanthropic organization, with one representative appointed by the senate majority leader
 124.8 and one representative appointed by the senate minority leader; and

124.9 (10) two representatives who live in the corridor and represent either the community or
 124.10 a philanthropic organization, with one representative appointed by the speaker of the house
 124.11 of representatives and one representative appointed by the house of representatives minority
 124.12 leader.

124.13 (b) Appointments to the board must be completed by July 1, 2024. Terms and vacancies
 124.14 for members of the board are as specified in Minnesota Statutes, section 15.0575.

124.15 Subd. 2. **Chair; other officers.** The chair of the Metropolitan Council, or their designee,
 124.16 is responsible for chairing the first meeting of the board. The board must elect from among
 124.17 its members a chair and vice-chair at the first meeting.

124.18 Subd. 3. **Duties.** (a) The board must establish an application process to review and
 124.19 approve proposed expenditures for the antidisplacement community prosperity program.
 124.20 An application for a proposed expenditure must receive approval from a majority of board
 124.21 members. The board may request information on financial disclosures from any entity or
 124.22 individual seeking program expenditure funds under section 138 including a complete
 124.23 independent financial audit of the entity. The board must not approve an expenditure if the
 124.24 expenditure is designated or designed to benefit, directly or indirectly, any board member,
 124.25 family member of a board member, or close associate of a board member.

124.26 (b) The application process must evaluate proposed expenditures to determine whether
 124.27 the expenditure is for a qualifying purpose under section 138, subdivision 3, whether an
 124.28 equal amount of funds have been secured from nonstate sources as required in section 138,
 124.29 and whether the expenditure benefits the people along the Blue Line light rail transit extension
 124.30 corridor.

124.31 (c) The Metropolitan Council and state and metropolitan agencies must cooperate with
 124.32 the board and provide information on the Blue Line light rail transit extension project in a

125.1 timely manner to assist the board in conducting its business and reviewing applications for
125.2 program expenditures.

125.3 (d) The board must review and consult with the Minnesota Housing Finance Agency,
125.4 the Department of Employment and Economic Development, the Department of Labor and
125.5 Industry, and the Metropolitan Council on applications for prospective expenditures to
125.6 identify areas of need along the project corridor and ensure expenditures achieve the
125.7 qualifying purpose established in section 138, subdivision 3.

125.8 (e) For purposes of this subdivision, the following terms have the meanings given:

125.9 (1) "close associate" means an individual who has a personal or professional relationship
125.10 with a board member that may reasonably influence the board member's decision making;
125.11 and

125.12 (2) "family" or "family member" means a spouse, parent, offspring, sibling, grandparent,
125.13 grandchild, uncle, aunt, niece, nephew, or any other individual related by marriage or blood
125.14 to a board member.

125.15 Subd. 4. **Expiration.** The Antidisplacement Community Prosperity Program Board
125.16 expires on June 30, 2030.

125.17 Subd. 5. **Administration.** (a) By August 1, 2024, the board must be convened and meet
125.18 a minimum of three times. On or after January 1, 2025, the board must meet at least quarterly
125.19 to consider, review, and approve proposed expenditures.

125.20 (b) Appointments to the board must not include a member of the legislature.

125.21 Subd. 6. **Rulemaking.** The board may adopt rules to carry out the requirements of section
125.22 135 and as needed to review, approve, and facilitate applications for program expenditures.

125.23 Subd. 7. **Compensation.** Board member compensation and reimbursement for expenses
125.24 are governed by Minnesota Statutes, section 15.0575, subdivision 3.

125.25 Subd. 8. **Administrative support; staff.** Hennepin County must provide meeting space,
125.26 administrative support, and staff support for the board. The board must hold its meetings
125.27 within one mile of the Blue Line light rail transit extension project corridor.

125.28 Subd. 9. **Open meeting law.** Meetings of the board are subject to Minnesota Statutes,
125.29 chapter 13D.

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

126.1 Sec. 137. **AUTONOMOUS MOWERS RESEARCH AND DEVELOPMENT.**

126.2 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have
126.3 the meanings given.

126.4 (b) "Autonomous mower" means a robotic or automated device designed, programmed,
126.5 and operated to cut grass or vegetation with programming or predefined routes to minimize
126.6 the need for manual assistance or intervention.

126.7 (c) "Commissioner" means the commissioner of transportation.

126.8 (d) "Project" means the autonomous ditch mowing pilot project authorized by this section.

126.9 **Subd. 2. Research and development authorized.** (a) The commissioner must research
126.10 the use of robotics and automation for mowing and vegetation management at rest areas;
126.11 highway rights-of-way, including ditches, shoulders, or other varied terrain; or other property
126.12 owned by the Department of Transportation. The research must explore whether other states
126.13 or governmental entities utilize autonomous mowing technology for mowing or vegetation
126.14 management to determine whether such a system could operate in Minnesota for mowing
126.15 at rest areas, at or alongside roadways or highways, or for other vegetation management
126.16 activities at property owned by the commissioner. The research conducted under this
126.17 paragraph may be utilized for any autonomous mowing pilot project established by the
126.18 commissioner.

126.19 (b) The commissioner must research the current and potential commercial availability
126.20 of autonomous mowing products used by public or private entities for applications that
126.21 include but are not limited to rest area mowing, highway right-of-way ditch mowing,
126.22 vegetation management, or other agricultural applications. The research conducted under
126.23 this section must analyze different configurations and types of autonomous mowers, including
126.24 mowers that require different levels of human intervention, to research for future statewide
126.25 deployment at rest areas, at or along the trunk highway system, or on other property owned
126.26 by the commissioner. The research must analyze whether an autonomous mower can operate
126.27 safely in varied terrain, including ditches, and navigate obstacles, such as culvert ends,
126.28 guardrails, signposts, or other barriers, including unexpected debris that may be found on
126.29 or alongside a highway right-of-way.

126.30 **Subd. 3. Report.** (a) By February 15, 2025, the commissioner must submit a report to
126.31 the chairs, ranking minority members, and staff of the legislative committees with jurisdiction
126.32 over transportation finance and policy on the results of autonomous mower research
126.33 authorized in subdivision 2. The report must include:

127.1 (1) information and analysis of other governmental agencies or private entities using
 127.2 autonomous mowing operations;

127.3 (2) the commissioner's detailed plan for conducting a pilot project with autonomous
 127.4 mowing technology, once available, at rest areas; at or alongside trunk highway
 127.5 rights-of-way, including ditches, shoulders, and other terrain; and at other properties owned
 127.6 by the Department of Transportation;

127.7 (3) the timeline and funding needed to conduct the autonomous mowing pilot project
 127.8 established in clause (2);

127.9 (4) a cost benefit analysis of whether autonomous mowing technology can yield
 127.10 productivity or efficiency gains in maintenance of department property compared to
 127.11 traditional methods of mowing;

127.12 (5) an analysis of whether the operation of autonomous mowing technology by the
 127.13 department would yield improvements compared to traditional mowing methods in worker
 127.14 safety, congestion, environmental impact outcomes, cost savings, maintenance scheduling,
 127.15 or any other factor deemed relevant by the commissioner; and

127.16 (6) an analysis of the costs and any other short-term or long-term challenges posed by
 127.17 the pilot project or the future operation of autonomous mowing technology on property
 127.18 owned by the commissioner.

127.19 (b) For purposes of this subdivision, "legislative staff" means those employees who are
 127.20 identified in any of the following roles for the legislative committees: committee
 127.21 administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or
 127.22 nonpartisan research.

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

127.24 Sec. 138. **BLUE LINE LIGHT RAIL TRANSIT EXTENSION**
 127.25 **ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM.**

127.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 127.27 the meanings given.

127.28 (b) "Antidisplacement community prosperity program" or "program" means the program
 127.29 established under subdivision 2.

127.30 (c) "Antidisplacement community prosperity program money" or "program money"
 127.31 means the money allocated to the program from the state.

128.1 (d) "Blue Line light rail transit extension corridor" or "corridor" means the neighborhoods
128.2 and communities within one mile of the route selected for the Blue Line light rail transit
128.3 extension project.

128.4 Subd. 2. **Establishment.** The antidisplacement community prosperity program is
128.5 established to preserve and enhance affordable housing, small business support, job training
128.6 and placement, and economic vitality and to benefit the people and sense of community
128.7 along the Blue Line light rail transit extension corridor. Proposed program expenditures are
128.8 reviewed and approved by the Antidisplacement Community Prosperity Program Board
128.9 under section 136.

128.10 Subd. 3. **Qualifying purposes.** Program money must only be expended for the following
128.11 purposes:

128.12 (1) affordable housing to support:

128.13 (i) existing residents staying in place along the project corridor; and

128.14 (ii) development, preservation, and access to safe affordable housing and house choice;

128.15 (2) small business and community ownership support to:

128.16 (i) incentivize community institutions, businesses, and community members to own
128.17 property along the corridor and preserve cultural heritage;

128.18 (ii) connect business owners, community institutions, and community members in the
128.19 corridor to other commercial nodes;

128.20 (iii) improve the business climate before, during, and after construction in the corridor;

128.21 (iv) prioritize the development of spaces for small businesses;

128.22 (v) support opportunities for existing businesses to stay in place and feel supported; and

128.23 (vi) create opportunities for further community ownership in the corridor while preserving
128.24 existing levels of ownership;

128.25 (3) public space infrastructure enhancements to:

128.26 (i) improve infrastructure around the project and corridor;

128.27 (ii) enhance community connections to the corridor; and

128.28 (iii) preserve cultural heritage in the corridor; and

128.29 (4) job training and placement to increase corridor resident participation in the Blue
128.30 Line transit extension project and program initiatives.

129.1 Subd. 4. **Program governance.** Expenditures funded under this section must be reviewed
129.2 and approved by the Antidisplacement Community Prosperity Program Board established
129.3 in section 136. The board's review must determine whether a prospective expenditure is for
129.4 a qualifying purpose as provided in subdivision 3. The board must not approve an expenditure
129.5 for any purpose unless the purpose has received an equal amount of funding from nonstate
129.6 sources, including federal, local, Metropolitan Council, or philanthropic funding. The board
129.7 is responsible for administering the program expenditure to the approved entity or individual.

129.8 Subd. 5. **Report.** By February 1 of each year, the Antidisplacement Community
129.9 Prosperity Program Board must submit a report to the chairs, ranking minority members,
129.10 and staff of the legislative committees with jurisdiction over transportation finance and
129.11 policy. The report must include a complete review and summary of antidisplacement
129.12 community programming, including:

129.13 (1) a detailed fiscal review of all expenditures, including a report on expenditures not
129.14 approved by the board;

129.15 (2) the criteria for determining whether a prospective expenditure is for a qualifying
129.16 purpose, including a detailed analysis of the decision-making process in applying the factors
129.17 set forth in subdivision 3;

129.18 (3) a description of programs or activities funded with expenditures approved by the
129.19 board, including any measurable outcomes achieved as a result of the funding;

129.20 (4) the source and amount of money collected and distributed by the board;

129.21 (5) an explanation of administrative expenses and staffing costs related to the board's
129.22 administration of the program, including identifying each board member's role and
129.23 responsibility;

129.24 (6) detailed financial information of nonstate funding received by the board;

129.25 (7) a detailed financial review of instances when the board required a complete,
129.26 independent financial audit to the extent allowed under law; and

129.27 (8) documentation of any identified misuse of expenditures or expenditures not deemed
129.28 to be a qualified purpose under the criteria of subdivision 3.

129.29 Subd. 6. **Expiration.** The antidisplacement community prosperity program expires on
129.30 June 30, 2030.

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

130.1 **Sec. 139. COMMERCIAL DRIVER WORKFORCE STUDY REQUIRED.**

130.2 (a) The commissioners of public safety and transportation must jointly conduct a study
130.3 to address commercial driver shortages in transportation and transit sectors and propose
130.4 recommendations to address the challenges posed by driver shortages and the attrition rate
130.5 of commercial vehicle drivers in Minnesota. The study must comprehensively examine
130.6 challenges in test access, workforce development, driver compensation and retention, training
130.7 and certification offered by postsecondary institutions, and how each of those challenges
130.8 may be addressed by the legislature or other state regulatory action.

130.9 (b) In conducting the study, the commissioners must consult with stakeholders involved
130.10 in the training, certification, licensing, development, and education of commercial drivers,
130.11 including but not limited to representatives from trucking companies, freight and logistics
130.12 companies, transit and bus operators, labor unions representing commercial motor vehicle
130.13 drivers, public and private commercial driver's license testing providers and behind-the-wheel
130.14 instructors, or any other entity that may assist the commissioners in conducting the study.
130.15 Stakeholders must assist the commissioners to identify key issues or policies that warrant
130.16 further examination, address or clarify competing claims across industries, provide analysis
130.17 on the reasons behind an operator shortage in Minnesota, and identify ways to increase
130.18 driver access, participation, and retention in commercial driving operations.

130.19 (c) The commissioners must also consult with the Department of Labor and Industry,
130.20 the Department of Commerce, the Department of Employment and Economic Development,
130.21 Metro Transit, the Center for Transportation Studies at the University of Minnesota, and
130.22 the Board of Trustees of the State Colleges and Universities of Minnesota in conducting
130.23 the study and developing the report to the legislature.

130.24 (d) The commissioners must convene an initial meeting with stakeholders and
130.25 representatives from the agencies specified in paragraph (c) by July 15, 2024, to prepare
130.26 for the study, identify areas of examination, and establish a solicitation process for public
130.27 comment on the report. The public notification process required under this paragraph must
130.28 attempt to solicit participation from the public on commercial driver shortage and workforce
130.29 issues and include those comments in the report required under paragraph (f). The
130.30 commissioners must convene at least six meetings before publication of the report.

130.31 (e) The commissioner of transportation is responsible for providing meeting space and
130.32 administrative services for meetings with stakeholders in developing the report required
130.33 under this section. Public members of the working group serve without compensation or
130.34 payment of expenses. The commissioner of transportation must host the public notification,

131.1 participation, and comment requirements under paragraph (d) on its website and utilize the
 131.2 information in preparing the study.

131.3 (f) By February 15, 2025, the commissioners must submit the results of the study,
 131.4 stakeholder and public comments, and recommended legislative changes to the chairs,
 131.5 ranking minority members, and staff of the legislative committees with jurisdiction over
 131.6 transportation finance and policy.

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

131.8 Sec. 140. **DEPUTY REGISTRAR AND DRIVER'S LICENSE AGENT LOCATIONS**
 131.9 **OPEN BIDDING STUDY REQUIRED.**

131.10 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 131.11 the meanings given.

131.12 (b) "Commissioner" means the commissioner of public safety.

131.13 (c) "Deputy registrar" means a public or private deputy registrar appointed by the
 131.14 commissioner under Minnesota Statutes, section 168.33.

131.15 (d) "Driver's license agent" means a public or private driver's license agent appointed
 131.16 by the commissioner under Minnesota Statutes, section 171.061.

131.17 Subd. 2. **Study required.** The commissioner must conduct a driver's license agent and
 131.18 deputy registrar open bidding process study. The study must evaluate and analyze the
 131.19 appointment process for a replacement deputy registrar or driver's license agent when an
 131.20 appointed deputy registrar or driver's license agent closes an approved office location. At
 131.21 a minimum, the study must evaluate the requirements established in Minnesota Statutes,
 131.22 sections 168.33, subdivision 8b, and 171.061, subdivision 5a, and must include:

131.23 (1) the commissioner's proposal to establish an open bidding process to appoint a
 131.24 replacement deputy registrar or driver's license agent at an existing approved location or
 131.25 approved replacement location;

131.26 (2) recommended legislation to establish, implement, administer, and enforce an open
 131.27 bidding process and its requirements in statute rather than the commissioner conducting
 131.28 rulemaking to create the process;

131.29 (3) an analysis of how the open bid proposal would interact with the commissioner's
 131.30 existing rules on deputy registrar and driver's license agent office locations and propose
 131.31 recommendations to reconcile any issues;

132.1 (4) the effect of an open bidding process on service outcomes, financial sustainability,
 132.2 and needed financial assistance for deputy registrars and driver's license agents;

132.3 (5) how an open bidding process would initiate business development for persons who
 132.4 are seeking appointment as a deputy registrar or driver's license agent;

132.5 (6) the expected fiscal impact for creating and administering an open bidding process;

132.6 (7) an evaluation and recommendations on the impact of implementing an open bidding
 132.7 process on existing deputy registrar and driver's license agent locations; and

132.8 (8) feedback solicited from existing deputy registrars and driver's license agents on the
 132.9 commissioner's proposal.

132.10 Subd. 3. **Report.** By February 1, 2025, the commissioner must complete the study and
 132.11 submit it to the chairs, ranking minority members, and staff of the legislative committees
 132.12 with jurisdiction over transportation finance and policy. The study must include proposed
 132.13 legislation to establish and implement the open bidding process required in Minnesota
 132.14 Statutes, sections 168.33, subdivision 8b, and 171.061, subdivision 5a.

132.15 Sec. 141. **DRIVER AND VEHICLE SERVICES; MATERIALS IN A LANGUAGE**
 132.16 **OTHER THAN ENGLISH.**

132.17 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 132.18 the meanings given them.

132.19 (b) "Commissioner" means the commissioner of public safety.

132.20 (c) "Deputy registrar" means a public or private deputy registrar appointed by the
 132.21 commissioner of public safety under Minnesota Statutes, section 168.33.

132.22 (d) "Driver's license agent" means a public or private driver's license agent appointed
 132.23 by the commissioner of public safety under Minnesota Statutes, section 171.061.

132.24 (e) "Equivalent materials" means written materials such as forms, applications,
 132.25 questionnaires, letters, or notices that are used to ask or order a person to provide information
 132.26 or to give a person information on provisions relevant to a person's rights, duties, or privileges
 132.27 under Minnesota Statutes, chapters 168, 168A, and 171, offered in a qualifying language.

132.28 (f) "Qualifying language" means a language not in English and must include Spanish,
 132.29 Hmong, Somali, Karen, Russian, Vietnamese, and any other language used by significant
 132.30 populations within Minnesota as determined in subdivision 2.

133.1 (g) "Substantial number" means 20 percent of the total number of transactions or office
133.2 visits at a given deputy registrar or driver's license agent location.

133.3 Subd. 2. **Offering of translated materials required.** (a) The commissioner must produce
133.4 equivalent materials for distribution and use by a deputy registrar or driver's license agent
133.5 to a non-English speaking person seeking the service of a deputy registrar or driver's license
133.6 agent. The commissioner must translate materials in English into a qualifying language and
133.7 prioritize translation of material that is distributed most frequently to the public.

133.8 (b) The commissioner, in consultation with the commissioner of administration, must
133.9 determine whether a location of an appointed deputy registrar or driver's license agent serves
133.10 a substantial number of non-English speaking people and whether the non-English speaking
133.11 population has access to equivalent materials in a qualifying language. If the commissioner
133.12 determines a location serves a substantial number of non-English speaking people, the
133.13 commissioner must notify the location and provide the equivalent material in all qualifying
133.14 languages to the deputy registrar or driver's license agent free of charge. If the commissioner
133.15 determines a location serves a substantial number of non-English speaking people, but the
133.16 language spoken is not a qualifying language, the commissioner must produce equivalent
133.17 materials for distribution and use by the location in the nonqualifying language within 30
133.18 days of its determination.

133.19 (c) The commissioner must consult with the Minnesota Council on Latino Affairs, the
133.20 Minnesota Council on Asian Pacific Minnesotans, the Council for Minnesotans of African
133.21 Heritage and other groups representing other non-English speaking people, on the extent
133.22 of services offered by a deputy registrar or driver's license agent location and whether there
133.23 is need for equivalent materials at that location. The commissioner must periodically consult
133.24 with the organizations specified in this paragraph to determine whether:

133.25 (1) equivalent materials are required in new, nonqualifying additional languages spoken
133.26 by populations within Minnesota; and

133.27 (2) existing deputy registrar or driver's license agent locations are meeting the needs of
133.28 non-English speaking populations in qualifying and nonqualifying languages.

133.29 (d) If a non-English speaking person seeks the services of a deputy registrar or driver's
133.30 license agent but the language spoken by the person is not determined to be a qualifying
133.31 language, the deputy registrar or driver's license agent must determine whether the
133.32 Department of Public Safety has produced those materials in the language spoken by the
133.33 person. If the materials are not yet available, the Division of Driver and Vehicle Services

134.1 must be notified and provide the equivalent materials in the new language within 30 days.

134.2 The equivalent materials must be provided free of charge to the requester.

134.3 (e) If the commissioner determines that equivalent materials are required in a new
134.4 language, the commissioner must notify the organizations specified in paragraph (c) and
134.5 provide notice to deputy registrars and driver's license agents of the availability of equivalent
134.6 materials. The commissioner, in consultation with the commissioner of administration, must
134.7 establish administrative support procedures for assisting deputy registrars and driver's license
134.8 agents with requests for equivalent materials in a qualifying or nonqualifying language.

134.9 Subd. 3. **Report required.** By February 1, 2026, the commissioner of public safety must
134.10 submit a report to the chairs, ranking minority members, and staff of the legislative
134.11 committees with jurisdiction over transportation policy and finance. The report must detail
134.12 the efforts of the Division of Driver and Vehicle Services to implement the requirements
134.13 of this section and must include the following:

134.14 (1) the locations of deputy registrars and driver's license agents who serve a substantial
134.15 number of non-English speaking people on a yearly basis;

134.16 (2) the different languages requested at locations serving a substantial number of
134.17 non-English speaking people;

134.18 (3) how many requests for equivalent materials in languages other than English were
134.19 made but not at locations that serve a substantial number of non-English speaking people
134.20 on a yearly basis;

134.21 (4) the expenditures used on producing equivalent materials in languages other than
134.22 English;

134.23 (5) any recommended legislative changes needed to produce equivalent materials in
134.24 languages other than English statewide;

134.25 (6) any information or feedback from deputy registrars and driver's license agents; and

134.26 (7) any information or feedback from persons who requested equivalent materials under
134.27 this section.

134.28 **EFFECTIVE DATE.** This section is effective October 1, 2024.

134.29 Sec. 142. **DYNAMIC TRANSPORTATION OPTIONS; REPORT REQUIRED.**

134.30 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
134.31 the meanings given:

- 135.1 (1) "commissioner" means the commissioner of transportation;
- 135.2 (2) "dynamic transportation options" includes but is not limited to nonfixed route options;
- 135.3 prearranged and dial-a-ride options arranged either via telephone, digital application, or
- 135.4 website; demand response microtransit service for last-mile connection; or private
- 135.5 transportation companies including transportation network companies or taxis;
- 135.6 (3) "nonmetropolitan county" means any Minnesota county other than those under
- 135.7 Minnesota Statutes, section 473.121, subdivision 4;
- 135.8 (4) "stakeholders" includes at least one representative from each of the following:
- 135.9 (i) the Minnesota Council on Disability;
- 135.10 (ii) the American Council of the Blind of Minnesota;
- 135.11 (iii) the Minnesota DeafBlind Association;
- 135.12 (iv) the National Federation of the Blind;
- 135.13 (v) transportation network companies and taxicabs, with at least one representative
- 135.14 familiar with dispatching services and having route connection expertise;
- 135.15 (vi) the Transportation Accessibility Advisory Committee under Minnesota Statutes,
- 135.16 section 473.375, subdivision 9a;
- 135.17 (vii) private transportation companies offering services in a nonmetropolitan county;
- 135.18 (viii) providers of mobility services for persons with disabilities;
- 135.19 (ix) local government authorities, with at least one representative being a county
- 135.20 commissioner; and
- 135.21 (x) community organizations servicing rural populations;
- 135.22 (5) "transportation network company" has the meaning given in Minnesota Statutes,
- 135.23 65B.472, subdivision 1; and
- 135.24 (6) "wheelchair accessible vehicle" means a vehicle equipped with a ramp or lift capable
- 135.25 of transporting nonfolding motorized wheelchairs, mobility scooters, or other mobility
- 135.26 devices.
- 135.27 Subd. 2. **Study required.** (a) The commissioner must study access to ridesharing,
- 135.28 nonfixed route transit, ride hailing via phone or digital application, demand response service,
- 135.29 or other dynamic transportation options in rural areas. The study must be conducted with
- 135.30 stakeholders to identify inefficiencies in route connections and demand response; the
- 135.31 coordination across different public, private, and individual sources of transportation; and

136.1 service time. The study must aim to create and implement a pilot program that can allow
136.2 transportation providers in rural and nonmetropolitan Minnesota to collaborate to maximize
136.3 efficiency of ride services for people without vehicles. The stakeholders, in identifying
136.4 efficiencies and coordination efforts, must identify areas of cooperation to maximize the
136.5 use of vehicles for ambulatory people with disabilities while maximizing the number of
136.6 wheelchair-accessible vehicles in the program.

136.7 (b) By February 15, 2025, the commissioner of transportation must report the results of
136.8 the study to the chairs and ranking minority members of the legislative committees with
136.9 jurisdiction over transportation policy and finance. The report must include the
136.10 commissioner's proposal for instituting a dynamic transportation pilot program in two
136.11 nonmetropolitan counties by April 1, 2025.

136.12 Sec. 143. **ELECTRIC-ASSISTED BICYCLE YOUTH OPERATION; STUDY**
136.13 **REQUIRED.**

136.14 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
136.15 the meanings given.

136.16 (b) "Active transportation advisory committee" is the committee established in Minnesota
136.17 Statutes, section 174.375.

136.18 (c) "Advisory Council on Traffic Safety" is the advisory council established in Minnesota
136.19 Statutes, section 4.076.

136.20 (d) "Commissioners" means the commissioner of public safety and the commissioner
136.21 of transportation.

136.22 (e) "Electric-assisted bicycle" has the meaning given in Minnesota Statutes, section
136.23 169.011, subdivision 27.

136.24 Subd. 2. Electric-assisted bicycles study. (a) The commissioners must conduct a study
136.25 and develop recommendations on the operation of electric-assisted bicycles by persons
136.26 under the age of 18 to increase the safety of riders, other cyclists, and all other users of
136.27 active transportation infrastructure. The commissioners must conduct the study jointly with
136.28 the active transportation advisory committee and the Advisory Council on Traffic Safety.

136.29 (b) The study required under paragraph (a) must address and analyze the following
136.30 topics:

136.31 (1) identify challenges to the safe operation of electric-assisted bicycles by those under
136.32 the age of 18;

137.1 (2) evaluate existing legal authority for strategies, practices, and methods to reduce the
137.2 availability of modifications to the electric motor of electric-assisted bicycles;

137.3 (3) make recommendations on whether to change state law to improve electric-assisted
137.4 bicycle safety on roads, trails, and other areas where safe operation of electric-assisted
137.5 bicycles is needed; and

137.6 (4) propose educational and public awareness campaigns to educate the public about
137.7 electric-assisted bicycles, promote their safe operation, and raise awareness of their unique
137.8 characteristics when operating on roadways.

137.9 (c) In conducting the study with the Advisory Council on Traffic Safety and the active
137.10 transportation advisory committee, the commissioners must consult with interested
137.11 stakeholders, including but not limited to:

137.12 (1) active transportation and bicycling advocates;

137.13 (2) local elected officials;

137.14 (3) retailers and manufacturers of electric-assisted bicycles;

137.15 (4) the Department of Natural Resources;

137.16 (5) the Department of Commerce;

137.17 (6) E-12 educators with experience in active transportation safety training;

137.18 (7) medical professionals and emergency medical technicians;

137.19 (8) the State Patrol and local law enforcement; and

137.20 (9) consumer protection advocates.

137.21 Subd. 3. **Report.** (a) By February 1, 2026, the commissioners must submit the study
137.22 conducted under this section to the chairs, ranking minority members, and staff of the
137.23 legislative committees having jurisdiction over transportation finance and policy.

137.24 (b) For purposes of this subdivision, "staff" means those employees who are identified
137.25 in any of the following roles for the legislative committees: committee administrator,
137.26 committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan
137.27 research.

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

138.1 **Sec. 144. PUBLIC EDUCATION CAMPAIGN; MOTORCYCLE OPERATIONS.**

138.2 The commissioner of public safety must implement a statewide public education campaign
 138.3 to alert drivers and the public on how motorcycles may safely pass a vehicle within the
 138.4 same lane or between parallel lanes. The information must be consistent with the requirements
 138.5 of Minnesota Statutes, section 169.974, subdivision 5.

138.6 **Sec. 145. REPORT; CITY SPEED LIMIT ANALYSIS STUDY REQUIRED.**

138.7 (a) The commissioner of transportation must conduct a comprehensive study to assess
 138.8 speed limits in cities that adopted speed limits on city streets under the provisions provided
 138.9 in Minnesota Statutes, section 169.14, subdivision 5h, since the provision's enactment. The
 138.10 commissioner must conduct the assessment on all cities that have instituted speed limit
 138.11 changes to determine whether the cities are setting the appropriate speed limit for the roadway
 138.12 based on engineering principles, safety considerations, and traffic flow.

138.13 (b) The study required under this section must include:

138.14 (1) an evaluation of roadway design and characteristics;

138.15 (2) an analysis of traffic volume and patterns;

138.16 (3) an examination of crash data and safety records;

138.17 (4) a review of existing speed studies and surveys;

138.18 (5) any discrepancies between established speed limits and engineering recommendations;

138.19 and

138.20 (6) recommendations for upward adjustments to city speed limits necessary to align with
 138.21 engineering principles and enhance roadway safety and design.

138.22 (c) By March 15, 2025, the commissioner of transportation must submit the results of
 138.23 the comprehensive study to the chairs and ranking minority members of the legislative
 138.24 committees with jurisdiction over transportation finance and policy. The report must identify
 138.25 affected cities and recommend upward adjustments based on observations in the report.

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

138.27 **Sec. 146. REPORT; DRIVER AND VEHICLE SERVICES MAIL AND ONLINE**
 138.28 **SERVICES EXPANSION.**

138.29 (a) By February 15, 2025, the commissioner of public safety must report to the chairs,
 138.30 ranking minority members, and staff of the legislative committees with jurisdiction over

139.1 transportation finance and policy on expanding online and mail services for Minnesota
139.2 drivers' licenses and identification cards. The report must:

139.3 (1) analyze the online application process established in Minnesota Statutes, section
139.4 171.06, subdivision 7a;

139.5 (2) evaluate whether to merge the online application process with the remote application
139.6 process provided in Minnesota Statutes, section 171.06, subdivision 7;

139.7 (3) analyze other services offered by the Division of Driver and Vehicle Services and
139.8 the Department of Public Safety to determine where and how to offer temporary mailing
139.9 address services for Minnesota residents similar to the temporary mailing address for a
139.10 driver's license or identification card application provided in Minnesota Statutes, section
139.11 171.06, subdivision 3;

139.12 (4) identify performance and service standards for the online renewal application process
139.13 for REAL ID-compliant and noncompliant drivers' licenses and identification cards;

139.14 (5) identify how the department utilized its website to assist the public with the online
139.15 renewal application process or the use of a temporary mailing address, and must detail the
139.16 department's efforts required in Minnesota Statutes, section 171.06, subdivision 3, paragraph
139.17 (g) and subdivision 7a, paragraph (e);

139.18 (6) evaluate the photograph requirements for online renewal applications established in
139.19 Minnesota Statutes, section 171.06, subdivision 7a, and make recommendations on the
139.20 procedures needed to permit an applicant to submit by mail or online application a photograph
139.21 to the department that meets the requirements of Minnesota Statutes, sections 171.07 and
139.22 171.071, and Minnesota Rules, part 7410.1810, subpart 1;

139.23 (7) evaluate the vision examination requirements for online driver's license applications
139.24 established in Minnesota Statutes, sections 171.06, subdivision 7a, and 171.13, and make
139.25 recommendations on improvements to the vision examination process, including information
139.26 on permitting applicants to submit a vision certificate for each application in lieu of a vision
139.27 test on site;

139.28 (8) analyze the impact of establishing online renewal for drivers' licenses and
139.29 identification cards on driver's license agents and full-service providers; and

139.30 (9) evaluate and modify, if necessary, the fee-sharing provision under Minnesota Statutes,
139.31 section 171.06, subdivision 7a, paragraph (f), and create additional proposals to institute
139.32 fee-sharing between the commissioner, deputy registrars, and full-service providers as the
139.33 department establishes additional online and mail services, including but not limited to an

140.1 evaluation of fee-sharing for all transactions, online-only transactions, or enacting a new
140.2 fee exclusively for the online renewal of drivers' licenses or identification cards that would
140.3 be shared between the commissioner, deputy registrars, full-service providers, and driver's
140.4 license agents.

140.5 (b) The report required in paragraph (a) must include recommendations to the legislature
140.6 on areas where it is appropriate to expand online services offered by the department and
140.7 how such an expansion would impact the quality of services and financial sustainability of
140.8 driver's license agents, deputy registrars, and full-service providers. The report must analyze
140.9 and review other states' offering online driver's license applications and renewals. For the
140.10 information required in paragraph (a), clause (6), the report must compare the process for
140.11 the issuance of a United States passport where a passport applicant may submit a secure
140.12 photo for use in the credential. For the information required in paragraph (a), clause (7),
140.13 the report must evaluate how other states address vision examination requirements for online
140.14 applications for a driver's license and provide an analysis of the timeframe required for an
140.15 examination.

140.16 (c) For purposes of this subdivision, "staff" means those employees who are identified
140.17 in any of the following roles for the legislative committees: committee administrator,
140.18 committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan
140.19 research.

140.20 **EFFECTIVE DATE.** This section is effective October 1, 2024.

140.21 **Sec. 147. REPORT; CLEAN TRANSPORTATION STANDARD STUDY.**

140.22 (a) The Center for Transportation Studies at the University of Minnesota must assess
140.23 and report on the overall economic and policy impacts of a clean transportation standard
140.24 for transportation fuels supplied to Minnesota. The clean transportation standard studied in
140.25 the report must reduce the aggregate carbon intensity of transportation fuels to at least 25
140.26 percent below the 2018 baseline level by 2030, by 75 percent by the end of 2040, and a goal
140.27 of 100 percent reduction by the end of 2050.

140.28 (b) At a minimum, the report must include:

140.29 (1) a comprehensive review of low carbon transportation fuel standards established in
140.30 other states and impacts of the standards after their implementation;

140.31 (2) an economic evaluation of legislative proposals of a proposed clean transportation
140.32 standard in Minnesota;

141.1 (3) an analysis of the expected per mile cost or cost savings for light-, medium-, and
141.2 heavy-duty vehicle fleets under a Minnesota clean transportation standard;

141.3 (4) an evaluation of strategies and mechanisms for adjusting the stringency of the
141.4 aggregate carbon intensity in response to potential oversupply or undersupply of clean
141.5 transportation fuels, including a review of cost containment and credit market adjustment
141.6 mechanisms in other states that have implemented a clean transportation standard;

141.7 (5) a comparison of a clean transportation standard with alternative strategies for funding
141.8 equitable vehicle electrification and reducing the aggregate carbon intensity of biofuels and
141.9 petroleum consistent with achieving statewide transportation greenhouse gas emissions
141.10 reductions of 25 percent below the 2018 baseline by the end of 2030 and by 75 percent by
141.11 the end of 2040;

141.12 (6) an evaluation of the interaction of a clean transportation standard with federal
141.13 incentives, including tax credits for sustainable aviation fuel, hydrogen, clean fuels, carbon
141.14 capture store and carbon capture utilization, and transportation electrification; and

141.15 (7) any other considerations or factors for a proposed clean transportation standard in
141.16 Minnesota, including an analysis of the appropriate enforcement authority and regulatory
141.17 role of the Department of Transportation.

141.18 (c) By January 15, 2025, the Center for Transportation Studies must report its findings
141.19 to the chairs, ranking minority members, and staff of the legislative committees with
141.20 jurisdiction over transportation finance and policy.

141.21 Sec. 148. **REPORT; METRO MOBILITY ENHANCEMENTS.**

141.22 (a) The commissioner of transportation must, in consultation with the chair of the
141.23 Metropolitan Council, perform a Metro Mobility enhancement and service study and develop
141.24 recommendations to improve the efficiency, effectiveness, reliability, dignity, and experience
141.25 of riders of the special transportation service under Minnesota Statutes, section 473.386,
141.26 and report the recommendations to the chairs, ranking minority members, and staff of the
141.27 legislative committees with jurisdiction over transportation policy and finance. The
141.28 commissioner must evaluate the Metro Mobility program, which must include but is not
141.29 limited to analysis of customer service, program costs and expenditures, service coverage
141.30 area and hours, reservation and scheduling, and buses and equipment.

141.31 (b) The study must include:

141.32 (1) a fiscal review that identifies uses of funds, including an identification for reducing
141.33 program costs;

142.1 (2) an identification and analysis of options to improve Metro Mobility program service,
142.2 limit costs, and improve efficiency;

142.3 (3) an analysis of improvements to service and customer experience, including the
142.4 creation of a state-operated digital application to utilize special transportation services;

142.5 (4) an evaluation of accessibility impacts and constraints for riders who use a wheelchair
142.6 or otherwise require specialized equipment or service;

142.7 (5) a consideration of service models, technologies, partnership models, and anticipated
142.8 industry changes;

142.9 (6) an analysis of integration impacts with regional transit service;

142.10 (7) an evaluation of whether the Metro Mobility enhancement pilot program instituted
142.11 under Laws 2023, chapter 68, article 4, section 121, should be made permanent or expanded
142.12 to other nonmetropolitan service areas;

142.13 (8) an evaluation and assessment of the use of transportation network companies or taxi
142.14 services to provide an enhanced service option in which riders pay a higher fare than other
142.15 users of Metro Mobility services;

142.16 (9) an evaluation of the feasibility of nonsubsidized, subsidized, and tiered ride services
142.17 handled by a dispatching service provider; and

142.18 (10) an analysis of and recommendations for comprehensive improvements in dispatching,
142.19 route coordination, call sequencing and customer service, integration with transportation
142.20 network company applications, and cataloging rides for maximum efficiency and driver
142.21 compensation.

142.22 (c) The Metropolitan Council must cooperate with the Department of Transportation
142.23 and provide information requested in a timely fashion to implement and conduct the study.

142.24 (d) By February 15, 2025, the commissioner must submit the report and findings to the
142.25 chairs, ranking minority members, and staff of the legislative committees with jurisdiction
142.26 over transportation policy and finance.

142.27 **Sec. 149. REPORT; PLAIN LANGUAGE IMPLEMENTATION.**

142.28 By February 1, 2026, the commissioner of public safety must submit a report to the
142.29 chairs, ranking minority members, and legislative staff including but not limited to counsel,
142.30 fiscal analyst, committee assistant, caucus research, and legislative assistants of the chairs
142.31 and ranking minority members of the committees having jurisdiction over transportation
142.32 finance and policy. The report must detail the implementation of plain language standards

143.1 for the written portion of the driver's knowledge examination required under Minnesota
143.2 Statutes, section 171.13, subdivision 10, and include:

143.3 (1) a comprehensive analysis on the new written portion of the driver's knowledge
143.4 examination compared to its offerings in languages other than English;

143.5 (2) a report on the committee's consideration, adoption, and implementation of plain
143.6 language standards;

143.7 (3) whether the Division of Driver and Vehicle Services anticipates hiring and staffing
143.8 issues related to the implementation of plain language standards for future written
143.9 examinations;

143.10 (4) total expenditures on implementation of plain language standards;

143.11 (5) any recommended additions or modifications to the plain language standards to
143.12 improve reader comprehension; and

143.13 (6) feedback from driver's education programs, employees who administer written
143.14 examinations, the public, and English as a second language professionals.

143.15 Sec. 150. **SPECIAL LICENSE PLATE REVIEW COMMITTEE STUDY.**

143.16 (a) By February 15, 2025, the commissioner of public safety must conduct a
143.17 comprehensive study on the establishment of a standing committee in the Division of Driver
143.18 and Vehicle Services to review and approve proposals for special license plates in Minnesota.
143.19 The study must also evaluate potential improvements to the current statutory and legislative
143.20 process for approving specialty license plates, including removal and delegation of legislative
143.21 authority in the approval of new special license plates.

143.22 (b) The study required in paragraph (a) must:

143.23 (1) evaluate the feasibility and effectiveness of establishing a standing committee tasked
143.24 with reviewing and approving proposals for special license plates;

143.25 (2) propose criteria for a standing committee to evaluate each proposal based on criteria
143.26 such as public interest, community support, relevance to the purpose of special license
143.27 plates, and potential revenue generation;

143.28 (3) assess the current statutory process for approving special license plates, including
143.29 Minnesota Statutes, section 168.1293, and include suggested improvements to the statutory
143.30 language to improve transparency, accountability, and public input in the special license
143.31 plate process;

144.1 (4) analyze the roles and responsibilities of relevant stakeholders, including the legislature,
 144.2 the Department of Public Safety, community organizations, or other interested parties
 144.3 involved in the current approval, creation, and distribution of special license plates in
 144.4 Minnesota;

144.5 (5) examine whether other states have adopted similar review committees for special
 144.6 license plates;

144.7 (6) evaluate the potential costs or benefits to removing legislative authority to approve
 144.8 special license plates, including a detailed analysis of fiscal considerations;

144.9 (7) evaluate whether the creation of a standing committee for review of special license
 144.10 plates would have any impact on rules currently adopted and enforced by the commissioner,
 144.11 including Minnesota Rules, part 7403.0500;

144.12 (8) evaluate whether the standing committee should be responsible for monitoring the
 144.13 implementation and usage of approved special license plates and recommend any necessary
 144.14 modifications or discontinuations;

144.15 (9) assess the required resources, staffing, and administrative support needed to establish
 144.16 and maintain the standing committee; and

144.17 (10) provide any other recommendations to the potential improvement to the special
 144.18 license plate process, including design, implementation, and public engagement.

144.19 (c) The commissioner must submit the results of the study to the chairs, ranking minority
 144.20 members, and staff of the legislative committees having jurisdiction over transportation
 144.21 finance and policy.

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

144.23 **Sec. 151. TRAFFIC ENGINEERING STUDIES AND INVESTIGATIONS.**

144.24 (a) Notwithstanding the requirements of the Minnesota Manual on Uniform Traffic
 144.25 Control Devices established by the commissioner of transportation under Minnesota Statutes,
 144.26 section 169.06, subdivision 2, by July 1, 2024, the commissioner must implement section
 144.27 2B.21 of the Manual on Uniform Traffic Control Devices for Streets and Highways, 11th
 144.28 Edition, as incorporated by the United States Department of Transportation, pertaining to
 144.29 traffic engineering studies and investigations for establishing or reevaluating speed limits
 144.30 within speed zones.

144.31 (b) This section expires upon adoption of relevant revisions to the Minnesota Manual
 144.32 on Uniform Traffic Control Devices that pertain to traffic engineering studies and

145.1 investigations for speed zones. The commissioner must notify the revisor of statutes, whether
145.2 electronically or in writing, of the expiration.

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

145.4 Sec. 152. **TRAFFIC SAFETY CAMERA SYSTEMS; EVALUATION AND**
145.5 **REPORTING.**

145.6 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms and the
145.7 terms defined in Minnesota Statutes, section 169.147, subdivision 1, have the meanings
145.8 given.

145.9 (b) "Traffic safety camera system" has the meaning given in Minnesota Statutes, section
145.10 169.011, subdivision 85a.

145.11 Subd. 2. **Independent evaluation; general requirements.** (a) The commissioner must
145.12 arrange for an independent evaluation of traffic safety camera systems that includes analysis
145.13 of the pilot program. By December 31, 2028, the commissioner must submit a copy of the
145.14 evaluation to the chairs and ranking minority members of the legislative committees with
145.15 jurisdiction over transportation policy and finance.

145.16 (b) The evaluation must be performed outside the Departments of Transportation and
145.17 Public Safety by an entity with qualifying experience in traffic safety research. The evaluation
145.18 must include any monitoring sites established by an implementing authority.

145.19 (c) The commissioner must establish an evaluation methodology that provides
145.20 standardized metrics and evaluation measures and enables valid statistical comparison across
145.21 monitoring sites.

145.22 (d) At a minimum, the evaluation must:

145.23 (1) analyze the effectiveness of traffic safety camera systems in lowering travel speeds,
145.24 reducing speed differentials, reducing violations of traffic-control signals, and meeting any
145.25 other measures identified in the evaluation methodology;

145.26 (2) perform statistical analyses of traffic speeds, crashes, injuries, fatalities, and other
145.27 measurable traffic incidents; and

145.28 (3) identify any changes in traffic congestion attributable to traffic safety camera systems.

145.29 Subd. 3. **Independent evaluation; implementing authorities.** (a) Each implementing
145.30 authority under the pilot program must follow the evaluation methodology established under
145.31 subdivision 2.

146.1 (b) Each implementing authority under the pilot program must provide information for
146.2 the evaluation under subdivision 2 as requested and include the following: the total number
146.3 of warnings issued; the total number of citations issued; the number of people who opted
146.4 for diversion under Minnesota Statutes, sections 169.06, subdivision 10, paragraph (b), and
146.5 169.14, subdivision 13, paragraph (b); gross and net revenue received; expenditures incurred;
146.6 a description of how the net revenue generated by the program was used; total amount of
146.7 any payments made to a contractor; the number of employees involved in the pilot program;
146.8 the type of traffic safety camera system used; the location of each monitoring site; the
146.9 activation start and stop dates of the traffic safety camera system at each monitoring site;
146.10 the number of citations issued, with a breakout by monitoring site; the number of instances
146.11 in which a traffic enforcement agent reviewed recorded video or images for a potential
146.12 violation but did not issue a resulting citation; and details on traffic safety camera system
146.13 inspection and maintenance activities.

146.14 Subd. 4. **Pilot program reporting.** (a) An implementing authority that operates a traffic
146.15 safety camera system in a calendar year must publish a report on the implementation for
146.16 that calendar year. The report is due by March 1 of the following calendar year.

146.17 (b) At a minimum, the report must summarize the activities of the implementing authority
146.18 and provide the information required under subdivision 3, paragraph (b).

146.19 Subd. 5. **Legislative report.** By January 15, 2029, the commissioners must submit a
146.20 report on traffic safety camera systems to the members of the legislative committees with
146.21 jurisdiction over transportation policy and finance. At a minimum, the report must:

146.22 (1) provide a review of the pilot program;

146.23 (2) provide data on citations issued under the pilot program, with breakouts by year and
146.24 location;

146.25 (3) summarize the results of the independent evaluation under subdivision 2;

146.26 (4) evaluate any disparities in impacts under the pilot programs, including by income,
146.27 by race, and in communities that are historically underrepresented in transportation planning;

146.28 (5) identify fiscal impacts of implementation of traffic safety camera systems; and

146.29 (6) make any recommendations regarding ongoing traffic safety camera implementation,
146.30 including but not limited to any draft legislative proposal.

147.1 Sec. 153. **REVISOR INSTRUCTION.**

147.2 (a) The revisor of statutes must recodify Minnesota Statutes, section 169.21, subdivision
147.3 6, as Minnesota Statutes, section 171.0701, subdivision 1b. The revisor must correct any
147.4 cross-references made necessary by this recodification.

147.5 (b) The revisor of statutes must recodify Minnesota Statutes, section 473.3927,
147.6 subdivision 1, as Minnesota Statutes, section 473.3927, subdivision 1b. The revisor must
147.7 correct any cross-references made necessary by this recodification.

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

147.9 Sec. 154. **REPEALER.**

147.10 Minnesota Statutes 2022, section 430.01, subdivision 4, is repealed.

147.11 **ARTICLE 3**

147.12 **LABOR APPROPRIATIONS**

147.13 Section 1. **APPROPRIATIONS.**

147.14 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
147.15 and for the purposes specified in sections 2 to 5. The appropriations are from the general
147.16 fund, or another named fund, and are available for the fiscal years indicated for each purpose.
147.17 The figures "2024" and "2025" used in this article mean that the appropriations listed under
147.18 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
147.19 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
147.20 is fiscal years 2024 and 2025.

147.21 **APPROPRIATIONS**

147.22 **Available for the Year**

147.23 **Ending June 30**

147.24 **2024**

2025

147.25 Sec. 2. **DEPARTMENT OF HEALTH** **\$** **-0-** **\$** **174,000**

147.26 \$174,000 the second year is for technical
147.27 assistance for rulemaking for acceptable blood
147.28 lead levels for workers. This appropriation is
147.29 onetime and is available until June 30, 2026.

147.30 Sec. 3. **BOARD OF REGENTS OF THE**
147.31 **UNIVERSITY OF MINNESOTA** **\$** **-0-** **\$** **299,000**

148.1 \$299,000 the second year is for labor relations
 148.2 staffing costs. The base for this appropriation
 148.3 is \$314,000 for fiscal year 2026 and \$265,000
 148.4 for fiscal year 2027 and each year thereafter.

148.5 **Sec. 4. BOARD OF TRUSTEES OF THE**
 148.6 **MINNESOTA STATE COLLEGES AND**
 148.7 **UNIVERSITIES**

\$ **-0-** **\$** **138,000**

148.8 \$138,000 the second year is for labor relations
 148.9 staffing costs.

148.10 **Sec. 5. DEPARTMENT OF LABOR AND**
 148.11 **INDUSTRY**

\$ **-0-** **\$** **9,000,000**

148.12 (a) \$9,000,000 the second year is for a grant
 148.13 to Tending the Soil to redevelop a building
 148.14 located at 2808 Hennepin Avenue South in
 148.15 Minneapolis, for use as the Rise Up Center to
 148.16 house a workforce development and job
 148.17 training center, office spaces for the
 148.18 administration of workforce development
 148.19 programs, and a public gathering space. The
 148.20 center, when complete, shall be capable of
 148.21 training up to 3,000 low-income workers
 148.22 annually from diverse backgrounds in the
 148.23 fields of green energy, construction, food
 148.24 processing, and other stable careers through
 148.25 preapprenticeships and job readiness training,
 148.26 in partnership with labor and grassroots
 148.27 organizations. This is a onetime appropriation
 148.28 and is available until the project is completed
 148.29 or abandoned, subject to Minnesota Statutes,
 148.30 section 16A.642. Notwithstanding Minnesota
 148.31 Statutes, section 16B.98, subdivision 14, the
 148.32 commissioner may use up to one percent of
 148.33 this appropriation for administrative costs.

148.34 (b) Beginning January 15, 2025, the
 148.35 commissioner of labor and industry must
 148.36 annually report to the legislative committees

149.1 with jurisdiction over economic development,
 149.2 workforce development, jobs, and labor
 149.3 regarding the uses of funds in this grant. The
 149.4 report must include how much of the grant
 149.5 funds remain unspent. The report must also
 149.6 detail the number of workers served by the
 149.7 grant. A final report is due the January 15
 149.8 immediately following the cancellation or
 149.9 exhaustion of this grant. As a condition of
 149.10 receiving the grant, Tending the Soil must
 149.11 agree to provide the commissioner any
 149.12 information needed to complete this report.

149.13 Sec. 6. Laws 2023, chapter 53, article 14, section 1, is amended to read:

149.14 Section 1. **EARNED SICK AND SAFE TIME APPROPRIATIONS.**

149.15 (a) \$1,445,000 in fiscal year 2024 and ~~\$2,209,000~~ \$1,899,000 in fiscal year 2025 are
 149.16 appropriated from the general fund to the commissioner of labor and industry for enforcement
 149.17 and other duties regarding earned sick and safe time under Minnesota Statutes, sections
 149.18 181.9445 to 181.9448, and chapter 177. ~~The base for this appropriation is \$1,899,000 for~~
 149.19 ~~fiscal year 2026 and each year thereafter.~~

149.20 (b) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from
 149.21 the general fund to the commissioner of labor and industry for grants to community
 149.22 organizations under Minnesota Statutes, section 177.50, subdivision 4. This is a onetime
 149.23 appropriation.

149.24 (c) \$310,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
 149.25 of labor and industry for rulemaking related to earned sick and safe time under Minnesota
 149.26 Statutes, sections 181.9445 to 181.9448, and chapter 177. This is a onetime appropriation
 149.27 and is available until June 30, 2027.

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

149.29 Sec. 7. Laws 2023, chapter 53, article 19, section 2, subdivision 1, is amended to read:

149.30				44,044,000
149.31	Subdivision 1. Total Appropriation	\$	47,710,000	\$ <u>44,525,000</u>

150.1	Appropriations by Fund		
150.2		2024	2025
150.3			4,889,000
150.4	General	7,200,000	<u>5,030,000</u>
150.5	Workers'		32,390,000
150.6	Compensation	30,599,000	<u>32,669,000</u>
150.7	Workforce		6,765,000
150.8	Development	9,911,000	<u>6,826,000</u>

150.9 The amounts that may be spent for each
 150.10 purpose are specified in the following
 150.11 subdivisions. The general fund base for this
 150.12 appropriation is ~~\$4,936,000~~ \$5,077,000 in
 150.13 fiscal year 2026 and ~~\$4,958,000~~ \$5,099,000
 150.14 in fiscal year 2027 and each year thereafter.

150.15 The workers compensation fund base is
 150.16 ~~\$32,749,000~~ \$32,892,000 in fiscal year 2026
 150.17 and \$32,458,000 in fiscal year 2027 and each
 150.18 year thereafter. The workforce development
 150.19 fund base is ~~\$6,765,000~~ \$6,826,000 in fiscal
 150.20 year 2026 and each year thereafter.

150.21 Sec. 8. Laws 2023, chapter 53, article 19, section 2, subdivision 3, is amended to read:

150.22			6,270,000
150.23	Subd. 3. Labor Standards	6,520,000	<u>6,472,000</u>

150.24	Appropriations by Fund		
150.25			4,635,000
150.26	General	4,957,000	<u>4,776,000</u>
150.27	Workforce		1,635,000
150.28	Development	1,563,000	<u>1,696,000</u>

150.29 The general fund base for this appropriation
 150.30 is ~~\$4,682,000~~ \$4,823,000 in fiscal year 2026
 150.31 and ~~\$4,704,000~~ \$4,845,000 in fiscal year 2027
 150.32 and each year thereafter.

150.33 (a) \$2,046,000 each year is for wage theft
 150.34 prevention.

150.35 (b) \$1,563,000 the first year and ~~\$1,635,000~~
 150.36 \$1,696,000 the second year are from the

151.1 workforce development fund for prevailing
151.2 wage enforcement.

151.3 (c) \$134,000 the first year and \$134,000 the
151.4 second year are for outreach and enforcement
151.5 efforts related to changes to the nursing
151.6 mothers, lactating employees, and pregnancy
151.7 accommodations law.

151.8 (d) \$661,000 the first year and \$357,000 the
151.9 second year are to perform work for the
151.10 Nursing Home Workforce Standards Board.
151.11 The base for this appropriation is \$404,000 in
151.12 fiscal year 2026 and \$357,000 in fiscal year
151.13 2027.

151.14 (e) \$225,000 the first year and \$169,000 the
151.15 second year are for the purposes of the Safe
151.16 Workplaces for Meat and Poultry Processing
151.17 Workers Act.

151.18 (f) \$27,000 the first year is for the creation
151.19 and distribution of a veterans' benefits and
151.20 services poster under Minnesota Statutes,
151.21 section 181.536.

151.22 (g) \$141,000 the second year is to inform and
151.23 educate employers relating to Minnesota
151.24 Statutes, section 181.960.

151.25 Sec. 9. Laws 2023, chapter 53, article 19, section 2, subdivision 5, is amended to read:

151.26			<u>7,559,000</u>
151.27	Subd. 5. Workplace Safety	8,644,000	<u>7,838,000</u>

151.28 Appropriations by Fund

151.29	General	2,000,000	-0-
151.30	Workers'		<u>7,559,000</u>
151.31	Compensation	6,644,000	<u>7,838,000</u>

151.32 The workers compensation fund base for this
151.33 appropriation is ~~\$7,918,000~~ \$8,061,000 in

152.1 fiscal year 2026 and \$7,627,000 in fiscal year
 152.2 2027 and each year thereafter.
 152.3 \$2,000,000 the first year is for the ergonomics
 152.4 safety grant program. This appropriation is
 152.5 available until June 30, 2026. This is a onetime
 152.6 appropriation.

152.7 Sec. 10. Laws 2023, chapter 53, article 19, section 4, is amended to read:

152.8 Sec. 4. **BUREAU OF MEDIATION SERVICES** \$ 3,707,000 \$ 3,789,000

152.9 ~~(a) \$750,000 each year is for purposes of the~~
 152.10 ~~Public Employment Relations Board under~~
 152.11 ~~Minnesota Statutes, section 179A.041.~~

152.12 ~~(b) \$68,000 each year is for grants to area~~
 152.13 ~~labor management committees. Grants may~~
 152.14 ~~be awarded for a 12-month period beginning~~
 152.15 ~~July 1 each year. Any unencumbered balance~~
 152.16 ~~remaining at the end of the first year does not~~
 152.17 ~~cancel but is available for the second year.~~

152.18 ~~(c) \$47,000 each year is for rulemaking,~~
 152.19 ~~staffing, and other costs associated with peace~~
 152.20 ~~officer grievance procedures.~~

152.21 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

152.22 **ARTICLE 4**

152.23 **COMBATIVE SPORTS - DEPARTMENT OF LABOR AND INDUSTRY**

152.24 Section 1. Minnesota Statutes 2023 Supplement, section 341.25, is amended to read:

152.25 **341.25 RULES.**

152.26 (a) The commissioner may adopt rules that include standards for the physical examination
 152.27 and condition of combatants and referees.

152.28 (b) The commissioner may adopt other rules necessary to carry out the purposes of this
 152.29 chapter, including, but not limited to, the conduct of all combative sport contests and their
 152.30 manner, supervision, time, and place.

153.1 (c) The most recent version of the Unified Rules of Mixed Martial Arts, as promulgated
 153.2 by the Association of Boxing Commissions, is incorporated by reference and made a part
 153.3 of this chapter except as qualified by this chapter and Minnesota Rules, chapter 2202. In
 153.4 the event of a conflict between this chapter and the Unified Rules, this chapter must govern.

153.5 (d) The most recent version of the Unified Rules of Boxing, as promulgated by the
 153.6 Association of Boxing Commissions, is incorporated by reference and made a part of this
 153.7 chapter except as qualified by this chapter and Minnesota Rules, chapter 2201. In the event
 153.8 of a conflict between this chapter and the Unified Rules, this chapter must govern.

153.9 (e) The most recent version of the Unified Rules of Kickboxing and Unified Rules of
 153.10 Muay Thai, as promulgated by the Association of Boxing Commissions, ~~is~~ are incorporated
 153.11 by reference and made a part of this chapter except as qualified by this chapter and any
 153.12 applicable Minnesota Rules. In the event of a conflict between this chapter and ~~the Unified~~
 153.13 ~~Rules~~ those rules, this chapter must govern. If a promoter seeks to hold a kickboxing event
 153.14 governed by a different set of kickboxing rules, the promoter must send the commissioner
 153.15 a copy of the rules under which the proposed bouts will be conducted at least 45 days before
 153.16 the event. The commissioner may approve or deny the use of the alternative rules at the
 153.17 commissioner's discretion. If the alternative rules are approved for an event, this chapter
 153.18 and any applicable Minnesota Rules, except of those incorporating the Unified Rules of
 153.19 Kickboxing and Unified Rules of Muay Thai, must govern if there is a conflict between the
 153.20 rules and Minnesota law.

153.21 Sec. 2. Minnesota Statutes 2023 Supplement, section 341.28, subdivision 5, is amended
 153.22 to read:

153.23 Subd. 5. **Regulatory authority; martial arts and amateur boxing.** (a) Unless this
 153.24 chapter specifically states otherwise, contests or exhibitions for martial arts and amateur
 153.25 boxing are exempt from the requirements of this chapter and officials at these events are
 153.26 not required to be licensed under this chapter.

153.27 (b) Martial arts and amateur boxing contests, unless subject to the exceptions set forth
 153.28 in subdivision 6 or 7, must be regulated by a nationally recognized organization approved
 153.29 by the commissioner. The organization must have a set of written standards, procedures, or
 153.30 rules used to sanction the combative sports it oversees.

153.31 (c) Any regulatory body overseeing a martial arts or amateur boxing event must submit
 153.32 bout results to the commissioner within 72 hours after the event. If the regulatory body
 153.33 issues suspensions, the regulatory body must submit to the commissioner a list of any
 153.34 suspensions resulting from the event within 72 hours after the event. Regulatory bodies that

154.1 oversee combative sports or martial arts contests under subdivision 6 or 7 are not subject
154.2 to this paragraph.

154.3 Sec. 3. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
154.4 read:

154.5 Subd. 7. **Regulatory authority; youth competition.** Combative sports or martial arts
154.6 contests between individuals under the age of 18 years are exempt from the requirements
154.7 of this chapter and officials at these events are not required to be licensed under this chapter.
154.8 A contest under this subdivision must be regulated by (1) a widely recognized organization
154.9 that regularly oversees youth competition, or (2) a local government.

154.10 Sec. 4. Minnesota Statutes 2022, section 341.29, is amended to read:

154.11 **341.29 JURISDICTION OF COMMISSIONER.**

154.12 The commissioner shall:

154.13 (1) have sole direction, supervision, regulation, control, and jurisdiction over all
154.14 combative sport contests that are held within this state unless a contest is exempt from the
154.15 application of this chapter under federal law;

154.16 (2) have sole control, authority, and jurisdiction over all licenses required by this chapter;

154.17 (3) grant a license to an applicant if, in the judgment of the commissioner, the financial
154.18 responsibility, experience, character, and general fitness of the applicant are consistent with
154.19 the public interest, ~~convenience, or necessity~~ and in the best interests of combative sports
154.20 and conforms with this chapter and the commissioner's rules;

154.21 (4) deny, suspend, or revoke a license using the enforcement provisions of section
154.22 326B.082, except that the licensing reapplication time frames remain within the sole
154.23 discretion of the commissioner; and

154.24 (5) serve final nonlicensing orders in performing the duties of this chapter which are
154.25 subject to the contested case procedures provided in sections 14.57 to 14.69.

154.26 Sec. 5. Minnesota Statutes 2023 Supplement, section 341.30, subdivision 4, is amended
154.27 to read:

154.28 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a promoter's
154.29 license to an individual, corporation, or other business entity, the applicant shall complete
154.30 a licensing application on the Office of Combative Sports website or on forms prescribed
154.31 by the commissioner and shall:

155.1 (1) show on the licensing application the owner or owners of the applicant entity and
155.2 the percentage of interest held by each owner holding a 25 percent or more interest in the
155.3 applicant;

155.4 (2) provide the commissioner with a copy of the latest financial statement of the applicant;

155.5 (3) provide proof, where applicable, of authorization to do business in the state of
155.6 Minnesota; and

155.7 (4) deposit with the commissioner a surety bond in an amount set by the commissioner,
155.8 which must not be less than \$10,000. The bond shall be executed in favor of this state and
155.9 shall be conditioned on the faithful performance by the promoter of the promoter's obligations
155.10 under this chapter and the rules adopted under it.

155.11 (b) Before the commissioner issues a license to a combatant, the applicant shall:

155.12 (1) submit to the commissioner the results of current medical examinations on forms
155.13 prescribed by the commissioner that state that the combatant is cleared to participate in a
155.14 combative sport contest. The applicant must undergo and submit the results of the following
155.15 medical examinations, which do not exempt a combatant from the requirements in section
155.16 341.33:

155.17 (i) a physical examination performed by a licensed medical doctor, doctor of osteopathic
155.18 medicine, advance practice nurse practitioner, or a physician assistant. Physical examinations
155.19 are valid for one year from the date of the exam;

155.20 (ii) an ophthalmological examination performed by an ophthalmologist or optometrist
155.21 that includes dilation designed to detect any retinal defects or other damage or a condition
155.22 of the eye that could be aggravated by combative sports. Ophthalmological examinations
155.23 are valid for one year from the date of the exam;

155.24 (iii) blood work results for HBsAg (Hepatitis B surface antigen), HCV (Hepatitis C
155.25 antibody), and HIV. Blood work results are good for one year from the date blood was
155.26 drawn. The commissioner shall not issue a license to an applicant submitting positive test
155.27 results for HBsAg, HCV, or HIV; and

155.28 (iv) other appropriate neurological or physical examinations before any contest, if the
155.29 commissioner determines that the examination is desirable to protect the health of the
155.30 combatant;

155.31 (2) complete a licensing application on the Office of Combative Sports website or on
155.32 forms prescribed by the commissioner; and

156.1 (3) provide proof that the applicant is 18 years of age. Acceptable proof is a photo driver's
 156.2 license, state photo identification card, passport, or birth certificate combined with additional
 156.3 photo identification.

156.4 (c) Before the commissioner issues an amateur combatant license to an individual, the
 156.5 applicant must submit proof of qualifications that includes at a minimum: (1) an applicant's
 156.6 prior bout history and evidence showing that the applicant has completed at least six months
 156.7 of training in a combative sport; or (2) a letter of recommendation from a coach or trainer.

156.8 (d) Before the commissioner issues a professional combatant license to an individual,
 156.9 the applicant must submit proof of qualifications that includes an applicant's prior bout
 156.10 history showing the applicant has competed in at least four sanctioned combative sports
 156.11 contests. If the applicant has not competed in at least four sanctioned combative sports
 156.12 contests, the commissioner may still grant the applicant a license if the applicant provides
 156.13 evidence demonstrating that the applicant has sufficient skills and experience in combative
 156.14 sports or martial arts to compete as a professional combatant.

156.15 ~~(e)~~ (e) Before the commissioner issues a license to a referee, judge, or timekeeper, the
 156.16 applicant must submit proof of qualifications that may include certified training from the
 156.17 Association of Boxing Commissions, licensure with other regulatory bodies, professional
 156.18 references, or a log of bouts worked.

156.19 ~~(d)~~ (f) Before the commissioner issues a license to a ringside physician, the applicant
 156.20 must submit proof that they are licensed to practice medicine in the state of Minnesota and
 156.21 in good standing.

156.22 Sec. 6. Minnesota Statutes 2023 Supplement, section 341.321, is amended to read:

156.23 **341.321 FEE SCHEDULE.**

156.24 (a) The fee schedule for professional and amateur licenses issued by the commissioner
 156.25 is as follows:

156.26 (1) referees, \$25;

156.27 (2) promoters, \$700;

156.28 (3) judges and knockdown judges, \$25;

156.29 (4) trainers and seconds, \$40;

156.30 (5) timekeepers, \$25;

156.31 (6) professional combatants, \$70;

157.1 (7) amateur combatants, \$35; and

157.2 (8) ringside physicians, \$25.

157.3 All license fees shall be paid no later than the weigh-in prior to the contest. No license may
157.4 be issued until all prelicensure requirements in section 341.30 are satisfied and fees are
157.5 paid.

157.6 (b) A promoter or event organizer of an event regulated by the Department of Labor and
157.7 Industry must pay, per event, a combative sport contest fee of .

157.8 (c) If the promoter sells tickets for the event, the event fee is \$1,500 per event or four
157.9 percent of the gross ticket sales, whichever is greater. The fee must be paid as follows:

157.10 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

157.11 (2) \$1,000 at the weigh-in prior to the contest;

157.12 (3) if four percent of the gross ticket sales is greater than \$1,500, the balance is due to
157.13 the commissioner within 14 days of the completed contest; and

157.14 (4) the value of all complimentary tickets distributed for an event, to the extent they
157.15 exceed five percent of total event attendance, counts toward gross tickets sales for the
157.16 purposes of determining a combative sports contest fee. For purposes of this clause, the
157.17 lowest advertised ticket price shall be used to calculate the value of complimentary tickets.

157.18 (d) If the promoter does not sell tickets and receives only a flat payment from a venue
157.19 to administer the event, the event fee is \$1,500 per event or four percent of the flat payment,
157.20 whichever is greater. The fee must be paid as follows:

157.21 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

157.22 (2) \$1,000 at the weigh-in prior to the contest; and

157.23 (3) if four percent of the flat payment is greater than \$1,500, the balance is due to the
157.24 commissioner within 14 days of the completed contest.

157.25 ~~(e)~~ (e) All fees and penalties collected by the commissioner must be deposited in the
157.26 commissioner account in the special revenue fund.

157.27 Sec. 7. Minnesota Statutes 2023 Supplement, section 341.33, is amended by adding a
157.28 subdivision to read:

157.29 Subd. 3. **Medical records.** The commissioner may, if the commissioner determines that
157.30 doing so would be desirable to protect the health of a combatant, provide the combatant's
157.31 medical information collected under this chapter to the physician conducting a prebout exam

158.1 under this section or to the ringside physician or physicians assigned to the combatant's
 158.2 combative sports contest.

158.3 Sec. 8. **[341.352] DATA PRIVACY.**

158.4 All health records collected, created, or maintained under this chapter are private data
 158.5 on individuals, as defined in section 13.02, subdivision 12.

158.6 Sec. 9. Minnesota Statutes 2023 Supplement, section 341.355, is amended to read:

158.7 **341.355 CIVIL PENALTIES.**

158.8 When the commissioner finds that a person has violated one or more provisions of any
 158.9 statute, rule, or order that the commissioner is empowered to regulate, enforce, or issue, the
 158.10 commissioner may impose, for each violation, a civil penalty of up to \$10,000 for each
 158.11 violation, or a civil penalty that deprives the person of any economic advantage gained by
 158.12 the violation, or both. The commissioner may also impose these penalties against a person
 158.13 who has violated section 341.28, subdivision 5, paragraph (b) or (c), or subdivision 7.

158.14

ARTICLE 5

158.15

BUREAU OF MEDIATION SERVICES

158.16 Section 1. Minnesota Statutes 2022, section 626.892, subdivision 10, is amended to read:

158.17 Subd. 10. **Training.** (a) A person appointed to the arbitrator roster under this section
 158.18 must complete training as required by the commissioner during the person's appointment.
 158.19 At a minimum, an initial training must include:

158.20 (1) at least six hours on the topics of cultural competency, racism, implicit bias, and
 158.21 recognizing and valuing community diversity and cultural differences; and

158.22 (2) at least six hours on topics related to the daily experience of peace officers, which
 158.23 may include ride-alongs with on-duty officers or other activities that provide exposure to
 158.24 the environments, choices, and judgments required of officers in the field.

158.25 (b) The commissioner may adopt rules establishing training requirements consistent
 158.26 with this subdivision.

158.27 ~~(b) An arbitrator appointed to the roster of arbitrators in 2020 must complete the required~~
 158.28 ~~initial training by July 1, 2021.~~ (c) An arbitrator appointed to the roster of arbitrators after
 158.29 2020 must complete the required initial training within six months of the arbitrator's
 158.30 appointment.

159.1 ~~(e)~~ (d) The Bureau of Mediation Services must pay for all costs associated with the
159.2 required training must be borne by the arbitrator.

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

159.4 Sec. 2. **REPEALER.**

159.5 (a) Minnesota Statutes 2022, sections 179.81; 179.82; 179.83, subdivision 1; 179.84,
159.6 subdivision 1; and 179.85, are repealed.

159.7 (b) Minnesota Rules, parts 5520.0100; 5520.0110; 5520.0120, subparts 1, 2, 3, 4, 5, 6,
159.8 and 7; 5520.0200; 5520.0250, subparts 1, 2, and 4; 5520.0300; 5520.0500, subparts 1, 2,
159.9 3, 4, 5, and 6; 5520.0520; 5520.0540; 5520.0560; 5520.0600; 5520.0620; 5520.0700;
159.10 5520.0710; and 5520.0800, are repealed.

159.11 **ARTICLE 6**

159.12 **PUBLIC EMPLOYEE LABOR RELATIONS (PELRA)**

159.13 Section 1. Minnesota Statutes 2023 Supplement, section 13.43, subdivision 6, is amended
159.14 to read:

159.15 Subd. 6. **Access by labor organizations, Bureau of Mediation Services, Public**
159.16 **Employment Relations Board.** (a) Notwithstanding classification by any other provision
159.17 of this chapter upon request from an exclusive representative, personnel data must be
159.18 disseminated to labor organizations and the Public Employment Relations Board to the
159.19 extent necessary to conduct elections, investigate and process grievances, and implement
159.20 the provisions of chapters 179 and 179A. Personnel data shall be disseminated to labor
159.21 organizations, the Public Employment Relations Board, and the Bureau of Mediation Services
159.22 to the extent the dissemination is ordered or authorized by the commissioner of the Bureau
159.23 of Mediation Services or the Public Employment Relations Board or its employees or agents.
159.24 Employee Social Security numbers are not necessary to implement the provisions of chapters
159.25 179 and 179A.

159.26 (b) Personnel data described under section 179A.07, subdivision 8, must be disseminated
159.27 to an exclusive representative under the terms of that subdivision.

159.28 (c) An employer who disseminates personnel data to a labor organization pursuant to
159.29 this subdivision shall not be subject to liability under section 13.08. Nothing in this paragraph
159.30 shall impair or limit any remedies available under section 325E.61.

160.1 (d) The home addresses, nonemployer issued phone numbers and email addresses, dates
160.2 of birth, and emails or other communications between exclusive representatives and their
160.3 members, prospective members, and nonmembers are private data on individuals.

160.4 Sec. 2. Minnesota Statutes 2023 Supplement, section 179A.03, subdivision 14, is amended
160.5 to read:

160.6 Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means
160.7 any person appointed or employed by a public employer except:

160.8 (1) elected public officials;

160.9 (2) election officers;

160.10 (3) commissioned or enlisted personnel of the Minnesota National Guard;

160.11 (4) emergency employees who are employed for emergency work caused by natural
160.12 disaster;

160.13 (5) part-time employees whose service does not exceed the lesser of 14 hours per week
160.14 or 35 percent of the normal work week in the employee's appropriate unit;

160.15 (6) employees, other than employees working for a Minnesota school district or charter
160.16 school in a position for which no license is required by the Professional Educator Licensing
160.17 Standards Board, whose positions are basically temporary or seasonal in character and: (i)
160.18 are not for more than 67 working days in any calendar year; or (ii) ~~are not working for a~~
160.19 ~~Minnesota school district or charter school; or~~ (iii) are not for more than 100 working days
160.20 in any calendar year and the employees are under the age of 22, are full-time students
160.21 enrolled in a nonprofit or public educational institution prior to being hired by the employer,
160.22 and have indicated, either in an application for employment or by being enrolled at an
160.23 educational institution for the next academic year or term, an intention to continue as students
160.24 during or after their temporary employment;

160.25 (7) employees providing services for not more than two consecutive quarters to the
160.26 Board of Trustees of the Minnesota State Colleges and Universities under the terms of a
160.27 professional or technical services contract as defined in section 16C.08, subdivision 1;

160.28 (8) employees of charitable hospitals as defined by section 179.35, subdivision 3, except
160.29 that employees of charitable hospitals as defined by section 179.35, subdivision 3, are public
160.30 employees for purposes of sections 179A.051, 179A.052, and 179A.13;

161.1 (9) full-time undergraduate students employed by the school which they attend under a
161.2 work-study program or in connection with the receipt of financial aid, irrespective of number
161.3 of hours of service per week;

161.4 (10) an individual who is employed for less than 300 hours in a fiscal year as an instructor
161.5 in an adult vocational education program;

161.6 (11) with respect to court employees:

161.7 (i) personal secretaries to judges;

161.8 (ii) law clerks;

161.9 (iii) managerial employees;

161.10 (iv) confidential employees; and

161.11 (v) supervisory employees; or

161.12 (12) with respect to employees of Hennepin Healthcare System, Inc., managerial,
161.13 supervisory, and confidential employees.

161.14 (b) The following individuals are public employees regardless of the exclusions of
161.15 paragraph (a), clauses (5) to (7):

161.16 (1) an employee hired by a school district or the Board of Trustees of the Minnesota
161.17 State Colleges and Universities except at the university established in the Twin Cities
161.18 metropolitan area under section 136F.10 or for community services or community education
161.19 instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member
161.20 who is a public employee, where the replacement employee is employed more than 30
161.21 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching
161.22 position created due to increased enrollment, curriculum expansion, courses which are a
161.23 part of the curriculum whether offered annually or not, or other appropriate reasons;

161.24 (2) an employee hired for a position under paragraph (a), clause (6), item (i), if that same
161.25 position has already been filled under paragraph (a), clause (6), item (i), in the same calendar
161.26 year and the cumulative number of days worked in that same position by all employees
161.27 exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position"
161.28 includes a substantially equivalent position if it is not the same position solely due to a
161.29 change in the classification or title of the position;

161.30 (3) an early childhood family education teacher employed by a school district; and

162.1 (4) an individual hired by the Board of Trustees of the Minnesota State Colleges and
 162.2 Universities as the instructor of record to teach (i) one class for more than three credits in
 162.3 a fiscal year, or (ii) two or more credit-bearing classes in a fiscal year.

162.4 Sec. 3. Minnesota Statutes 2023 Supplement, section 179A.03, subdivision 18, is amended
 162.5 to read:

162.6 Subd. 18. **Teacher.** "Teacher" means any public employee other than a superintendent
 162.7 or assistant superintendent, principal, assistant principal, or a supervisory or confidential
 162.8 employee, employed by a school district:

162.9 (1) in a position for which the person must be licensed by the Professional Educator
 162.10 Licensing and Standards Board or the commissioner of education;

162.11 (2) in a position as a physical therapist, occupational therapist, art therapist, music
 162.12 therapist, or audiologist; or

162.13 (3) in a position creating and delivering instruction to children in a preschool, school
 162.14 readiness, school readiness plus, or prekindergarten program or other school district or
 162.15 charter school-based early education program, except that ~~an employee~~ employees in a
 162.16 bargaining unit certified before January 1, 2023, may remain in a bargaining unit that does
 162.17 not include teachers unless an exclusive representative files a petition for a unit clarification
 162.18 ~~or to transfer exclusive representative status.~~

162.19 Sec. 4. Minnesota Statutes 2022, section 179A.041, subdivision 2, is amended to read:

162.20 Subd. 2. **Alternate members.** (a) The appointing authorities shall appoint alternate
 162.21 members to serve ~~only~~ in the ~~ease~~ event of a member having a conflict of interest or being
 162.22 unavailable for a meeting under subdivision 9, as follows:

162.23 (1) one alternate, appointed by the governor, who is an officer or employee of an exclusive
 162.24 representative of public employees, to serve as an alternate to the member appointed by the
 162.25 governor who is an officer or employee of an exclusive representative of public employees.
 162.26 This alternate must not be an officer or employee of the same exclusive representative of
 162.27 public employees as the member for whom the alternate serves;

162.28 (2) one alternate, appointed by the governor, who is a representative of public employers,
 162.29 to serve as an alternate to the member appointed by the governor who is a representative of
 162.30 public employers. This alternate must not represent the same public employer as the member
 162.31 for whom the alternate serves; and

163.1 (3) one alternate, appointed by the member who is an officer or employee of an exclusive
 163.2 representative of public employees and the member who is a representative of public
 163.3 employers, who is not an officer or employee of an exclusive representative of public
 163.4 employees, or a representative of a public employer, to serve as an alternate for the member
 163.5 that represents the public at large.

163.6 (b) Each alternate member shall serve a term that is coterminous with the term of the
 163.7 member for whom the alternate member serves as an alternate.

163.8 Sec. 5. Minnesota Statutes 2023 Supplement, section 179A.041, subdivision 10, is amended
 163.9 to read:

163.10 Subd. 10. **Open Meeting Law; exceptions.** Chapter 13D does not apply to meetings of
 163.11 ~~the~~ a board meeting when it the board is:

163.12 (1) deliberating on the merits of an unfair labor practice charges charge under sections
 163.13 179.11, 179.12, and 179A.13;

163.14 (2) reviewing a hearing officer's recommended decision and order of a hearing officer
 163.15 under section 179A.13; or

163.16 (3) reviewing decisions of the a commissioner of the Bureau of Mediation Services
 163.17 relating to decision on an unfair labor practices practice under section 179A.12, subdivision
 163.18 11.

163.19 Sec. 6. Minnesota Statutes 2023 Supplement, section 179A.06, subdivision 6, is amended
 163.20 to read:

163.21 Subd. 6. **Payroll deduction, authorization, and remittance.** (a) ~~Public employees have~~
 163.22 ~~the right to~~ A public employee may request and be allowed payroll deduction for the
 163.23 exclusive representative that represents the employee's position and the its associated political
 163.24 fund associated with the exclusive representative and registered pursuant to under section
 163.25 10A.12. If no exclusive representative represents an employee's position, the public employee
 163.26 may request payroll deduction for the organization of the employee's choice. A public
 163.27 employer must provide payroll deduction according to any public employee's request under
 163.28 this paragraph.

163.29 (b) A public employer must rely on a certification from any an exclusive representative
 163.30 requesting remittance of a deduction that the organization has and will maintain an
 163.31 authorization, signed, either by hand or electronically according to section 325L.02, paragraph
 163.32 (h), by the public employee from whose salary or wages the deduction is to be made, which

164.1 ~~may include an electronic signature by the public employee as defined in section 325L.02,~~
 164.2 ~~paragraph (h). An exclusive representative making such a certification must not be~~ is not
 164.3 ~~required to provide the public employer a copy of the authorization unless a dispute arises~~
 164.4 ~~about the authorization's existence or terms of the authorization. The exclusive representative~~
 164.5 ~~must indemnify the public employer for any successful claims made by the employee for~~
 164.6 ~~unauthorized deductions in reliance on the certification.~~

164.7 ~~(b) (c) A dues payroll deduction authorization remains in effect~~ is effective until the
 164.8 exclusive representative notifies the employer ~~receives notice from the exclusive~~
 164.9 ~~representative that a public employee has changed or canceled their~~ the employee's
 164.10 authorization in writing in accordance with the terms of the original authorizing document,
 164.11 and authorization. When determining whether deductions have been properly changed or
 164.12 canceled, a public employer must rely on information from the exclusive representative
 164.13 receiving remittance of the deduction ~~regarding whether the deductions have been properly~~
 164.14 ~~changed or canceled. The exclusive representative must indemnify the public employer,~~
 164.15 ~~including any reasonable attorney fees and litigation costs, for any successful claims made~~
 164.16 ~~by the employee for unauthorized deductions made in reliance on such information.~~

164.17 ~~(e) (d)~~ Deduction authorization under this section is:

164.18 (1) independent from the public employee's membership status in the organization to
 164.19 which payment is remitted; and is

164.20 (2) effective regardless of whether a collective bargaining agreement authorizes the
 164.21 deduction.

164.22 ~~(d) Employers~~ (e) An employer must ~~commence:~~

164.23 (1) begin deductions within 30 days ~~of notice of authorization from the~~ after an exclusive
 164.24 representative submits a certification under paragraph (b); and ~~must~~

164.25 (2) remit the deductions to the exclusive representative within 30 days of the deduction.
 164.26 ~~The failure of an employer to comply with the provisions of this paragraph shall be an unfair~~
 164.27 ~~labor practice under section 179A.13, the relief for which shall be reimbursement by the~~
 164.28 ~~employer of deductions that should have been made or remitted based on a valid authorization~~
 164.29 ~~given by the employee or employees.~~

164.30 ~~(e) In the absence of an exclusive representative, public employees have the right to~~
 164.31 ~~request and be allowed payroll deduction for the organization of their choice.~~

164.32 (f) An exclusive representative must indemnify a public employer:

165.1 (1) for any successful employee claim for unauthorized employer deductions made by
 165.2 relying on an exclusive representative's certification under paragraph (b); and

165.3 (2) for any successful employee claim for unauthorized employer deductions made by
 165.4 relying on information for changing or canceling deductions under paragraph (c), with
 165.5 indemnification including any reasonable attorney fees and litigation costs.

165.6 ~~(f)~~ (g) Any dispute under this subdivision must be resolved through an unfair labor
 165.7 practice proceeding under section 179A.13. It is an unfair labor practice if an employer fails
 165.8 to comply with paragraph (e), and the employer must reimburse deductions that should have
 165.9 been made or remitted based on a valid authorization given by the employee or employees.

165.10 Sec. 7. Minnesota Statutes 2023 Supplement, section 179A.07, subdivision 8, is amended
 165.11 to read:

165.12 Subd. 8. **Bargaining unit information.** (a) Within 20 calendar days ~~from the date of~~
 165.13 ~~hire of~~ after a bargaining unit employee is hired, a public employer must provide the
 165.14 following ~~contact~~ information on the employee to an the unit's exclusive representative or
 165.15 its affiliate in an Excel file format or other format agreed to by the exclusive representative:

165.16 (1) name;

165.17 (2) job title;

165.18 (3) worksite location, including location ~~within~~ in a facility when appropriate;

165.19 (4) home address;

165.20 (5) work telephone number;

165.21 (6) home and personal cell phone numbers on file with the public employer;

165.22 (7) date of hire; and

165.23 (8) work email address and personal email address on file with the public employer.

165.24 (b) Every 120 calendar days ~~beginning on January 1, 2024~~, a public employer must
 165.25 provide to ~~an~~ a bargaining unit's exclusive representative in an Excel file or similar format
 165.26 agreed to by the exclusive representative the ~~following~~ information under paragraph (a) for
 165.27 all bargaining unit employees: ~~name; job title; worksite location, including location within~~
 165.28 ~~a facility when appropriate; home address; work telephone number; home and personal cell~~
 165.29 ~~phone numbers on file with the public employer; date of hire; and work email address and~~
 165.30 ~~personal email address on file with the public employer.~~

166.1 ~~(c) A public employer must notify an exclusive representative within 20 calendar days~~
 166.2 ~~of the separation of~~ If a bargaining unit employee separates from employment or transfer
 166.3 ~~transfers out of the bargaining unit of a bargaining unit employee, the employee's public~~
 166.4 employer must notify the employee's exclusive representative within 20 calendar days after
 166.5 the separation or transfer, including whether the unit departure was due to a transfer,
 166.6 promotion, demotion, discharge, resignation, or retirement.

166.7 Sec. 8. Minnesota Statutes 2023 Supplement, section 179A.07, subdivision 9, is amended
 166.8 to read:

166.9 Subd. 9. **Access.** (a) A public employer must allow an exclusive representative or the
 166.10 representative's agent to meet in person with a newly hired employees, without charge to
 166.11 ~~the pay or leave time of the employees, for 30 minutes,~~ employee within 30 calendar days
 166.12 from the date of hire; during new employee orientations or, if the employer does not conduct
 166.13 new employee orientations, at individual or group meetings arranged by the employer in
 166.14 coordination with the exclusive representative or the representative's agent during the newly
 166.15 hired employees' regular working hours. For an orientation or meeting under this paragraph,
 166.16 an employer must allow the employee and exclusive representative up to 30 minutes to meet
 166.17 and must not charge the employee's pay or leave time during the orientation or meeting, or
 166.18 the pay or leave time of an employee of the public employer acting as an agent of the
 166.19 exclusive representative using time off under subdivision 6. An orientation or meeting may
 166.20 be held virtually or for longer than 30 minutes only by mutual agreement of the employer
 166.21 and exclusive representative.

166.22 ~~(b) An exclusive representative shall~~ must receive no less than at least ten days' notice
 166.23 ~~in advance of an orientation, except that~~ but a shorter notice may be provided where if there
 166.24 ~~is an urgent need critical to the employer's operations of the public employer that was not~~
 166.25 ~~reasonably foreseeable. Notice of and attendance at new employee orientations and other~~
 166.26 ~~meetings under this paragraph must be~~ and paragraph (a) are limited to the public employer;

166.27 (1) the employees;

166.28 (2) the exclusive representative, and;

166.29 (3) any vendor contracted to provide a service for purposes of the meeting. Meetings
 166.30 ~~may be held virtually or for longer than 30 minutes; and~~

166.31 (4) the public employer or its designee, who may attend only by mutual agreement of
 166.32 the public employer and exclusive representative.

167.1 ~~(b)~~ (c) A public employer must allow an exclusive representative to communicate with
 167.2 bargaining unit members ~~using their employer-issued email addresses regarding~~ by email
 167.3 on:

167.4 (1) collective bargaining;

167.5 (2) the administration of collective bargaining agreements;

167.6 (3) the investigation of grievances; and other workplace-related complaints and issues;
 167.7 and

167.8 (4) internal matters involving the governance or business of the exclusive representative;
 167.9 ~~consistent with the employer's generally applicable technology use policies.~~

167.10 (d) An exclusive representative may communicate with bargaining unit members under
 167.11 paragraph (c) via the members' employer-issued email addresses, but the communication
 167.12 must be consistent with the employer's generally applicable technology use policies.

167.13 ~~(e)~~ (e) A public employer must allow an exclusive representative to meet with bargaining
 167.14 unit members in facilities owned or leased by the public employer ~~regarding~~ to communicate
 167.15 on:

167.16 (1) collective bargaining;

167.17 (2) the administration of collective bargaining agreements;

167.18 (3) the investigation of grievances and other workplace-related complaints and issues;
 167.19 and

167.20 (4) internal matters involving the governance or business of the exclusive representative;
 167.21 ~~provided the use does not interfere with governmental operations and the exclusive~~
 167.22 ~~representative complies with worksite security protocols established by the public employer.~~
 167.23 ~~Meetings conducted.~~

167.24 (f) The following applies for a meeting under paragraph (e):

167.25 (1) a meeting cannot interfere with government operations;

167.26 (2) the exclusive representative must comply with employer-established worksite security
 167.27 protocols;

167.28 (3) a meeting in a government buildings pursuant to this paragraph must not building
 167.29 cannot be for the purpose of supporting or opposing any candidate for partisan political
 167.30 office or for the purpose of distributing literature or information regarding on partisan
 167.31 elections; and

168.1 (4) an exclusive representative conducting a meeting in a government building or other
168.2 government facility ~~pursuant to this subdivision~~ may be charged for maintenance, security,
168.3 and other costs related to ~~the use of~~ using the government building or facility that would
168.4 not otherwise be incurred by the government entity.

168.5 Sec. 9. Minnesota Statutes 2022, section 179A.09, is amended by adding a subdivision to
168.6 read:

168.7 Subd. 4. **Unit mergers.** Upon the request of an exclusive representative for bargaining
168.8 units other than those defined in section 179A.10, subdivision 2, the commissioner must
168.9 designate as a single unit two bargaining units represented by the exclusive representative,
168.10 subject to subdivision 2 as well as any other statutory bargaining unit designation.

168.11 Sec. 10. Minnesota Statutes 2022, section 179A.09, is amended by adding a subdivision
168.12 to read:

168.13 Subd. 5. **Position classifications.** For the purpose of determining whether a new position
168.14 should be included in an existing bargaining unit, the position shall be analyzed with respect
168.15 to its assigned duties, without regard to title or telework status.

168.16 Sec. 11. Minnesota Statutes 2023 Supplement, section 179A.10, subdivision 2, is amended
168.17 to read:

168.18 Subd. 2. **State employees.** (a) Unclassified employees, unless otherwise excluded, are
168.19 included within the units ~~which~~ that include the classifications to which they are assigned
168.20 for purposes of compensation. Supervisory employees ~~shall only~~ can be assigned only to
168.21 ~~units~~ unit 12 and or 16. The following units are the appropriate units of executive branch
168.22 state employees:

- 168.23 (1) law enforcement unit;
- 168.24 (2) craft, maintenance, and labor unit;
- 168.25 (3) service unit;
- 168.26 (4) health care nonprofessional unit;
- 168.27 (5) health care professional unit;
- 168.28 (6) clerical and office unit;
- 168.29 (7) technical unit;
- 168.30 (8) correctional guards unit;

- 169.1 (9) state university instructional unit;
- 169.2 (10) state college instructional unit;
- 169.3 (11) state university administrative unit;
- 169.4 (12) professional engineering unit;
- 169.5 (13) health treatment unit;
- 169.6 (14) general professional unit;
- 169.7 (15) professional state residential instructional unit;
- 169.8 (16) supervisory employees unit;
- 169.9 (17) public safety radio communications operator unit;
- 169.10 (18) licensed peace officer special unit; and
- 169.11 (19) licensed peace officer leader unit.

169.12 ~~Each unit consists of the classifications or positions assigned to it in the schedule of~~
 169.13 ~~state employee job classification and positions maintained by the commissioner. The~~
 169.14 ~~commissioner may only make changes in the schedule in existence on the day prior to~~
 169.15 ~~August 1, 1984, as required by law or as provided in subdivision 4.~~

169.16 (b) The following positions are included in the licensed peace officer special unit:

- 169.17 (1) State Patrol lieutenant;
- 169.18 (2) NR district supervisor - enforcement;
- 169.19 (3) assistant special agent in charge;
- 169.20 (4) corrections investigation assistant director 2;
- 169.21 (5) corrections investigation supervisor; and
- 169.22 (6) commerce supervisor special agent.

169.23 (c) The following positions are included in the licensed peace officer leader unit:

- 169.24 (1) State Patrol captain;
- 169.25 (2) NR program manager 2 enforcement; and
- 169.26 (3) special agent in charge.

169.27 (d) Each unit consists of the classifications or positions assigned to it in the schedule of
 169.28 state employee job classification and positions maintained by the commissioner. The

170.1 commissioner may make changes in the schedule in existence on the day before August 1,
 170.2 1984, only:

170.3 (1) as required by law; or

170.4 (2) as provided in subdivision 4.

170.5 Sec. 12. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 2a, is amended
 170.6 to read:

170.7 Subd. 2a. **Majority verification procedure.** ~~(a) Notwithstanding any other provision~~
 170.8 ~~of this section,~~ An employee organization may file a petition with the commissioner
 170.9 requesting certification as the exclusive representative of ~~an~~ a proposed appropriate unit
 170.10 ~~based on a verification that~~ for which there is no currently certified exclusive representative.
 170.11 The petition must include over 50 percent of the employees in the proposed appropriate
 170.12 unit who wish to be represented by the petitioner organization. ~~The commissioner shall~~
 170.13 ~~require dated representation authorization signatures of affected employees as verification~~
 170.14 ~~of the employee organization's claim of majority status.~~

170.15 ~~(b) Upon receipt of an employee organization's petition, accompanied by employee~~
 170.16 ~~authorization signatures under this subdivision, the commissioner shall investigate the~~
 170.17 ~~petition.~~ If the commissioner determines that over 50 percent of the employees in ~~an~~ the
 170.18 appropriate unit have provided authorization signatures designating the petitioning employee
 170.19 organization ~~specified in the petition~~ as their exclusive representative, the commissioner
 170.20 ~~shall not order an election but shall~~ must certify the employee organization as the employees'
 170.21 exclusive representative without ordering an election under this section.

170.22 Sec. 13. Minnesota Statutes 2022, section 179A.12, subdivision 5, is amended to read:

170.23 Subd. 5. **Commissioner to investigate.** ~~The commissioner shall,~~ Upon receipt of an
 170.24 ~~employee organization's receiving a petition to the commissioner~~ under subdivision ~~3~~ 1a
 170.25 or 2a, the commissioner must:

170.26 (1) investigate to determine if sufficient evidence of a question of representation exists;
 170.27 and

170.28 (2) hold hearings necessary to determine the appropriate unit and other matters necessary
 170.29 to determine the representation rights of the affected employees and employer.

171.1 Sec. 14. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 6, is amended
171.2 to read:

171.3 Subd. 6. **Authorization signatures.** ~~In (a) When~~ determining the numerical status of
171.4 an employee organization for purposes of this section, the commissioner ~~shall~~ must require
171.5 a dated representation authorization signatures of affected employees signature of each
171.6 affected employee as verification of the statements contained in the ~~joint request or petitions~~
171.7 petition. ~~These~~

171.8 (b) An authorization signatures shall be signature is privileged and confidential
171.9 information available to the commissioner only. An electronic signatures signature, as
171.10 defined in section 325L.02, paragraph (h), ~~shall be~~ is valid as an authorization signatures
171.11 signature.

171.12 (c) An authorization signatures shall be signature is valid for a ~~period of~~ one year
171.13 following the signature date of signature.

171.14 Sec. 15. Minnesota Statutes 2023 Supplement, section 179A.12, subdivision 11, is amended
171.15 to read:

171.16 Subd. 11. **Unfair labor practices.** The commissioner may void the result of an election
171.17 or majority verification procedure and order a new election or procedure if the commissioner
171.18 finds ~~that~~ one of the following:

171.19 (1) there was an unfair labor practice that:

171.20 (i) was committed by an employer or, a representative candidate or, an employee, or a
171.21 group of employees; and ~~that the unfair labor practice~~

171.22 (ii) affected the result of an the election or the majority verification procedure pursuant
171.23 to subdivision 2a; or ~~that~~

171.24 (2) procedural or other irregularities in the conduct of the election or majority verification
171.25 procedure may have substantially affected its the results; ~~the commissioner may void the~~
171.26 ~~result and order a new election or majority verification procedure.~~

171.27 Sec. 16. Minnesota Statutes 2022, section 179A.13, subdivision 1, is amended to read:

171.28 Subdivision 1. **Actions.** (a) The practices specified in this section are unfair labor
171.29 practices. Any employee, employer, employee or employer organization, exclusive
171.30 representative, or any other person or organization aggrieved by an unfair labor practice as
171.31 defined in this section may file an unfair labor practice charge with the board.

172.1 (b) Whenever it is charged that any party has engaged in or is engaging in any unfair
172.2 labor practice, an investigator designated by the board shall promptly conduct an investigation
172.3 of the charge. Unless after the investigation the board finds that the charge has no reasonable
172.4 basis in law or fact, the board shall promptly issue a complaint and cause to be served upon
172.5 the party a complaint stating the charges, accompanied by a notice of hearing before a
172.6 qualified hearing officer designated by the board at the offices of the bureau or other location
172.7 as the board deems appropriate, ~~not less than five days nor more than 20 days~~ more than
172.8 30 days after serving the complaint absent mutual agreement of the parties, provided that
172.9 no complaint shall be issued based upon any unfair labor practice occurring more than six
172.10 months prior to the filing of a charge. A complaint issued under this subdivision may be
172.11 amended by the board at any time prior to the issuance of an order based thereon. The party
172.12 who is the subject of the complaint has the right to file an answer to the original or amended
172.13 complaint prior to hearing and to appear in person or by a representative and give testimony
172.14 at the place and time fixed in the complaint. In the discretion of the hearing officer conducting
172.15 the hearing or the board, any other party may be allowed to intervene in the proceeding and
172.16 to present testimony. The board or designated hearing officers shall not be bound by the
172.17 rules of evidence applicable to courts, except as to the rules of privilege recognized by law.

172.18 (c) Designated investigators must conduct the investigation of charges.

172.19 (d) Hearing officers ~~must be licensed to practice law in the state of Minnesota~~ have a
172.20 juris doctor and must conduct the hearings and issue recommended decisions and orders.

172.21 (e) The board or its designees shall have the power to issue subpoenas and administer
172.22 oaths. If any party willfully fails or neglects to appear or testify or to produce books, papers,
172.23 and records pursuant to the issuance of a subpoena, the board may apply to a court of
172.24 competent jurisdiction to request that the party be ordered to appear to testify or produce
172.25 the requested evidence.

172.26 (f) A full and complete record shall be kept of all proceedings before the board or
172.27 designated hearing officer and shall be transcribed by a reporter appointed by the board.

172.28 (g) The party on whom the burden of proof rests shall be required to sustain the burden
172.29 by a preponderance of the evidence.

172.30 (h) At any time prior to the close of a hearing, the parties may by mutual agreement
172.31 request referral to mediation, at which time the commissioner shall appoint a mediator, and
172.32 the hearing shall be suspended pending the results of the mediation.

172.33 (i) If, upon a preponderance of the evidence taken, the hearing officer determines that
172.34 any party named in the charge has engaged in or is engaging in an unfair labor practice,

173.1 then a recommended decision and order shall be issued stating findings of fact and
173.2 conclusions, and requiring the party to cease and desist from the unfair labor practice, to
173.3 post a cease-and-desist notice in the workplace, and ordering any appropriate relief to
173.4 effectuate the policies of this section, including but not limited to reinstatement, back pay,
173.5 and any other remedies that make a charging party whole. If back pay is awarded, the award
173.6 must include interest at the rate of seven percent per annum. The order further may require
173.7 the party to make reports from time to time, and demonstrate the extent to which the party
173.8 has complied with the order.

173.9 (j) If there is no preponderance of evidence that the party named in the charge has
173.10 engaged in or is engaging in the unfair labor practice, then the hearing officer shall issue a
173.11 recommended decision and order stating findings of fact and dismissing the complaint.

173.12 (k) Parties may file exceptions to the hearing officer's recommended decision and order
173.13 with the board no later than 30 days after service of the recommended decision and order.
173.14 The board shall review the recommended decision and order upon timely filing of exceptions
173.15 or upon its own motion. If no timely exceptions have been filed, the parties must be deemed
173.16 to have waived their exceptions. Unless the board reviews the recommended decision and
173.17 order upon its own motion, it must not be legal precedent and must be final and binding
173.18 only on the parties to the proceeding as issued in an order issued by the board. If the board
173.19 does review the recommended decision and order, the board may adopt all, part, or none of
173.20 the recommended decision and order, depending on the extent to which it is consistent with
173.21 the record and applicable laws. The board shall issue and serve on all parties its decision
173.22 and order. The board shall retain jurisdiction over the case to ensure the parties' compliance
173.23 with the board's order. Unless overturned by the board, the parties must comply with the
173.24 recommended decision and order.

173.25 (l) Until the record has been filed in the court of appeals or district court, the board at
173.26 any time, upon reasonable notice and in a manner it deems appropriate, may modify or set
173.27 aside, in whole or in part, any finding or order made or issued by it.

173.28 (m) Upon a final order that an unfair labor practice has been committed, the board or
173.29 the charging party may petition the district court for the enforcement of the order and for
173.30 appropriate temporary relief or a restraining order. When the board petitions the court, the
173.31 charging party may intervene as a matter of right.

173.32 (n) Whenever it appears that any party has violated a final order of the board issued
173.33 pursuant to this section, the board must petition the district court for an order directing the
173.34 party and its officers, agents, servants, successors, and assigns to comply with the order of

174.1 the board. The board shall be represented in this action by its general counsel, who has been
174.2 appointed by the board. The court may grant or refuse, in whole or in part, the relief sought,
174.3 provided that the court also may stay an order of the board pending disposition of the
174.4 proceedings. The court may punish a violation of its order as in civil contempt.

174.5 (o) The board shall have power, upon issuance of an unfair labor practice complaint
174.6 alleging that a party has engaged in or is engaging in an unfair labor practice, to petition
174.7 the district court for appropriate temporary relief or a restraining order. Upon the filing of
174.8 any such petition, the court shall cause notice thereof to be served upon such parties, and
174.9 thereupon shall have jurisdiction to grant to the board or commissioner temporary relief or
174.10 a restraining order as it deems appropriate. Nothing in this paragraph precludes a charging
174.11 party from seeking injunctive relief in district court after filing the unfair labor practice
174.12 charge.

174.13 (p) The proceedings in paragraphs (m), (n), and (o) shall be commenced in the district
174.14 court for the county in which the unfair labor practice which is the subject of the order or
174.15 administrative complaint was committed, or where a party alleged to have committed the
174.16 unfair labor practice resides or transacts business.

174.17 Sec. 17. Minnesota Statutes 2022, section 179A.13, subdivision 2, is amended to read:

174.18 Subd. 2. **Employers.** Public employers, their agents and representatives are prohibited
174.19 from:

174.20 (1) interfering, restraining, or coercing employees in the exercise of the rights guaranteed
174.21 in sections 179A.01 to 179A.25;

174.22 (2) dominating or interfering with the formation, existence, or administration of any
174.23 employee organization or contributing other support to it;

174.24 (3) discriminating in regard to hire or tenure to encourage or discourage membership in
174.25 an employee organization;

174.26 (4) discharging or otherwise discriminating against an employee because the employee
174.27 has signed or filed an affidavit, petition, or complaint or given information or testimony
174.28 under sections 179A.01 to 179A.25;

174.29 (5) refusing to meet and negotiate in good faith with the exclusive representative of its
174.30 employees in an appropriate unit;

174.31 (6) refusing to comply with grievance procedures contained in an agreement;

175.1 (7) distributing or circulating a blacklist of individuals exercising a legal right or of
 175.2 members of a labor organization for the purpose of preventing blacklisted individuals from
 175.3 obtaining or retaining employment;

175.4 (8) violating rules established by the commissioner regulating the conduct of
 175.5 representation elections;

175.6 (9) refusing to comply with a valid decision of a binding arbitration panel or arbitrator;

175.7 (10) violating or refusing to comply with any lawful order or decision issued by the
 175.8 commissioner or the board;

175.9 (11) refusing to provide, upon the request of the exclusive representative, all information
 175.10 pertaining to the public employer's budget both present and proposed, revenues, and other
 175.11 financing information provided that in the executive branch of state government this clause
 175.12 may not be considered contrary to the budgetary requirements of sections 16A.10 and
 175.13 16A.11; ~~or~~

175.14 (12) granting or offering to grant the status of permanent replacement employee to a
 175.15 person for performing bargaining unit work for the employer during a lockout of employees
 175.16 in an employee organization or during a strike authorized by an employee organization that
 175.17 is an exclusive representative;

175.18 (13) failing or refusing to provide information that is relevant to enforcement or
 175.19 negotiation of a contract within a reasonable time from receiving a request by an exclusive
 175.20 representative, not to exceed ten days for information relevant to contract enforcement or
 175.21 30 days for information relevant to contract negotiation; or

175.22 (14) refusing to reassign a position after the commissioner has determined the position
 175.23 was not placed into the correct bargaining unit.

175.24 Sec. 18. Minnesota Statutes 2022, section 179A.40, subdivision 1, is amended to read:

175.25 Subdivision 1. **Units.** The following are the appropriate employee units of the Hennepin
 175.26 Healthcare System, Inc. All units shall exclude supervisors, managerial employees, and
 175.27 confidential employees. No additional units of Hennepin Healthcare System, Inc., shall be
 175.28 eligible to be certified for the purpose of meeting and negotiating with an exclusive
 175.29 representative. The units include all:

175.30 (1) registered nurses;

175.31 (2) physicians except those employed as interns, residents, or fellows;

175.32 (3) professionals except for registered nurses and physicians;

- 176.1 (4) technical and paraprofessional employees;
- 176.2 (5) carpenters, electricians, painters, and plumbers;
- 176.3 (6) health general service employees;
- 176.4 (7) interpreters;
- 176.5 (8) emergency medical technicians/emergency medical dispatchers (EMT/EMD), and
- 176.6 paramedics;
- 176.7 (9) bioelectronics specialists, bioelectronics technicians, and electronics technicians;
- 176.8 (10) skilled maintenance employees; ~~and~~
- 176.9 (11) clerical employees; and
- 176.10 (12) physicians employed as interns, residents, and fellows.

176.11 Sec. 19. Minnesota Statutes 2022, section 179A.54, subdivision 5, is amended to read:

176.12 Subd. 5. ~~Legislative action on Collective bargaining agreements.~~ Any agreement
 176.13 ~~reached between the state and the exclusive representative of individual providers under~~
 176.14 ~~chapter 179A shall be submitted to the legislature to be accepted or rejected in accordance~~
 176.15 ~~with sections 3.855 and 179A.22~~ The commissioner of management and budget is authorized
 176.16 to enter into and implement agreements, including interest arbitration decisions, with the
 176.17 exclusive representative of individual providers as provided in section 179A.22, subdivision
 176.18 4, except for terms and conditions requiring appropriations, changes to state law, or approval
 176.19 from the federal government which shall be contingent upon and executed following receipt
 176.20 of appropriations and state and federal approval.

176.21 Sec. 20. RULEMAKING.

176.22 The commissioner of the Bureau of Mediation Services must adopt rules on petitions
 176.23 for majority verification, including technical changes needed for consistency with Minnesota
 176.24 Statutes, section 179A.12, and the commissioner may use the expedited rulemaking process
 176.25 under Minnesota Statutes, section 14.389.

176.26 Sec. 21. REVISOR INSTRUCTION.

176.27 The revisor of statutes must renumber Minnesota Statutes, section 179A.12, subdivision
 176.28 3, as Minnesota Statutes, section 179A.12, subdivision 1a.

177.1

ARTICLE 7

177.2

EARNED SICK AND SAFE TIME MODIFICATIONS

177.3 Section 1. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended
177.4 to read:

177.5 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
177.6 employer to comply with sections 177.21 to 177.435, 177.50, 179.86, 181.02, 181.03,
177.7 181.031, 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172,
177.8 paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.722, 181.79,
177.9 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 268B.09,
177.10 subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section
177.11 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer
177.12 to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated.
177.13 For purposes of this subdivision only, a violation is repeated if at any time during the two
177.14 years that preceded the date of violation, the commissioner issued an order to the employer
177.15 for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or
177.16 the commissioner and the employer have entered into a settlement agreement that required
177.17 the employer to pay back wages that were required by sections 177.41 to 177.435. The
177.18 department shall serve the order upon the employer or the employer's authorized
177.19 representative in person or by certified mail at the employer's place of business. An employer
177.20 who wishes to contest the order must file written notice of objection to the order with the
177.21 commissioner within 15 calendar days after being served with the order. A contested case
177.22 proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If,
177.23 within 15 calendar days after being served with the order, the employer fails to file a written
177.24 notice of objection with the commissioner, the order becomes a final order of the
177.25 commissioner. For the purposes of this subdivision, an employer includes a contractor that
177.26 has assumed a subcontractor's liability within the meaning of section 181.165.

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

177.28 Sec. 2. Minnesota Statutes 2023 Supplement, section 177.50, is amended by adding a
177.29 subdivision to read:

177.30 **Subd. 6. Rulemaking authority.** The commissioner may adopt rules to carry out the
177.31 purposes of this section and sections 181.9445 to 181.9448.

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

178.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 177.50, is amended by adding a
178.2 subdivision to read:

178.3 Subd. 7. Remedies. (a) If an employer does not provide earned sick and safe time
178.4 pursuant to section 181.9446, or does not allow the use of earned sick and safe time pursuant
178.5 to section 181.9447, the employer is liable to all employees who were not provided or not
178.6 allowed to use earned sick and safe time for an amount equal to all earned sick and safe
178.7 time that should have been provided or could have been used, plus an additional equal
178.8 amount as liquidated damages.

178.9 (b) If the employer does not possess records sufficient to determine the earned sick and
178.10 safe time an employee should have been provided pursuant to paragraph (a), the employer
178.11 is liable to the employee for an amount equal to 48 hours of earned sick and safe time for
178.12 each year earned sick and safe time was not provided, plus an additional equal amount as
178.13 liquidated damages.

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

178.15 Sec. 4. Minnesota Statutes 2023 Supplement, section 181.032, is amended to read:

178.16 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
178.17 **TO EMPLOYEE.**

178.18 (a) At the end of each pay period, the employer shall provide each employee an earnings
178.19 statement, either in writing or by electronic means, covering that pay period. An employer
178.20 who chooses to provide an earnings statement by electronic means must provide employee
178.21 access to an employer-owned computer during an employee's regular working hours to
178.22 review and print earnings statements, and must make statements available for review or
178.23 printing for a period of three years.

178.24 (b) The earnings statement may be in any form determined by the employer but must
178.25 include:

178.26 (1) the name of the employee;

178.27 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by
178.28 hour, shift, day, week, salary, piece, commission, or other method;

178.29 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

178.30 (4) the total number of hours worked by the employee unless exempt from chapter 177;

178.31 ~~(5) the total number of earned sick and safe time hours accrued and available for use~~
178.32 ~~under section 181.9446;~~

179.1 ~~(6) the total number of earned sick and safe time hours used during the pay period under~~
 179.2 ~~section 181.9447;~~

179.3 ~~(7)~~ (5) the total amount of gross pay earned by the employee during that period;

179.4 ~~(8)~~ (6) a list of deductions made from the employee's pay;

179.5 ~~(9)~~ (7) any amount deducted by the employer under section 268B.14, subdivision 3, and
 179.6 the amount paid by the employer based on the employee's wages under section 268B.14,
 179.7 subdivision 1;

179.8 ~~(10)~~ (8) the net amount of pay after all deductions are made;

179.9 ~~(11)~~ (9) the date on which the pay period ends;

179.10 ~~(12)~~ (10) the legal name of the employer and the operating name of the employer if
 179.11 different from the legal name;

179.12 ~~(13)~~ (11) the physical address of the employer's main office or principal place of business,
 179.13 and a mailing address if different; and

179.14 ~~(14)~~ (12) the telephone number of the employer.

179.15 (c) An employer must provide earnings statements to an employee in writing, rather
 179.16 than by electronic means, if the employer has received at least 24 hours notice from an
 179.17 employee that the employee would like to receive earnings statements in written form. Once
 179.18 an employer has received notice from an employee that the employee would like to receive
 179.19 earnings statements in written form, the employer must comply with that request on an
 179.20 ongoing basis.

179.21 (d) At the start of employment, an employer shall provide each employee a written notice
 179.22 containing the following information:

179.23 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by
 179.24 the hour, shift, day, week, salary, piece, commission, or other method, and the specific
 179.25 application of any additional rates;

179.26 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

179.27 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;

179.28 (4) the employee's employment status and whether the employee is exempt from minimum
 179.29 wage, overtime, and other provisions of chapter 177, and on what basis;

179.30 (5) a list of deductions that may be made from the employee's pay;

180.1 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay
180.2 day on which the employee will receive the first payment of wages earned;

180.3 (7) the legal name of the employer and the operating name of the employer if different
180.4 from the legal name;

180.5 (8) the physical address of the employer's main office or principal place of business, and
180.6 a mailing address if different; and

180.7 (9) the telephone number of the employer.

180.8 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
180.9 employee acknowledging receipt of the notice. The notice must be provided to each employee
180.10 in English. The English version of the notice must include text provided by the commissioner
180.11 that informs employees that they may request, by indicating on the form, the notice be
180.12 provided in a particular language. If requested, the employer shall provide the notice in the
180.13 language requested by the employee. The commissioner shall make available to employers
180.14 the text to be included in the English version of the notice required by this section and assist
180.15 employers with translation of the notice in the languages requested by their employees.

180.16 (f) An employer must provide the employee any written changes to the information
180.17 contained in the notice under paragraph (d) prior to the date the changes take effect.

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

180.19 Sec. 5. Minnesota Statutes 2023 Supplement, section 181.9445, subdivision 4, is amended
180.20 to read:

180.21 Subd. 4. **Earned sick and safe time.** "Earned sick and safe time" means leave, including
180.22 paid time off and other paid leave systems, that is paid at the same ~~hourly~~ base rate as an
180.23 employee earns from employment that may be used for the same purposes and under the
180.24 same conditions as provided under section 181.9447, but in no case shall this ~~hourly~~ base
180.25 rate be less than that provided under section 177.24 or an applicable local minimum wage.

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

180.27 Sec. 6. Minnesota Statutes 2023 Supplement, section 181.9445, is amended by adding a
180.28 subdivision to read:

180.29 Subd. 4a. **Base rate.** "Base rate" means:

180.30 (1) for employees paid on an hourly basis, the same rate received per hour of work;

181.1 (2) for employees paid on an hourly basis who receive multiple hourly rates, the rate
 181.2 the employee would have been paid for the period of time in which leave was taken;

181.3 (3) for employees paid on a salary basis, the same rate guaranteed to the employee as if
 181.4 the employee had not taken the leave; and

181.5 (4) for employees paid solely on a commission, piecework, or any basis other than hourly
 181.6 or salary, a rate no less than the applicable local, state, or federal minimum wage, whichever
 181.7 is greater.

181.8 For purposes of this section and section 181.9446, base rate does not include commissions;
 181.9 shift differentials that are in addition to an hourly rate; premium payments for overtime
 181.10 work; premium payments for work on Saturdays, Sundays, holidays, or scheduled days off;
 181.11 bonuses; or gratuities as defined by section 177.23.

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

181.13 Sec. 7. Minnesota Statutes 2023 Supplement, section 181.9445, subdivision 5, is amended
 181.14 to read:

181.15 Subd. 5. **Employee.** "Employee" means any person who is employed by an employer,
 181.16 including temporary and part-time employees, who ~~performs~~ is anticipated by the employer
 181.17 to perform work for at least 80 hours in a year for that employer in Minnesota. Employee
 181.18 does not include:

181.19 (1) an independent contractor; ~~or~~

181.20 (2) an individual who is a paid on-call member of a department charged with the
 181.21 prevention or suppression of fires within the boundaries of the state; or

181.22 (3) an individual employed by a farmer, family farm, or a family farm corporation to
 181.23 provide physical labor on or management of a farm if:

181.24 (i) the farmer, family farm, or family farm corporation employs five or fewer employees;

181.25 or

181.26 (ii) the farmer, family farm, or family farm corporation employs the individual to perform
 181.27 work for 28 days or less each year.

181.28 ~~(2) an individual employed by an air carrier as a flight deck or cabin crew member who:~~

181.29 ~~(i) is subject to United States Code, title 45, sections 181 to 188;~~

181.30 ~~(ii) works less than a majority of their hours in Minnesota in a calendar year; and~~

181.31 ~~(iii) is provided with paid leave equal to or exceeding the amounts in section 181.9446.~~

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

182.2 Sec. 8. Minnesota Statutes 2023 Supplement, section 181.9446, is amended to read:

182.3 **181.9446 ACCRUAL OF EARNED SICK AND SAFE TIME.**

182.4 (a) An employee accrues a minimum of one hour of earned sick and safe time for every
182.5 30 hours worked up to a maximum of 48 hours of earned sick and safe time in a year.
182.6 Employees may not accrue more than 48 hours of earned sick and safe time in a year unless
182.7 the employer agrees to a higher amount.

182.8 (b)(1) Except as provided in clause (2), employers must permit an employee to carry
182.9 over accrued but unused sick and safe time into the following year. The total amount of
182.10 accrued but unused earned sick and safe time for an employee must not exceed 80 hours at
182.11 any time, unless an employer agrees to a higher amount.

182.12 (2) In lieu of permitting the carryover of accrued but unused sick and safe time into the
182.13 following year as provided under clause (1), an employer may provide an employee with
182.14 earned sick and safe time for the year that meets or exceeds the requirements of this section
182.15 that is available for the employee's immediate use at the beginning of the subsequent year
182.16 as follows: (i) 48 hours, if an employer pays an employee for accrued but unused sick and
182.17 safe time at the end of a year at the same ~~hourly~~ base rate as an employee earns from
182.18 employment and in no case at a rate less than that provided under section 177.24 or an
182.19 applicable local minimum wage; or (ii) 80 hours, if an employer does not pay an employee
182.20 for accrued but unused sick and safe time at the end of a year ~~at the same or greater hourly~~
182.21 ~~rate as an employee earns from employment. In no case shall this hourly rate be less than~~
182.22 ~~that provided under section 177.24, or an applicable local minimum wage.~~

182.23 (c) Employees who are exempt from overtime requirements under United States Code,
182.24 title 29, section 213(a)(1), as amended through January 1, 2024, are deemed to work 40
182.25 hours in each workweek for purposes of accruing earned sick and safe time, except that an
182.26 employee whose normal workweek is less than 40 hours will accrue earned sick and safe
182.27 time based on the normal workweek.

182.28 (d) Earned sick and safe time under this section begins to accrue at the commencement
182.29 of employment of the employee.

182.30 (e) Employees may use earned sick and safe time as it is accrued.

183.1 Sec. 9. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 1, is amended
183.2 to read:

183.3 Subdivision 1. **Eligible use.** An employee may use accrued earned sick and safe time
183.4 for:

183.5 (1) an employee's:

183.6 (i) mental or physical illness, injury, or other health condition;

183.7 (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury,
183.8 or health condition; ~~or~~

183.9 (iii) need for preventive medical or health care; or

183.10 (iv) need to make arrangements for or attend funeral services or a memorial, or address
183.11 financial or legal matters that arise after the death of a family member;

183.12 (2) care of a family member:

183.13 (i) with a mental or physical illness, injury, or other health condition;

183.14 (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness,
183.15 injury, or other health condition; or

183.16 (iii) who needs preventive medical or health care;

183.17 (3) absence due to domestic abuse, sexual assault, or stalking of the employee or
183.18 employee's family member, provided the absence is to:

183.19 (i) seek medical attention related to physical or psychological injury or disability caused
183.20 by domestic abuse, sexual assault, or stalking;

183.21 (ii) obtain services from a victim services organization;

183.22 (iii) obtain psychological or other counseling;

183.23 (iv) seek relocation or take steps to secure an existing home due to domestic abuse,
183.24 sexual assault, or stalking; or

183.25 (v) seek legal advice or take legal action, including preparing for or participating in any
183.26 civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault,
183.27 or stalking;

183.28 (4) closure of the employee's place of business due to weather or other public emergency
183.29 or an employee's need to care for a family member whose school or place of care has been
183.30 closed due to weather or other public emergency;

184.1 (5) the employee's inability to work or telework because the employee is: (i) prohibited
184.2 from working by the employer due to health concerns related to the potential transmission
184.3 of a communicable illness related to a public emergency; or (ii) seeking or awaiting the
184.4 results of a diagnostic test for, or a medical diagnosis of, a communicable disease related
184.5 to a public emergency and such employee has been exposed to a communicable disease or
184.6 the employee's employer has requested a test or diagnosis; and

184.7 (6) when it has been determined by the health authorities having jurisdiction or by a
184.8 health care professional that the presence of the employee or family member of the employee
184.9 in the community would jeopardize the health of others because of the exposure of the
184.10 employee or family member of the employee to a communicable disease, whether or not
184.11 the employee or family member has actually contracted the communicable disease.

184.12 For the purposes of this subdivision, a public emergency shall include a declared
184.13 emergency as defined in section 12.03 or a declared local emergency under section 12.29.

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

184.15 Sec. 10. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 3, is amended
184.16 to read:

184.17 Subd. 3. **Documentation.** (a) When an employee uses earned sick and safe time for
184.18 more than three consecutive scheduled work days, an employer may require reasonable
184.19 documentation that the earned sick and safe time is covered by subdivision 1.

184.20 (b) For earned sick and safe time under subdivision 1, clauses (1), (2), (5), and (6),
184.21 reasonable documentation may include a signed statement by a health care professional
184.22 indicating the need for use of earned sick and safe time. However, if the employee or
184.23 employee's family member did not receive services from a health care professional, or if
184.24 documentation cannot be obtained from a health care professional in a reasonable time or
184.25 without added expense, then reasonable documentation for the purposes of this paragraph
184.26 may include a written statement from the employee indicating that the employee is using
184.27 or used earned sick and safe time for a qualifying purpose covered by subdivision 1, clause
184.28 (1), (2), (5), or (6).

184.29 (c) For earned sick and safe time under subdivision 1, clause (3), an employer must
184.30 accept a court record or documentation signed by a volunteer or employee of a victims
184.31 services organization, an attorney, a police officer, or an antiviolence counselor as reasonable
184.32 documentation. If documentation cannot be obtained in a reasonable time or without added
184.33 expense, then reasonable documentation for the purposes of this paragraph may include a

185.1 written statement from the employee indicating that the employee is using or used earned
185.2 sick and safe time for a qualifying purpose covered under subdivision 1, clause (3).

185.3 (d) For earned sick and safe time to care for a family member under subdivision 1, clause
185.4 (4), an employer must accept as reasonable documentation a written statement from the
185.5 employee indicating that the employee is using or used earned sick and safe time for a
185.6 qualifying purpose as reasonable documentation.

185.7 (e) An employer must not require disclosure of details relating to domestic abuse, sexual
185.8 assault, or stalking or the details of an employee's or an employee's family member's medical
185.9 condition as related to an employee's request to use earned sick and safe time under this
185.10 section.

185.11 (f) Written statements by an employee may be written in the employee's first language
185.12 and need not be notarized or in any particular format.

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

185.14 Sec. 11. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 5, is amended
185.15 to read:

185.16 Subd. 5. **Increment of time used.** Earned sick and safe time may be used in the ~~smallest~~
185.17 ~~increment of time tracked by the employer's payroll system, provided such increment is not~~
185.18 ~~more than four hours~~ same increment of time for which employees are paid, provided an
185.19 employer is not required to provide leave in less than 15-minute increments nor can the
185.20 employer require use of earned sick and safe time in more than four-hour increments.

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

185.22 Sec. 12. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 10, is amended
185.23 to read:

185.24 Subd. 10. **Employer records and required statement to employees.** (a) Employers
185.25 shall retain accurate records documenting hours worked by employees and earned sick and
185.26 safe time taken and comply with all requirements under section 177.30.

185.27 (b) At the end of each pay period, the employer shall provide, in writing or electronically,
185.28 information stating the employee's current amount of:

185.29 (1) the total number of earned sick and safe time hours available to the employee for
185.30 use under section 181.9446; and

186.1 (2) the total number of earned sick and safe time hours used during the pay period under
186.2 section 181.9447.

186.3 Employers may choose a reasonable system for providing this information, including
186.4 but not limited to listing information on or attached to each earnings statement or an
186.5 electronic system where employees can access this information. An employer who chooses
186.6 to provide this information by electronic means must provide employee access to an
186.7 employer-owned computer during an employee's regular working hours to review and print.

186.8 ~~(b)~~ (c) An employer must allow an employee to inspect records required by this section
186.9 and relating to that employee at a reasonable time and place.

186.10 (d) The records required by this section must be kept for three years.

186.11 (e) All records required to be kept under this section must be readily available for
186.12 inspection by the commissioner upon demand. The records must be either kept at the place
186.13 where employees are working or kept in a manner that allows the employer to comply with
186.14 this paragraph within 72 hours.

186.15 Sec. 13. Minnesota Statutes 2023 Supplement, section 181.9447, subdivision 11, is amended
186.16 to read:

186.17 Subd. 11. **Confidentiality and nondisclosure.** (a) If, in conjunction with this section,
186.18 an employer possesses:

186.19 (1) health or medical information regarding an employee or an employee's family
186.20 member;

186.21 (2) information pertaining to domestic abuse, sexual assault, or stalking;

186.22 (3) information that the employee has requested or obtained leave under this section; or

186.23 (4) any written or oral statement, documentation, record, or corroborating evidence
186.24 provided by the employee or an employee's family member, the employer must treat such
186.25 information as confidential.

186.26 Information given by an employee may only be disclosed by an employer if the disclosure
186.27 is requested or consented to by the employee, when ordered by a court or administrative
186.28 agency, or when otherwise required by federal or state law.

186.29 (b) Records and documents relating to medical certifications, recertifications, or medical
186.30 histories of employees or family members of employees created for purposes of section
186.31 177.50 or sections 181.9445 to 181.9448 must be maintained as confidential medical records
186.32 separate from the usual personnel files. At the request of the employee, the employer must

187.1 destroy or return the records required by sections 181.9445 to 181.9448 that are older than
187.2 three years prior to the current calendar year, unless state or federal law, rule, or regulation
187.3 requires the employer to retain such records.

187.4 (c) Employers may not discriminate against any employee based on records created for
187.5 the purposes of section 177.50 or sections 181.9445 to 181.9448.

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

187.7 Sec. 14. Minnesota Statutes 2023 Supplement, section 181.9447, is amended by adding
187.8 a subdivision to read:

187.9 **Subd. 12. Weather event exception.** Notwithstanding subdivision 1, an employee may
187.10 not use sick and safe time under the conditions in subdivision 1, clause (4), if:

187.11 (1) the employee's preassigned or foreseeable work duties during a public emergency
187.12 or weather event would require the employee to respond to the public emergency or weather
187.13 event;

187.14 (2) the employee is a firefighter; a peace officer subject to licensure under sections
187.15 626.84 to 626.863; a 911 telecommunicator as defined in section 403.02, subdivision 17c;
187.16 a guard at a correctional facility; or a public employee holding a commercial driver's license;
187.17 and

187.18 (3) one of the following two conditions are met:

187.19 (i) the employee is represented by an exclusive representative under section 179A.03,
187.20 subdivision 8, and the collective bargaining agreement or memorandum of understanding
187.21 governing the employee's position explicitly references section 181.9447, subdivision 1,
187.22 clause (4), and clearly and unambiguously waives application of that section for the
187.23 employee's position; or

187.24 (ii) the employee is not represented by an exclusive representative, the employee is
187.25 needed for the employer to maintain minimum staffing requirements, and the employer has
187.26 a written policy explicitly referencing section 181.9447, subdivision 1, clause (4), that is
187.27 provided to such employees in a manner that meets the requirements of other earned sick
187.28 and safe time notices under section 181.9447, subdivision 9.

188.1 Sec. 15. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 1, is amended
188.2 to read:

188.3 Subdivision 1. **No effect on more generous sick and safe time policies.** (a) Nothing
188.4 in sections 181.9445 to 181.9448 shall be construed to discourage employers from adopting
188.5 or retaining earned sick and safe time policies that meet or exceed, and do not otherwise
188.6 conflict with, the minimum standards and requirements provided in sections 181.9445 to
188.7 181.9448, provided that all time provided to an employee by an employer for absences from
188.8 work due to personal illness or injury, but not including short-term or long-term disability
188.9 or other salary continuation benefits, meet or exceed the minimum standards and requirements
188.10 provided in sections 181.9445 to 181.9448.

188.11 (b) Nothing in sections 181.9445 to 181.9448 shall be construed to limit the right of
188.12 parties to a collective bargaining agreement to bargain and agree with respect to earned sick
188.13 and safe time policies or to diminish the obligation of an employer to comply with any
188.14 contract, collective bargaining agreement, or any employment benefit program or plan that
188.15 meets or exceeds, and does not otherwise conflict with, the minimum standards and
188.16 requirements provided in this section.

188.17 (c) Nothing in sections 181.9445 to 181.9448 shall be construed to preempt, limit, or
188.18 otherwise affect the applicability of any other law, regulation, requirement, policy, or
188.19 standard that provides for a greater amount, accrual, or use by employees of paid sick and
188.20 safe time or that extends other protections to employees.

188.21 (d) Nothing in sections 181.9445 to 181.9448 shall be construed or applied so as to
188.22 create any power or duty in conflict with federal law.

188.23 (e) Employers who provide earned sick and safe time to their employees under a paid
188.24 time off policy or other paid leave policy that may be used for the same purposes and under
188.25 the same conditions as earned sick and safe time, and that meets or exceeds, and does not
188.26 otherwise conflict with, the minimum standards and requirements provided in sections
188.27 181.9445 to 181.9448 are not required to provide additional earned sick and safe time.

188.28 (f) The provisions of sections 181.9445 to 181.9448 may be waived by a collective
188.29 bargaining agreement with a bona fide building and construction trades labor organization
188.30 that has established itself as the collective bargaining representative for the affected building
188.31 and construction industry employees, provided that for such waiver to be valid, it shall
188.32 explicitly reference sections 181.9445 to 181.9448 and clearly and unambiguously waive
188.33 application of those sections to such employees.

189.1 (g) An individual provider, as defined in section 256B.0711, subdivision 1, paragraph
 189.2 (d), who provides services through a consumer support grant under section 256.476,
 189.3 consumer-directed community supports under section 256B.4911, or community first services
 189.4 and supports under section 256B.85, to a family member who is a participant, as defined
 189.5 in section 256B.0711, subdivision 1, paragraph (e), may individually waive the provisions
 189.6 of sections 181.9445 to 181.9448 for the remainder of the participant's service plan year,
 189.7 provided that the funds are returned to the participant's budget. Once an individual provider
 189.8 has waived the provisions of sections 181.9445 to 181.9448, they may not accrue earned
 189.9 sick and safe time until the start of the participant's next service plan year.

189.10 ~~(g)~~ (h) Sections 181.9445 to 181.9448 do not prohibit an employer from establishing a
 189.11 policy whereby employees may donate unused accrued sick and safe time to another
 189.12 employee.

189.13 ~~(h)~~ (i) Sections 181.9445 to 181.9448 do not prohibit an employer from advancing sick
 189.14 and safe time to an employee before accrual by the employee.

189.15 **EFFECTIVE DATE.** This section is effective the day following final enactment, except
 189.16 paragraph (a) is effective January 1, 2025.

189.17 Sec. 16. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 2, is amended
 189.18 to read:

189.19 **Subd. 2. Termination; separation; transfer.** Sections 181.9445 to 181.9448 do not
 189.20 require financial or other reimbursement to an employee from an employer upon the
 189.21 employee's termination, resignation, retirement, or other separation from employment for
 189.22 accrued earned sick and safe time that has not been used. If an employee is transferred to
 189.23 a separate division, entity, or location, but remains employed by the same employer, the
 189.24 employee is entitled to all earned sick and safe time accrued at the prior division, entity, or
 189.25 location and is entitled to use all earned sick and safe time as provided in sections 181.9445
 189.26 to 181.9448. When there is a separation from employment and the employee is rehired
 189.27 within 180 days of separation by the same employer, previously accrued earned sick and
 189.28 safe time that had not been used or otherwise disbursed to the benefit of the employee upon
 189.29 separation must be reinstated. An employee is entitled to use accrued earned sick and safe
 189.30 time and accrue additional earned sick and safe time at the commencement of reemployment.

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

190.1 Sec. 17. Minnesota Statutes 2023 Supplement, section 181.9448, subdivision 3, is amended
190.2 to read:

190.3 Subd. 3. **Employer succession.** (a) When a different employer succeeds or takes the
190.4 place of an existing employer, all employees of the original employer who remain employed
190.5 by the successor employer are entitled to all earned sick and safe time accrued but not used
190.6 when employed by the original employer, and are entitled to use all earned sick and safe
190.7 time previously accrued but not used.

190.8 (b) If, ~~at the time of transfer of the business,~~ employees are terminated by the original
190.9 employer and hired within 30 days by the successor employer following the ~~transfer~~ employer
190.10 succession, those employees are entitled to all earned sick and safe time accrued but not
190.11 used when employed by the original employer, and are entitled to use all earned sick and
190.12 safe time previously accrued but not used.

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

190.14 ARTICLE 8

190.15 MISCELLANEOUS LABOR PROVISIONS

190.16 Section 1. Minnesota Statutes 2023 Supplement, section 116J.871, subdivision 1, is
190.17 amended to read:

190.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
190.19 the meanings given them.

190.20 (b) "Economic development" means financial assistance provided to a person directly
190.21 or to a local unit of government or nonprofit organization on behalf of a person who is
190.22 engaged in the manufacture or sale of goods and services. Economic development does not
190.23 include (1) financial assistance for rehabilitation of existing housing; (2) financial assistance
190.24 for new housing construction in which total financial assistance at a single project site is
190.25 less than \$100,000; or (3) financial assistance for the new construction of fully detached
190.26 single-family affordable homeownership units for which the financial assistance covers no
190.27 more than ten fully detached single-family affordable homeownership units. For purposes
190.28 of this paragraph, "affordable homeownership" means housing targeted at households with
190.29 incomes, at initial occupancy, at or below 115 percent of the state or area median income,
190.30 whichever is greater, as determined by the United States Department of Housing and Urban
190.31 Development.

190.32 (c) "Financial assistance" means (1) a grant awarded by a state agency for economic
190.33 development related purposes if a single business receives \$200,000 or more of the grant

191.1 proceeds; (2) a loan or the guaranty or purchase of a loan made by a state agency for
 191.2 economic development related purposes if a single business receives \$500,000 or more of
 191.3 the loan proceeds; ~~or~~ (3) a reduction, credit, or abatement of a tax assessed under chapter
 191.4 297A where the tax reduction, credit, or abatement applies to a geographic area smaller
 191.5 than the entire state and was granted for economic development related purposes; or (4)
 191.6 allocations of low-income housing credits by all suballocators as defined under section
 191.7 462A.222, for which tax credits are used for multifamily housing projects consisting of
 191.8 more than ten units. Financial assistance does not include payments by the state of aids and
 191.9 credits under chapter 273 or 477A to a political subdivision.

191.10 (d) "Project site" means the location where improvements are made that are financed in
 191.11 whole or in part by the financial assistance; or the location of employees that receive financial
 191.12 assistance in the form of employment and training services as defined in section 116L.19,
 191.13 subdivision 4, or customized training from a technical college.

191.14 (e) "State agency" means any agency defined under section 16B.01, subdivision 2,
 191.15 Enterprise Minnesota, Inc., and the Iron Range Resources and Rehabilitation Board.

191.16 **EFFECTIVE DATE.** This section is effective for financial assistance provided after
 191.17 August 1, 2024, except Minnesota Statutes, section 462A.051, subdivision 2, does not apply
 191.18 for requests for proposals that were initiated prior to August 1, 2024.

191.19 Sec. 2. **[181.912] UNDERGROUND TELECOMMUNICATIONS**
 191.20 **INFRASTRUCTURE.**

191.21 **Subdivision 1. Definitions.** For the purposes of this section:

191.22 (1) "directional drilling" means a drilling method that utilizes a steerable drill bit to cut
 191.23 a bore hole for installing underground utilities;

191.24 (2) "safety-qualified underground telecommunications installer" means a person who
 191.25 has completed underground utilities installation certification under subdivision 3;

191.26 (3) "underground telecommunications utilities" means buried broadband, telephone and
 191.27 other telecommunications transmission, distribution and service lines, and associated
 191.28 facilities; and

191.29 (4) "underground utilities" means buried electric transmission and distribution lines, gas
 191.30 and hazardous liquids pipelines and distribution lines, sewer and water pipelines, telephone
 191.31 or telecommunications lines, and associated facilities.

192.1 Subd. 2. **Installation requirements.** The installation of underground telecommunications
192.2 infrastructure that is located within ten feet of existing underground utilities or that crosses
192.3 said utilities must be performed by safety-qualified underground telecommunications
192.4 installers as follows:

192.5 (1) the location of existing utilities by hand or hydro excavation or other accepted methods
192.6 must be performed by a safety-qualified underground telecommunications installer;

192.7 (2) where telecommunications infrastructure is installed by means of directional drilling,
192.8 the monitoring of the location and depth of the drill head must be performed by a
192.9 safety-qualified underground telecommunications installer; and

192.10 (3) no less than two safety-qualified underground telecommunications installers must
192.11 be present at all times at any location where telecommunications infrastructure is being
192.12 installed by means of directional drilling.

192.13 Subd. 3. **Certification standards.** (a) The commissioner of labor and industry shall
192.14 approve standards for a safety-qualified underground telecommunications installer
192.15 certification program that requires a person to:

192.16 (1) complete a 40-hour initial course that includes classroom and hands-on instruction
192.17 covering proper work procedures for safe installation of underground utilities, including:

192.18 (i) regulations applicable to excavation near existing utilities;

192.19 (ii) identification, location, and verification of utility lines using hand or hydro excavation
192.20 or other accepted methods;

192.21 (iii) response to line strike incidents;

192.22 (iv) traffic control procedures;

192.23 (v) use of a tracking device to safely guide directional drill equipment along a drill path;
192.24 and

192.25 (vi) avoidance and mitigation of safety hazards posed by underground utility installation
192.26 projects;

192.27 (2) demonstrate knowledge of the course material by successfully completing an
192.28 examination approved by the commissioner; and

192.29 (3) complete a four-hour refresher course within three years of completing the original
192.30 course and every three years thereafter in order to maintain certification.

193.1 (b) The commissioner must develop an approval process for training providers under
193.2 this subdivision, and may suspend or revoke the approval of any training provider that fails
193.3 to demonstrate consistent delivery of approved curriculum or success in preparing participants
193.4 to complete the examination.

193.5 **EFFECTIVE DATE.** This section is effective July 1, 2025.

193.6 Sec. 3. Minnesota Statutes 2022, section 181.960, subdivision 3, is amended to read:

193.7 Subd. 3. **Employer.** "Employer" means a person who has ~~20~~ one or more employees.
193.8 Employer does not include a state agency, statewide system, political subdivision, or advisory
193.9 board or commission that is subject to chapter 13.

193.10 Sec. 4. Minnesota Statutes 2022, section 181A.03, subdivision 1, is amended to read:

193.11 Subdivision 1. **General.** As used in sections 181A.01 to ~~181A.12~~ 181A.13, the terms
193.12 defined in this section shall have the following meanings.

193.13 Sec. 5. Minnesota Statutes 2022, section 181A.03, is amended by adding a subdivision to
193.14 read:

193.15 Subd. 5a. **Online platform.** "Online platform" means any public-facing website, web
193.16 application, or digital application, including a mobile application. Online platform includes
193.17 a social network, advertising network, mobile operating system, search engine, email service,
193.18 monetization platform to sell digital services, streaming service, paid subscription, or Internet
193.19 access service.

193.20 Sec. 6. Minnesota Statutes 2022, section 181A.03, is amended by adding a subdivision to
193.21 read:

193.22 Subd. 8. **Content creation.** "Content creation" means content shared on an online
193.23 platform that generates compensation.

193.24 Sec. 7. Minnesota Statutes 2022, section 181A.03, is amended by adding a subdivision to
193.25 read:

193.26 Subd. 9. **Content creator.** "Content creator" means an individual or individuals 18 years
193.27 of age or older, including family members, who create content performed in Minnesota that
193.28 generates compensation, and includes any proprietorship, partnership, company, or other
193.29 corporate entity assuming the name or identity of a particular individual or individuals, or
193.30 family members, for the purposes of that content creator.

194.1 **Sec. 8. [181A.13] COMPENSATION FOR INTERNET CONTENT CREATION.**

194.2 **Subdivision 1. Minors featured in content creation.** (a) Except as otherwise provided
194.3 in this section, a minor is considered engaged in the work of content creation when the
194.4 following criteria are met at any time during the previous 12-month period:

194.5 (1) at least 30 percent of the content creator's compensated content produced within a
194.6 30-day period included the likeness, name, or photograph of any minor. Content percentage
194.7 is measured by the percentage of time the likeness, name, or photograph of a minor or, if
194.8 more than one minor regularly appears in the creator's content, any of the minors, visually
194.9 appears or is the subject of an oral narrative in a segment as compared to the total length of
194.10 the segment; and

194.11 (2) the number of views received on any online platform met the online platform's
194.12 threshold for generating compensation or the content creator received actual compensation
194.13 for content equal to or greater than \$0.01 per view.

194.14 (b) A minor under the age of 14 is prohibited from engaging in the work of content
194.15 creation as provided in paragraph (a). If a minor under the age of 14 is featured by a content
194.16 creator, the minor shall receive 100 percent of the proceeds of the creator's compensation
194.17 for the content the minor has appeared in, less any amount owed to another minor.

194.18 (c) A minor who is under the age of 18 and over the age of 13 may produce, create, and
194.19 publish their own content and are entitled to all compensation for their own content creation.
194.20 A minor engaged in the work of content creation as the producer, creator, and publisher of
194.21 content must also follow the requirements in paragraph (b).

194.22 (d) A minor who appears incidentally in a video that depicts a public event that a
194.23 reasonable person would know to be a broadcast, including a concert, competition, or
194.24 sporting event, and is published by a content creator is not considered a violation of this
194.25 section.

194.26 **Subd. 2. Records required.** (a) All content creators whose content features a minor
194.27 engaged in the work of content creation shall maintain the following records and retain the
194.28 records until the minor reaches the age of 21:

194.29 (1) the name and documentary proof of the age of the minor engaged in the work of
194.30 content creation;

194.31 (2) the amount of content creation that generated compensation as described in subdivision
194.32 1 during the reporting period;

195.1 (3) the total number of minutes of content creation for which the content creator received
195.2 compensation during the reporting period;

195.3 (4) the total number of minutes a minor was featured in content creation during the
195.4 reporting period;

195.5 (5) the total compensation generated from content creation featuring a minor during the
195.6 reporting period; and

195.7 (6) the amount deposited into the trust account for the benefit of the minor engaged in
195.8 the work of content creation as required by subdivision 3.

195.9 (b) The records required by this subdivision must be readily accessible to the minor for
195.10 review. The content creator shall provide notice to the minor of the existence of the records.

195.11 Subd. 3. **Trust required.** (a) A minor who is engaged in the work of content creation
195.12 consistent with this section must be compensated by the content creator. The content creator
195.13 must set aside gross earnings on the content that includes the likeness, name, or photograph
195.14 of the minor in a trust account to be preserved for the benefit of the minor until the minor
195.15 reaches the age of majority, according to the following distribution:

195.16 (1) if only one minor meets the content threshold described in subdivision 1, the
195.17 percentage of total gross earnings on any segment, including the likeness, name, or
195.18 photograph of the minor that is equal to or greater than half of the content percentage that
195.19 includes the minor as described in subdivision 1; or

195.20 (2) if more than one minor meets the content threshold described in subdivision 1 and
195.21 a segment includes more than one of those minors, the percentage described in clause (1)
195.22 for all minors in any segment must be equally divided between the minors regardless of
195.23 differences in percentage of content provided by the individual minors.

195.24 (b) A trust account required under this section must, at a minimum, provide that:

195.25 (1) the money in the account is available only to the minor engaged in the work of content
195.26 creation;

195.27 (2) the account is held by a bank, corporate fiduciary, or trust company, as those terms
195.28 are defined in chapter 48A;

195.29 (3) the money in the account becomes available to the minor engaged in the work of
195.30 content creation upon the minor attaining the age of 18 years or upon a declaration that the
195.31 minor is emancipated; and

196.1 (4) that the account meets the requirements of chapter 527, the Uniform Transfers to
196.2 Minors Act.

196.3 Subd. 4. **Civil action; enforcement.** (a) If a content creator knowingly or recklessly
196.4 violates this section, a minor or a person who was a minor at the time of the alleged violation
196.5 may commence a civil action to enforce the provisions of this section regarding the trust
196.6 account. In any action brought in accordance with this paragraph, the court may award
196.7 actual damages, including any compensation owed under this section.

196.8 (b) Along with the civil action provided in paragraph (a), the minor may commence a
196.9 civil action against the content creator for damages, injunctive relief, and any other relief
196.10 the court finds just and equitable to enforce this section.

196.11 (c) The attorney general may enforce subdivision 1 of this section, pursuant to section
196.12 8.31, and may recover costs and fees.

196.13 (d) This section does not affect a right or remedy available under any other law of the
196.14 state.

196.15 (e) Nothing in this section shall be interpreted to have any effect on a party that is neither
196.16 the content creator nor the minor who engaged in the work of content creation.

196.17 Subd. 5. **Content deletion requests.** (a) A person 13 years of age or older who was
196.18 featured as a minor child in content of a content creator may request the permanent deletion
196.19 of the content from an online platform. An online platform must have an easily accessible
196.20 form available online for submission of the deletion request.

196.21 (b) An online platform that receives a deletion request shall remove and permanently
196.22 delete the content for which the request was made within seven days after the request was
196.23 submitted.

196.24 (c) Any contract between a content creator and an online platform that would reasonably
196.25 be anticipated to feature a minor child must include notification to the social media platform
196.26 of the rights under this subdivision.

196.27 Subd. 6. **Minimum age exemption.** A minor 14 years of age or older who is compensated
196.28 under this section is exempt from the minimum age provisions of section 181A.04,
196.29 subdivision 1.

196.30 **EFFECTIVE DATE.** This section is effective July 1, 2025.

197.1 Sec. 9. [462A.051] WAGE THEFT PREVENTION AND USE OF RESPONSIBLE
197.2 CONTRACTORS.

197.3 Subdivision 1. **Application.** This section applies to all forms of financial assistance
197.4 provided by the Minnesota Housing Finance Agency, as well as the allocation of federal
197.5 low-income housing credits, for the development, construction, rehabilitation, renovation,
197.6 or retrofitting of multiunit residential housing, including loans, grants, tax credits, loan
197.7 guarantees, loan insurance, and other financial assistance.

197.8 Subd. 2. **Disclosures.** An applicant for financial assistance under this chapter shall
197.9 disclose in the application any conviction, court judgment, agency determination, legal
197.10 settlement, ongoing criminal or civil investigation, or lawsuit involving alleged violations
197.11 of sections 177.24, 177.25, 177.32, 177.41 to 177.44, 181.03, 181.101, 181.13, 181.14,
197.12 181.722, 181.723, 181A.01 to 181A.12, or 609.52, subdivision 2, paragraph (a), clause (19),
197.13 or United States Code, title 29, sections 201 to 219, or title 40, sections 3141 to 3148, arising
197.14 or occurring within the preceding five years on a construction project owned or managed
197.15 by the developer or owner of the proposed project, the intended general contractor for the
197.16 proposed project, or any of their respective parent companies, subsidiaries, or other affiliated
197.17 companies. An applicant for financial assistance shall make the disclosures required by this
197.18 subdivision available within 14 calendar days to any member of the public who submits a
197.19 request by mail or electronic correspondence. The applicant shall designate a public
197.20 information officer who will serve as a point of contact for public inquiries.

197.21 Subd. 3. **Responsible contractors required.** As a condition of receiving financial
197.22 assistance, the applicant shall verify that every contractor or subcontractor of any tier
197.23 performing work on the proposed project meets the minimum criteria to be a responsible
197.24 contractor under section 16C.285, subdivision 3. This verification must meet the criteria
197.25 defined in section 16C.285, subdivision 4.

197.26 Subd. 4. **Certified contractor lists.** As a condition of receiving financial assistance, the
197.27 applicant shall have available at the development site main office, a list of every contractor
197.28 and subcontractor of any tier that performs work or is expected to perform work on the
197.29 proposed project, as described in section 16C.285, subdivision 5, including the following
197.30 information for each contractor and subcontractor: business name, scope of work, Department
197.31 of Labor and Industry registration number, business name of the entity contracting its
197.32 services, business telephone number and email address, and actual or anticipated number
197.33 of workers on the project. The applicant shall establish the initial contractor list 30 days
197.34 before the start of construction and shall update the list each month thereafter until
197.35 construction is complete. The applicant shall post the contractor list in a conspicuous location

198.1 at the project site and make the contractor list available to members of the public upon
198.2 request.

198.3 Subd. 5. **Wage theft remedy.** If any contractor or subcontractor of any tier is found to
198.4 have failed to pay statutorily required wages under section 609.52, subdivision 1, clause
198.5 (13), on a project receiving financial assistance or an allocation of federal low-income
198.6 housing tax credits from or through the agency, the recipient is responsible for correcting
198.7 the violation.

198.8 Subd. 6. **Wage theft prevention plans; disqualification.** (a) If any contractor or
198.9 subcontractor of any tier fails to pay statutorily required wages on a project receiving
198.10 financial assistance from or through the agency as determined by an enforcement entity,
198.11 the recipient must have a wage theft prevention plan to be eligible for further financial
198.12 assistance from the agency. The project developer's wage theft prevention plan must describe
198.13 detailed measures that the project developer and its general contractor have taken and are
198.14 committed to take to prevent wage theft on the project, including provisions in any
198.15 construction contracts and subcontracts on the project. The plan must be submitted to the
198.16 Department of Labor and Industry for review. The Department of Labor and Industry may
198.17 require the project developer to amend the plan or adopt policies or protocols in the plan.
198.18 Once approved by the Department of Labor and Industry, the wage theft prevention plan
198.19 must be submitted by the project developer to the agency with any subsequent application
198.20 for financial assistance from the agency. Such wage theft prevention plans shall be made
198.21 available to members of the public by the agency upon request.

198.22 (b) A developer is disqualified from receiving financial assistance from or through the
198.23 agency for three years if any of the developer's contractors or subcontractors of any tier are
198.24 found by an enforcement agency to have, within three years after entering into a wage theft
198.25 prevention plan under paragraph (a), failed to pay statutorily required wages on a project
198.26 receiving financial assistance from or through the agency for a total underpayment of \$25,000
198.27 or more.

198.28 Subd. 7. **Enforcement.** The agency may deny an application for financial assistance
198.29 that does not comply with this section or if the applicant refuses to enter into the agreements
198.30 required by this section. The agency may withhold financial assistance that has been
198.31 previously approved if the agency determines that the applicant has engaged in unacceptable
198.32 practices by failing to comply with this section until the violation is cured.

199.1 **EFFECTIVE DATE.** This section is effective for financial assistance provided after
 199.2 August 1, 2024, except Minnesota Statutes, section 462A.051, subdivision 2, does not apply
 199.3 for requests for proposals that were initiated prior to August 1, 2024.

199.4 Sec. 10. **RULEMAKING; ACCEPTABLE BLOOD LEAD LEVELS FOR**
 199.5 **WORKERS.**

199.6 The commissioner of labor and industry, in consultation with the commissioner of health,
 199.7 shall adopt rules to:

199.8 (1) lower the acceptable blood lead levels above which require mandatory removal of
 199.9 workers from the lead exposure; and

199.10 (2) lower the blood lead levels required before a worker is allowed to return to work.
 199.11 The thresholds established must be based on the most recent public health information on
 199.12 the safety of lead exposure.

199.13 **ARTICLE 9**

199.14 **CONSTRUCTION CODES AND LICENSING**

199.15 Section 1. Minnesota Statutes 2022, section 326B.89, subdivision 5, is amended to read:

199.16 Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the
 199.17 fund to an owner or a lessee in an amount greater than ~~\$75,000~~ \$100,000 per licensee. The
 199.18 commissioner shall not pay compensation from the fund to owners and lessees in an amount
 199.19 that totals more than \$550,000 per licensee. The commissioner shall only pay compensation
 199.20 from the fund for a final judgment that is based on a contract directly between the licensee
 199.21 and the homeowner or lessee that was entered into prior to the cause of action and that
 199.22 requires licensure as a residential building contractor or residential remodeler.

199.23 **EFFECTIVE DATE.** This section is effective July 1, 2024.

199.24 **ARTICLE 10**

199.25 **UNIVERSITY OF MINNESOTA COLLECTIVE BARGAINING**

199.26 Section 1. Minnesota Statutes 2023 Supplement, section 179A.03, subdivision 14, is
 199.27 amended to read:

199.28 Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means
 199.29 any person appointed or employed by a public employer except:

199.30 (1) elected public officials;

- 200.1 (2) election officers;
- 200.2 (3) commissioned or enlisted personnel of the Minnesota National Guard;
- 200.3 (4) emergency employees who are employed for emergency work caused by natural
200.4 disaster;
- 200.5 (5) part-time employees whose service does not exceed the lesser of 14 hours per week
200.6 or 35 percent of the normal work week in the employee's appropriate unit;
- 200.7 (6) employees whose positions are basically temporary or seasonal in character and: (i)
200.8 are not for more than 67 working days in any calendar year; or (ii) are not working for a
200.9 Minnesota school district or charter school; ~~or (iii) are not for more than 100 working days~~
200.10 ~~in any calendar year and the employees are under the age of 22, are full-time students~~
200.11 ~~enrolled in a nonprofit or public educational institution prior to being hired by the employer,~~
200.12 ~~and have indicated, either in an application for employment or by being enrolled at an~~
200.13 ~~educational institution for the next academic year or term, an intention to continue as students~~
200.14 ~~during or after their temporary employment;~~
- 200.15 (7) employees providing services for not more than two consecutive quarters to the
200.16 Board of Trustees of the Minnesota State Colleges and Universities under the terms of a
200.17 professional or technical services contract as defined in section 16C.08, subdivision 1;
- 200.18 (8) employees of charitable hospitals as defined by section 179.35, subdivision 3, except
200.19 that employees of charitable hospitals as defined by section 179.35, subdivision 3, are public
200.20 employees for purposes of sections 179A.051, 179A.052, and 179A.13;
- 200.21 ~~(9) full-time undergraduate students employed by the school which they attend under a~~
200.22 ~~work-study program or in connection with the receipt of financial aid, irrespective of number~~
200.23 ~~of hours of service per week;~~
- 200.24 ~~(10)~~ (9) an individual who is employed for less than 300 hours in a fiscal year as an
200.25 instructor in an adult vocational education program;
- 200.26 ~~(11)~~ (10) with respect to court employees:
- 200.27 (i) personal secretaries to judges;
- 200.28 (ii) law clerks;
- 200.29 (iii) managerial employees;
- 200.30 (iv) confidential employees; and
- 200.31 (v) supervisory employees; or

201.1 ~~(12)~~ (11) with respect to employees of Hennepin Healthcare System, Inc., managerial,
201.2 supervisory, and confidential employees.

201.3 (b) The following individuals are public employees regardless of the exclusions of
201.4 paragraph (a), clauses (5) to (7):

201.5 (1) an employee hired by a school district or the Board of Trustees of the Minnesota
201.6 State Colleges and Universities except at the university established in the Twin Cities
201.7 metropolitan area under section 136F.10 or for community services or community education
201.8 instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member
201.9 who is a public employee, where the replacement employee is employed more than 30
201.10 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching
201.11 position created due to increased enrollment, curriculum expansion, courses which are a
201.12 part of the curriculum whether offered annually or not, or other appropriate reasons;

201.13 (2) an employee hired for a position under paragraph (a), clause (6), item (i), if that same
201.14 position has already been filled under paragraph (a), clause (6), item (i), in the same calendar
201.15 year and the cumulative number of days worked in that same position by all employees
201.16 exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position"
201.17 includes a substantially equivalent position if it is not the same position solely due to a
201.18 change in the classification or title of the position;

201.19 (3) an early childhood family education teacher employed by a school district; ~~and~~

201.20 (4) an individual hired by the Board of Trustees of the Minnesota State Colleges and
201.21 Universities or the University of Minnesota as the instructor of record to teach (i) one class
201.22 for more than three credits in a fiscal year, or (ii) two or more credit-bearing classes in a
201.23 fiscal year; and

201.24 (5) an individual who: (i) is paid by the Board of Regents of the University of Minnesota
201.25 for work performed at the direction of the university or any of its employees or contractors;
201.26 and (ii) is enrolled in three or more university credit-bearing classes or one semester as a
201.27 full-time student or postdoctoral fellow during the fiscal year in which the work is performed.
201.28 For purposes of this section, work paid by the university includes but is not limited to work
201.29 that is required as a condition of receiving a stipend or tuition benefit, whether or not the
201.30 individual also receives educational benefit from performing that work. Individuals who
201.31 perform supervisory functions in regard to any of the aforementioned workers are not
201.32 considered supervisory employees for the purpose of section 179A.06, subdivision 2.

202.1 Sec. 2. Minnesota Statutes 2022, section 179A.11, subdivision 1, is amended to read:

202.2 Subdivision 1. **Units.** (a) The following are the appropriate units of University of
202.3 Minnesota employees. The listed units include but are not limited to the positions described.
202.4 A position may be added to a unit if the commissioner makes a determination under section
202.5 179A.09 that the unit is appropriate for the position. All units shall exclude managerial and
202.6 confidential employees. ~~Supervisory employees shall only be assigned to unit 13. No~~
202.7 ~~additional units of University of Minnesota employees shall be recognized for the purpose~~
202.8 ~~of meeting and negotiating.~~

202.9 (1) The Law Enforcement Unit ~~consists of~~ includes the positions of all employees with
202.10 the power of arrest.

202.11 (2) The Craft and Trades Unit ~~consists of~~ includes the positions of all employees whose
202.12 work requires specialized manual skills and knowledge acquired through formal training
202.13 or apprenticeship or equivalent on-the-job training or experience.

202.14 (3) The Service, Maintenance, and Labor Unit ~~consists of~~ includes the positions of all
202.15 employees whose work is typically that of maintenance, service, or labor and which does
202.16 not require extensive previous training or experience, except as provided in unit 4.

202.17 (4) The Health Care Nonprofessional and Service Unit ~~consists of~~ includes the positions
202.18 of all nonprofessional employees of the University of Minnesota hospitals, dental school,
202.19 and health service whose work is unique to those settings, excluding labor and maintenance
202.20 employees as defined in unit 3.

202.21 (5) The Nursing Professional Unit ~~consists of~~ includes all positions which are required
202.22 to be filled by registered nurses.

202.23 (6) The Clerical and Office Unit ~~consists of~~ includes the positions of all employees
202.24 whose work is typically clerical or secretarial, including nontechnical data recording and
202.25 retrieval and general office work, except as provided in unit 4.

202.26 (7) The Technical Unit ~~consists of~~ includes the positions of all employees whose work
202.27 is not typically manual and which requires specialized knowledge or skills acquired through
202.28 two-year academic programs or equivalent experience or on-the-job training, except as
202.29 provided in unit 4.

202.30 ~~(8) The Twin Cities Instructional Unit consists of the positions of all instructional~~
202.31 ~~employees with the rank of professor, associate professor, assistant professor, including~~
202.32 ~~research associate or instructor, including research fellow, located on the Twin Cities~~
202.33 ~~campuses.~~

203.1 ~~(9)~~ (8) The Outstate Instructional Unit ~~consists of~~ includes the positions of all instructional
 203.2 employees with the rank of professor, associate professor, assistant professor, including
 203.3 research associate or instructor, including research fellow, located at the Duluth campus,
 203.4 provided that the positions of instructional employees of the same ranks at the Morris,
 203.5 Crookston, or ~~Waseca~~ Rochester campuses shall be included within this unit if a majority
 203.6 of the eligible employees voting at a campus so vote during an election conducted by the
 203.7 commissioner, provided that the election or majority verification procedure shall not be
 203.8 held until the Duluth campus has voted in favor of representation. The election shall be held
 203.9 or majority verification procedure shall take place when an employee organization or group
 203.10 of employees petitions the commissioner stating that a majority of the eligible employees
 203.11 at one of these campuses wishes to join the unit and this petition is supported by a showing
 203.12 of at least 30 percent support from eligible employees at that campus and is filed between
 203.13 September 1 and November 1.

203.14 ~~Should both units 8 and 9 elect exclusive bargaining representatives, those representatives~~
 203.15 ~~may by mutual agreement jointly negotiate a contract with the regents, or may negotiate~~
 203.16 ~~separate contracts with the regents. If the exclusive bargaining representatives jointly~~
 203.17 ~~negotiate a contract with the regents, the contract shall be ratified by each unit. For the~~
 203.18 purposes of this section, an "instructional employee" is an individual who spends 35 percent
 203.19 or more of their work time creating, delivering, and assessing the mastery of credit-bearing
 203.20 coursework.

203.21 (10) The Graduate Assistant Unit ~~consists of~~ includes the positions of all graduate
 203.22 assistants who are enrolled in the graduate school and who hold the rank of research assistant,
 203.23 teaching assistant, teaching associate I or II, project assistant, graduate school fellow,
 203.24 graduate school trainee, professional school fellow, professional school trainee, or
 203.25 administrative fellow I or II. The listed ranks do not coincide with the ranks that are
 203.26 categorized by the University of Minnesota as professionals in training, even though in
 203.27 some cases the job titles may be the same.

203.28 ~~(11) The Academic Professional and Administrative Staff Unit consists of all academic~~
 203.29 ~~professional and administrative staff positions that are not defined as included in an~~
 203.30 ~~instructional unit, the supervisory unit, the clerical unit, or the technical unit.~~

203.31 ~~(12) The Noninstructional Professional Unit consists of the positions of all employees~~
 203.32 ~~meeting the requirements of section 179A.03, subdivision 13, clause (1) or (2), which are~~
 203.33 ~~not defined as included within an instructional unit, the Academic Professional and~~
 203.34 ~~Administrative Staff Unit, or the supervisory unit.~~

204.1 ~~(13) The Supervisory Employees Unit consists of the positions of all supervisory~~
 204.2 ~~employees.~~

204.3 (b) An employee of the University of Minnesota whose position is not enumerated in
 204.4 paragraph (a) may petition the commissioner to determine an appropriate unit for the position.
 204.5 The commissioner must make a determination for an appropriate unit as provided in section
 204.6 179A.09 and the commissioner must give special weight to the desires of the petitioning
 204.7 employee or representatives of the petitioning employee.

204.8 Sec. 3. Minnesota Statutes 2022, section 179A.11, subdivision 2, is amended to read:

204.9 Subd. 2. **University of Minnesota employee severance.** (a) Each of the following
 204.10 groups of University of Minnesota employees has the right, as specified in this subdivision,
 204.11 to separate from the instructional and supervisory units: (1) health sciences instructional
 204.12 employees at all campuses with the rank of professor, associate professor, assistant professor,
 204.13 including research associate, or instructor, including research fellow, (2) instructional
 204.14 employees of the law school with the rank of professor, associate professor, assistant
 204.15 professor, including research associate, or instructor, including research fellow, (3)
 204.16 instructional supervisors, (4) noninstructional professional supervisors, and (5) academic
 204.17 professional and administrative staff supervisors.

204.18 ~~This~~ (b) The right to separate may be exercised:

204.19 (1) by petition between September 1 and November 1. If a group separates from its unit,
 204.20 it has no right to meet and negotiate, but retains the right to meet and confer with the
 204.21 appropriate officials on any matter of concern to the group. The right to separate must be
 204.22 exercised as follows: An employee organization or group of employees claiming that a
 204.23 majority of any one of these groups of employees on a statewide basis wish to separate from
 204.24 their unit may petition the commissioner for an election during the petitioning period. If the
 204.25 petition is supported by a showing of at least 30 percent support from the employees, the
 204.26 commissioner ~~shall~~ may hold an election on the separation issue or the petitioning group
 204.27 may proceed under the process set forth in section 179A.12. This election must be conducted
 204.28 within 30 days of the close of the petition period. If a majority of votes cast endorse severance
 204.29 from their unit, the commissioner shall certify that result; or

204.30 (2) by the group's exclusion from a proposed unit in a representation petition.

204.31 (c) Where not inconsistent with other provisions of this section, the election is governed
 204.32 by section 179A.12. If a group of employees severs, it may rejoin that unit by following the
 204.33 procedures for severance during the periods for severance.

205.1 Sec. 4. Minnesota Statutes 2022, section 179A.11, is amended by adding a subdivision to
205.2 read:

205.3 Subd. 3. **Joint bargaining.** Units organized under this section that have elected exclusive
205.4 bargaining representatives may by mutual agreement of the exclusive representatives jointly
205.5 negotiate a contract with the regents or may negotiate separate contracts with the regents.
205.6 If the exclusive bargaining representatives jointly negotiate a contract with the regents, the
205.7 contract must be ratified by each unit.

205.8 ARTICLE 11

205.9 HOUSING APPROPRIATIONS

205.10 Section 1. APPROPRIATIONS.

205.11 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
205.12 and for the purposes specified in this article. The appropriations are from the general fund,
205.13 or another named fund, and are available for the fiscal years indicated for each purpose.
205.14 The figures "2024" and "2025" used in this article mean that the appropriations listed under
205.15 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
205.16 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
205.17 is fiscal years 2024 and 2025.

205.18	<u>APPROPRIATIONS</u>	
205.19	<u>Available for the Year</u>	
205.20	<u>Ending June 30</u>	
205.21	<u>2024</u>	<u>2025</u>

205.22 Sec. 2. HOUSING FINANCE AGENCY

205.23	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>63,025,000</u>
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205.24 (a) The amounts that may be spent for each
205.25 purpose are specified in the following
205.26 subdivisions.

205.27 (b) Unless otherwise specified, this
205.28 appropriation is for transfer to the housing
205.29 development fund for the programs specified
205.30 in this section.

205.31	<u>Subd. 2. Family Homeless Prevention</u>	<u>-0-</u>	<u>8,804,000</u>
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205.32 This appropriation is for the family homeless
205.33 prevention and assistance program under
205.34 Minnesota Statutes, section 462A.204.

206.1	<u>Notwithstanding procurement provisions</u>		
206.2	<u>outlined in Minnesota Statutes, section</u>		
206.3	<u>16C.06, subdivisions 1, 2, and 6, the agency</u>		
206.4	<u>may award grants to existing program</u>		
206.5	<u>grantees. This is a onetime appropriation.</u>		
206.6	<u>Subd. 3. Minnesota Homeless Study</u>	<u>-0-</u>	<u>500,000</u>
206.7	<u>This appropriation is for a grant to the</u>		
206.8	<u>Amherst H. Wilder Foundation for the</u>		
206.9	<u>Minnesota homeless study. Notwithstanding</u>		
206.10	<u>Minnesota Statutes, section 16B.98,</u>		
206.11	<u>subdivision 14, the commissioner may use up</u>		
206.12	<u>to one percent of this appropriation for</u>		
206.13	<u>administrative costs. This is a onetime</u>		
206.14	<u>appropriation.</u>		
206.15	<u>Subd. 4. Wilder Park Association Capital Repair</u>		
206.16	<u>Project</u>	<u>-0-</u>	<u>3,250,000</u>
206.17	<u>This appropriation is for a grant to the Wilder</u>		
206.18	<u>Park Association to assist with the cost of a</u>		
206.19	<u>major capital repair project for the</u>		
206.20	<u>rehabilitation of portions of the</u>		
206.21	<u>owner-occupied senior high-rise facility.</u>		
206.22	<u>Notwithstanding Minnesota Statutes, section</u>		
206.23	<u>16B.98, subdivision 14, the commissioner may</u>		
206.24	<u>use up to one percent of this appropriation for</u>		
206.25	<u>administrative costs. This is a onetime</u>		
206.26	<u>appropriation.</u>		
206.27	<u>Subd. 5. Housing Affordability Preservation</u>		
206.28	<u>Investment</u>	<u>-0-</u>	<u>50,000,000</u>
206.29	<u>This appropriation is for the housing</u>		
206.30	<u>affordability preservation investment program</u>		
206.31	<u>under article 12, section 25. This is a onetime</u>		
206.32	<u>appropriation.</u>		

207.1 Subd. 6. **Expediting Rental Assistance** -0- 471,000

207.2 This appropriation is for the agency's work
 207.3 under article 13 of this act. This is a onetime
 207.4 appropriation.

207.5 Subd. 7. **Availability of Appropriations for**
 207.6 **Administrative Expenses and Report**

207.7 (a) Money appropriated in this section for
 207.8 grants must not be spent on institutional
 207.9 overhead charges that are not directly related
 207.10 to and necessary for the grant.

207.11 (b) By February 15, 2025, the commissioner
 207.12 shall report to the chairs and ranking minority
 207.13 members of the legislative committees having
 207.14 jurisdiction over housing finance and policy
 207.15 the anticipated costs for administering each
 207.16 grant in this section. Within 90 days after a
 207.17 grantee has fulfilled the obligations of their
 207.18 grant agreement, the commissioner shall report
 207.19 to the chairs and ranking minority members
 207.20 of the legislative committees having
 207.21 jurisdiction over housing finance and policy
 207.22 on the final cost for administering each grant
 207.23 in this section.

207.24 Sec. 3. **DEPARTMENT OF LABOR AND**
 207.25 **INDUSTRY** \$ -0- \$ 225,000

207.26 This appropriation is for the single-exit
 207.27 stairway apartment building report under
 207.28 article 12, section 27. This is a onetime
 207.29 appropriation.

207.30 Sec. 4. Laws 2023, chapter 37, article 1, section 2, subdivision 17, is amended to read:

207.31 100,000,000
 207.32 **Subd. 17. Housing Infrastructure** 100,000,000 60,000,000

207.33 This appropriation is for the housing
 207.34 infrastructure program for the eligible

208.1 purposes under Minnesota Statutes, section
 208.2 462A.37, subdivision 2. This is a onetime
 208.3 appropriation.

208.4 Sec. 5. Laws 2023, chapter 37, article 1, section 2, subdivision 25, is amended to read:

208.5 **Subd. 25. Manufactured Home Lending Grants**
 208.6 **Program**

10,000,000

-0-

208.7 (a) This appropriation is for the a grant to
 208.8 NeighborWorks Home Partners for a
 208.9 manufactured home lending grant program.
 208.10 This is a onetime appropriation.

208.11 (b) The funds must be used for new
 208.12 manufactured home financing programs;
 208.13 manufactured home down payment assistance;
 208.14 or manufactured home repair, renovation,
 208.15 removal, and site preparation financing
 208.16 programs.

208.17 (c) Interest earned and repayments of principal
 208.18 from loans issued under this subdivision must
 208.19 be used for the purposes of this subdivision.

208.20 (d) For the purposes of this subdivision, the
 208.21 term "manufactured home" has the meaning
 208.22 given in Minnesota Statutes, section 327B.01,
 208.23 subdivision 13.

208.24 Sec. 6. Laws 2023, chapter 37, article 1, section 2, subdivision 29, is amended to read:

208.25
 208.26 **Subd. 29. Community Stabilization**

45,000,000

45,000,000

31,750,000

208.27 This appropriation is for the community
 208.28 stabilization program. This a onetime
 208.29 appropriation. Of this amount, \$10,000,000 is
 208.30 for a grant to AEON for Huntington Place.

208.31 **Sec. 7. REPEALER.**

208.32 Laws 2023, chapter 37, article 2, section 13, is repealed.

ARTICLE 12

HOUSING POLICY

209.1

209.2

209.3 Section 1. Minnesota Statutes 2022, section 462A.02, subdivision 10, is amended to read:

209.4 Subd. 10. **Energy ~~conservation~~ decarbonization and climate resilience**. It is further
209.5 declared that supplies of conventional energy resources are rapidly depleting in quantity
209.6 and rising in price and that the burden of these occurrences falls heavily upon the citizens
209.7 of Minnesota generally and persons of low and moderate income in particular. These
209.8 conditions are adverse to the health, welfare, and safety of all of the citizens of this state.
209.9 It is further declared that it is a public purpose to ensure the availability of financing to be
209.10 used by all citizens of the state, while giving preference to low and moderate income people,
209.11 to assist in the installation in their dwellings of reasonably priced energy conserving systems
209.12 including the use of alternative energy resources and equipment so that by the improvement
209.13 of the energy efficiency of, clean energy, greenhouse gas emissions reduction, climate
209.14 resiliency, and other qualified projects for all housing, the adequacy of the total energy
209.15 supply may be preserved for the benefit of all citizens.

209.16 Sec. 2. Minnesota Statutes 2023 Supplement, section 462A.05, subdivision 14, is amended
209.17 to read:

209.18 Subd. 14. **Rehabilitation loans**. It may agree to purchase, make, or otherwise participate
209.19 in the making, and may enter into commitments for the purchase, making, or participation
209.20 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency
209.21 deems advisable, to persons and families of low and moderate income, and to owners of
209.22 existing residential housing for occupancy by such persons and families, for the rehabilitation
209.23 of existing residential housing owned by them. Rehabilitation may include the addition or
209.24 rehabilitation of a detached accessory dwelling unit. The loans may be insured or uninsured
209.25 and may be made with security, or may be unsecured, as the agency deems advisable. The
209.26 loans may be in addition to or in combination with long-term eligible mortgage loans under
209.27 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness
209.28 secured by the property, if refinancing is determined by the agency to be necessary to permit
209.29 the owner to meet the owner's housing cost without expending an unreasonable portion of
209.30 the owner's income thereon. No loan for rehabilitation shall be made unless the agency
209.31 determines that the loan will be used primarily to make the housing more desirable to live
209.32 in, to increase the market value of the housing, for compliance with state, county or municipal
209.33 building, housing maintenance, fire, health or similar codes and standards applicable to
209.34 housing, or to accomplish energy ~~conservation-related improvements~~ decarbonization,

210.1 climate resiliency, and other qualified projects. In unincorporated areas and municipalities
 210.2 not having codes and standards, the agency may, solely for the purpose of administering
 210.3 the provisions of this chapter, establish codes and standards. No loan under this subdivision
 210.4 for the rehabilitation of owner-occupied housing shall be denied solely because the loan
 210.5 will not be used for placing the owner-occupied residential housing in full compliance with
 210.6 all state, county, or municipal building, housing maintenance, fire, health, or similar codes
 210.7 and standards applicable to housing. Rehabilitation loans shall be made only when the
 210.8 agency determines that financing is not otherwise available, in whole or in part, from private
 210.9 lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized
 210.10 under this subdivision may be made to eligible persons and families without limitations
 210.11 relating to the maximum incomes of the borrowers if:

210.12 (1) the borrower or a member of the borrower's family requires a level of care provided
 210.13 in a hospital, skilled nursing facility, or intermediate care facility for persons with
 210.14 developmental disabilities;

210.15 (2) home care is appropriate; and

210.16 (3) the improvement will enable the borrower or a member of the borrower's family to
 210.17 reside in the housing.

210.18 The agency may waive any requirement that the housing units in a residential housing
 210.19 development be rented to persons of low and moderate income if the development consists
 210.20 of four or fewer dwelling units, one of which is occupied by the owner.

210.21 Sec. 3. Minnesota Statutes 2022, section 462A.05, subdivision 14a, is amended to read:

210.22 Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may
 210.23 make loans to persons and families of low and moderate income to rehabilitate or to assist
 210.24 in rehabilitating existing residential housing owned and occupied by those persons or
 210.25 families. Rehabilitation may include replacement of manufactured homes. No loan shall be
 210.26 made unless the agency determines that the loan will be used primarily for rehabilitation
 210.27 work necessary for health or safety, essential accessibility improvements, or to improve the
 210.28 energy efficiency of, clean energy, greenhouse gas emissions reductions, climate resiliency,
 210.29 and other qualified projects in the dwelling. No loan for rehabilitation of owner-occupied
 210.30 residential housing shall be denied solely because the loan will not be used for placing the
 210.31 residential housing in full compliance with all state, county or municipal building, housing
 210.32 maintenance, fire, health or similar codes and standards applicable to housing. The amount
 210.33 of any loan shall not exceed the lesser of (a) a maximum loan amount determined under
 210.34 rules adopted by the agency not to exceed \$37,500, or (b) the actual cost of the work

211.1 performed, or (c) that portion of the cost of rehabilitation which the agency determines
 211.2 cannot otherwise be paid by the person or family without the expenditure of an unreasonable
 211.3 portion of the income of the person or family. Loans made in whole or in part with federal
 211.4 funds may exceed the maximum loan amount to the extent necessary to comply with federal
 211.5 lead abatement requirements prescribed by the funding source. In making loans, the agency
 211.6 shall determine the circumstances under which and the terms and conditions under which
 211.7 all or any portion of the loan will be repaid and shall determine the appropriate security for
 211.8 the repayment of the loan. Loans pursuant to this subdivision may be made with or without
 211.9 interest or periodic payments.

211.10 Sec. 4. Minnesota Statutes 2022, section 462A.05, subdivision 14b, is amended to read:

211.11 Subd. 14b. **Energy ~~conservation~~ decarbonization and climate resiliency loans.** It
 211.12 may agree to purchase, make, or otherwise participate in the making, and may enter into
 211.13 commitments for the purchase, making, or participating in the making, of loans to persons
 211.14 and families, without limitations relating to the maximum incomes of the borrowers, to
 211.15 assist in energy ~~conservation-rehabilitation measures~~ decarbonization, climate resiliency,
 211.16 and other qualified projects for existing housing owned by those persons or families
 211.17 including, but not limited to: weatherstripping and caulking; chimney construction or
 211.18 improvement; furnace or space heater repair, cleaning or replacement; central air conditioner
 211.19 installation, repair, maintenance, or replacement; air source or geothermal heat pump
 211.20 installation, repair, maintenance, or replacement; insulation; windows and doors; and
 211.21 structural or other directly related repairs or installations essential for energy ~~conservation~~
 211.22 decarbonization, climate resiliency, and other qualified projects. Loans shall be made only
 211.23 when the agency determines that financing is not otherwise available, in whole or in part,
 211.24 from private lenders upon equivalent terms and conditions. Loans under this subdivision
 211.25 or subdivision 14 may:

211.26 (1) be integrated with a utility's on-bill repayment program approved under section
 211.27 216B.241, subdivision 5d; and

211.28 (2) also be made for the installation of on-site solar energy or energy storage systems.

211.29 Sec. 5. Minnesota Statutes 2022, section 462A.05, subdivision 15, is amended to read:

211.30 Subd. 15. **Rehabilitation grants.** (a) It may make grants to persons and families of low
 211.31 and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14,
 211.32 or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied
 211.33 by such persons or families. For the purposes of this section, persons of low and moderate

212.1 income include administrators appointed pursuant to section 504B.425, paragraph (d). No
 212.2 grant shall be made unless the agency determines that the grant will be used primarily to
 212.3 make the housing more desirable to live in, to increase the market value of the housing or
 212.4 for compliance with state, county or municipal building, housing maintenance, fire, health
 212.5 or similar codes and standards applicable to housing, or to accomplish energy ~~conservation~~
 212.6 ~~related improvements~~ decarbonization, climate resiliency, or other qualified projects. In
 212.7 unincorporated areas and municipalities not having codes and standards, the agency may,
 212.8 solely for the purpose of administering this provision, establish codes and standards. No
 212.9 grant for rehabilitation of owner occupied residential housing shall be denied solely because
 212.10 the grant will not be used for placing the residential housing in full compliance with all
 212.11 state, county or municipal building, housing maintenance, fire, health or similar codes and
 212.12 standards applicable to housing. The amount of any grant shall not exceed the lesser of (a)
 212.13 \$6,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of
 212.14 rehabilitation which the agency determines cannot otherwise be paid by the person or family
 212.15 without spending an unreasonable portion of the income of the person or family thereon.
 212.16 In making grants, the agency shall determine the circumstances under which and the terms
 212.17 and conditions under which all or any portion thereof will be repaid and shall determine the
 212.18 appropriate security should repayment be required.

212.19 (b) The agency may also make grants to rehabilitate or to assist in rehabilitating housing
 212.20 under this subdivision to persons of low and moderate income for the purpose of qualifying
 212.21 as foster parents.

212.22 Sec. 6. Minnesota Statutes 2022, section 462A.05, subdivision 15b, is amended to read:

212.23 Subd. 15b. **Energy ~~conservation~~ decarbonization and climate resiliency grants**. (a)
 212.24 It may make grants to assist in energy ~~conservation rehabilitation measures~~ decarbonization,
 212.25 climate resiliency, and other qualified projects for existing owner occupied housing including,
 212.26 but not limited to: insulation, storm windows and doors, furnace or space heater repair,
 212.27 cleaning or replacement, chimney construction or improvement, weatherstripping and
 212.28 caulking, ~~and structural or other directly related repairs, or installations~~ essential for energy
 212.29 ~~conservation~~ decarbonization, climate resiliency, and other qualified projects. The grant to
 212.30 any household shall not exceed \$2,000.

212.31 (b) To be eligible for an emergency energy ~~conservation~~ decarbonization and climate
 212.32 resiliency grant, a household must be certified as eligible to receive emergency residential
 212.33 heating assistance under either the federal or the state program, and either (1) have had a
 212.34 heating cost for the preceding heating season that exceeded 120 percent of the regional

213.1 average for the preceding heating season for that energy source as determined by the
 213.2 commissioner of employment and economic development, or (2) be eligible to receive a
 213.3 federal energy conservation grant, but be precluded from receiving the grant because of a
 213.4 need for directly related repairs that cannot be paid for under the federal program. The
 213.5 Housing Finance Agency shall make a reasonable effort to determine whether other state
 213.6 or federal loan and grant programs are available and adequate to finance the intended
 213.7 improvements. An emergency energy conservation grant may be made in conjunction with
 213.8 grants or loans from other state or federal programs that finance other needed rehabilitation
 213.9 work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility
 213.10 for other Housing Finance Agency loan or grant programs.

213.11 Sec. 7. Minnesota Statutes 2022, section 462A.05, subdivision 21, is amended to read:

213.12 Subd. 21. **Rental property loans.** The agency may make or purchase loans to owners
 213.13 of rental property that is occupied or intended for occupancy primarily by low- and
 213.14 moderate-income tenants and which does not comply with the standards established in
 213.15 section 326B.106, subdivision 1, for the purpose of energy ~~improvements~~ decarbonization,
 213.16 climate resiliency, and other qualified projects necessary to bring the property into full or
 213.17 partial compliance with these standards. For property which meets the other requirements
 213.18 of this subdivision, a loan may also be used for moderate rehabilitation of the property. The
 213.19 authority granted in this subdivision is in addition to and not in limitation of any other
 213.20 authority granted to the agency in this chapter. The limitations on eligible mortgagors
 213.21 contained in section 462A.03, subdivision 13, do not apply to loans under this subdivision.
 213.22 Loans for the improvement of rental property pursuant to this subdivision may contain
 213.23 provisions that repayment is not required in whole or in part subject to terms and conditions
 213.24 determined by the agency to be necessary and desirable to encourage owners to maximize
 213.25 rehabilitation of properties.

213.26 Sec. 8. Minnesota Statutes 2022, section 462A.05, subdivision 23, is amended to read:

213.27 Subd. 23. **Insuring financial institution loans.** The agency may participate in loans or
 213.28 establish a fund to insure loans, or portions of loans, that are made by any banking institution,
 213.29 savings association, or other lender approved by the agency, organized under the laws of
 213.30 this or any other state or of the United States having an office in this state, to owners of
 213.31 renter-occupied homes or apartments that do not comply with standards set forth in section
 213.32 326B.106, subdivision 1, without limitations relating to the maximum incomes of the owners
 213.33 or tenants. The proceeds of the insured portion of the loan must be used to pay the costs of
 213.34 improvements, including all related structural and other improvements, that will reduce

214.1 energy consumption, that will decarbonize, and that will ensure the climate resiliency of
214.2 housing.

214.3 Sec. 9. Minnesota Statutes 2023 Supplement, section 462A.05, subdivision 45, is amended
214.4 to read:

214.5 Subd. 45. **Indian Tribes.** Notwithstanding any other provision in this chapter, at its
214.6 discretion the agency may make any federally recognized Indian Tribe in Minnesota, or
214.7 their associated Tribally Designated Housing Entity (TDHE) as defined by United States
214.8 Code, title 25, section 4103(22), eligible for agency funding ~~authorized under this chapter.~~

214.9 Sec. 10. Minnesota Statutes 2022, section 462A.07, is amended by adding a subdivision
214.10 to read:

214.11 Subd. 19. **Eligibility for agency programs.** The agency may determine that a household
214.12 or project unit meets the rent or income requirements for a program if the household or unit
214.13 receives or participates in income-based state or federal public assistance benefits, including
214.14 but not limited to:

214.15 (1) child care assistance programs under chapter 119B;

214.16 (2) general assistance, Minnesota supplemental aid, or food support under chapter 256D;

214.17 (3) housing support under chapter 256I;

214.18 (4) Minnesota family investment program and diversionary work program under chapter
214.19 256J; and

214.20 (5) economic assistance programs under chapter 256P.

214.21 Sec. 11. Minnesota Statutes 2022, section 462A.21, subdivision 7, is amended to read:

214.22 Subd. 7. **Energy efficiency loans.** The agency may make loans to low and moderate
214.23 income persons who own existing residential housing for the purpose of improving the
214.24 ~~efficient energy utilization~~ decarbonization and climate resiliency of the housing. Permitted
214.25 improvements shall include installation or upgrading of ceiling, wall, floor and duct
214.26 insulation, storm windows and doors, and caulking and weatherstripping. The improvements
214.27 shall not be inconsistent with the energy standards as promulgated as part of the State
214.28 Building Code; provided that the improvements need not bring the housing into full
214.29 compliance with the energy standards. Any loan for such purpose shall be made only upon
214.30 determination by the agency that such loan is not otherwise available, wholly or in part,
214.31 from private lenders upon equivalent terms and conditions. The agency may promulgate

215.1 rules as necessary to implement and make specific the provisions of this subdivision. The
215.2 rules shall be designed to permit the state, to the extent not inconsistent with this chapter,
215.3 to seek federal grants or loans for energy purposes decarbonization, climate resiliency, and
215.4 other qualified projects.

215.5 Sec. 12. Minnesota Statutes 2023 Supplement, section 462A.22, subdivision 1, is amended
215.6 to read:

215.7 Subdivision 1. **Debt ceiling.** The aggregate principal amount of general obligation bonds
215.8 and notes which are outstanding at any time, excluding the principal amount of any bonds
215.9 and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of
215.10 ~~\$5,000,000,000~~ \$7,000,000,000.

215.11 Sec. 13. Minnesota Statutes 2022, section 462A.35, subdivision 2, is amended to read:

215.12 Subd. 2. **Expending funds.** The agency may expend the money in the Minnesota
215.13 manufactured home relocation trust fund to the extent necessary to carry out the objectives
215.14 of section 327C.095, subdivision 13, by making payments to manufactured home owners,
215.15 or other parties approved by the third-party neutral, under subdivision 13, paragraphs (a)
215.16 and (e), and to pay the costs of administering the fund. Money in the fund is appropriated
215.17 to the agency for these purposes and to the commissioner of ~~management and budget~~ the
215.18 Minnesota Housing Finance Agency to pay costs incurred by the commissioner of
215.19 ~~management and budget~~ the Minnesota Housing Finance Agency to administer the fund.

215.20 Sec. 14. Minnesota Statutes 2023 Supplement, section 462A.37, subdivision 2, is amended
215.21 to read:

215.22 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate
215.23 principal amount of housing infrastructure bonds in one or more series to which the payment
215.24 made under this section may be pledged. The housing infrastructure bonds authorized in
215.25 this subdivision may be issued to fund loans, or grants for the purposes of clauses (4) and
215.26 (7), on terms and conditions the agency deems appropriate, made for one or more of the
215.27 following purposes:

215.28 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
215.29 housing for individuals and families who are without a permanent residence;

215.30 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
215.31 housing to be used for affordable rental housing and the costs of new construction of rental

216.1 housing on abandoned or foreclosed property where the existing structures will be demolished
216.2 or removed;

216.3 (3) to finance that portion of the costs of acquisition of property that is attributable to
216.4 the land to be leased by community land trusts to low- and moderate-income home buyers;

216.5 (4) to finance the acquisition, improvement, and infrastructure of manufactured home
216.6 parks under section 462A.2035, subdivision 1b;

216.7 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
216.8 of senior housing;

216.9 (6) to finance the costs of acquisition, rehabilitation, and replacement of federally assisted
216.10 rental housing and for the refinancing of costs of the construction, acquisition, and
216.11 rehabilitation of federally assisted rental housing, including providing funds to refund, in
216.12 whole or in part, outstanding bonds previously issued by the agency or another government
216.13 unit to finance or refinance such costs;

216.14 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
216.15 of single-family housing; and

216.16 (8) to finance the costs of construction, acquisition, and rehabilitation of permanent
216.17 housing that is affordable to households with incomes at or below 50 percent of the area
216.18 median income for the applicable county or metropolitan area as published by the Department
216.19 of Housing and Urban Development, as adjusted for household size.

216.20 (b) Among comparable proposals for permanent supportive housing, preference shall
216.21 be given to permanent supportive housing for veterans and other individuals or families
216.22 who:

216.23 (1) either have been without a permanent residence for at least 12 months or at least four
216.24 times in the last three years; or

216.25 (2) are at significant risk of lacking a permanent residence for 12 months or at least four
216.26 times in the last three years.

216.27 (c) Among comparable proposals for senior housing, the agency must give priority to
216.28 requests for projects that:

216.29 (1) demonstrate a commitment to maintaining the housing financed as affordable to
216.30 senior households;

216.31 (2) leverage other sources of funding to finance the project, including the use of
216.32 low-income housing tax credits;

217.1 (3) provide access to services to residents and demonstrate the ability to increase physical
217.2 supports and support services as residents age and experience increasing levels of disability;
217.3 and

217.4 (4) include households with incomes that do not exceed 30 percent of the median
217.5 household income for the metropolitan area.

217.6 (d) To the extent practicable, the agency shall balance the loans made between projects
217.7 in the metropolitan area and projects outside the metropolitan area. Of the loans made to
217.8 projects outside the metropolitan area, the agency shall, to the extent practicable, balance
217.9 the loans made between projects in counties or cities with a population of 20,000 or less,
217.10 as established by the most recent decennial census, and projects in counties or cities with
217.11 populations in excess of 20,000.

217.12 (e) Among comparable proposals for permanent housing, the agency must give preference
217.13 to projects that will provide housing that is affordable to households at or below 30 percent
217.14 of the area median income.

217.15 (f) If a loan recipient uses the loan for new construction or substantial rehabilitation as
217.16 defined by the agency on a building containing more than four units, the loan recipient must
217.17 construct, convert, or otherwise adapt the building to include:

217.18 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
217.19 accessible units, as defined by section 1002 of the current State Building Code Accessibility
217.20 Provisions for Dwelling Units in Minnesota, and include at least one roll-in shower in at
217.21 least one accessible unit as defined by section 1002 of the current State Building Code
217.22 Accessibility Provisions for Dwelling Units in Minnesota; and

217.23 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are
217.24 sensory-accessible units that include:

217.25 (A) soundproofing between shared walls for first and second floor units;

217.26 (B) no florescent lighting in units and common areas;

217.27 (C) low-fume paint;

217.28 (D) low-chemical carpet; and

217.29 (E) low-chemical carpet glue in units and common areas.

217.30 Nothing in this paragraph relieves a project funded by the agency from meeting other
217.31 applicable accessibility requirements.

218.1 Sec. 15. Minnesota Statutes 2022, section 462A.37, is amended by adding a subdivision
218.2 to read:

218.3 Subd. 2j. **Additional authorization.** In addition to the amount authorized in subdivisions
218.4 2 to 2i, the agency may issue up to \$50,000,000 in one or more series to which the payments
218.5 under this section may be pledged.

218.6 Sec. 16. Minnesota Statutes 2023 Supplement, section 462A.37, subdivision 5, is amended
218.7 to read:

218.8 **Subd. 5. Additional appropriation.** (a) The agency must certify annually to the
218.9 commissioner of management and budget the actual amount of annual debt service on each
218.10 series of bonds issued under this section.

218.11 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
218.12 bonds issued under subdivision 2a, or housing infrastructure bonds issued to refund those
218.13 bonds, remain outstanding, the commissioner of management and budget must transfer to
218.14 the housing infrastructure bond account established under section 462A.21, subdivision 33,
218.15 the amount certified under paragraph (a), not to exceed \$6,400,000 annually. The amounts
218.16 necessary to make the transfers are appropriated from the general fund to the commissioner
218.17 of management and budget.

218.18 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
218.19 bonds issued under subdivision 2b, or housing infrastructure bonds issued to refund those
218.20 bonds, remain outstanding, the commissioner of management and budget must transfer to
218.21 the housing infrastructure bond account established under section 462A.21, subdivision 33,
218.22 the amount certified under paragraph (a), not to exceed \$800,000 annually. The amounts
218.23 necessary to make the transfers are appropriated from the general fund to the commissioner
218.24 of management and budget.

218.25 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
218.26 bonds issued under subdivision 2c, or housing infrastructure bonds issued to refund those
218.27 bonds, remain outstanding, the commissioner of management and budget must transfer to
218.28 the housing infrastructure bond account established under section 462A.21, subdivision 33,
218.29 the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts
218.30 necessary to make the transfers are appropriated from the general fund to the commissioner
218.31 of management and budget.

218.32 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
218.33 bonds issued under subdivision 2d, or housing infrastructure bonds issued to refund those

219.1 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.2 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.3 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.4 appropriated from the general fund to the commissioner of management and budget.

219.5 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
219.6 bonds issued under subdivision 2e, or housing infrastructure bonds issued to refund those
219.7 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.8 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.9 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.10 appropriated from the general fund to the commissioner of management and budget.

219.11 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
219.12 bonds issued under subdivision 2f, or housing infrastructure bonds issued to refund those
219.13 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.14 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.15 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.16 appropriated from the general fund to the commissioner of management and budget.

219.17 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
219.18 bonds issued under subdivision 2g, or housing infrastructure bonds issued to refund those
219.19 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.20 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.21 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.22 appropriated from the general fund to the commissioner of management and budget.

219.23 (i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure
219.24 bonds issued under subdivision 2h, or housing infrastructure bonds issued to refund those
219.25 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.26 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.27 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.28 appropriated from the general fund to the commissioner of management and budget.

219.29 (j) Each July 15, beginning in 2026 and through 2047, if any housing infrastructure
219.30 bonds issued under subdivision 2j, or housing infrastructure bonds issued to refund those
219.31 bonds, remain outstanding, the commissioner of management and budget must transfer to
219.32 the housing infrastructure bond account established under section 462A.21, subdivision 33,
219.33 the amount certified under paragraph (a). The amounts necessary to make the transfers are
219.34 appropriated from the general fund to the commissioner of management and budget.

220.1 (†) ~~(k)~~ The agency may pledge to the payment of the housing infrastructure bonds the
220.2 payments to be made by the state under this section.

220.3 Sec. 17. Minnesota Statutes 2023 Supplement, section 462A.39, subdivision 2, is amended
220.4 to read:

220.5 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
220.6 meanings given.

220.7 (b) "Eligible project area" means a home rule charter or statutory city located outside
220.8 of a metropolitan county as defined in section 473.121, subdivision 4, ~~with a population~~
220.9 ~~exceeding 500; a community that has a combined population of 1,500 residents located~~
220.10 ~~within 15 miles of a home rule charter or statutory city located outside a metropolitan county~~
220.11 ~~as defined in section 473.121, subdivision 4;~~ federally recognized Tribal reservations; or
220.12 an area served by a joint county-city economic development authority.

220.13 (c) "Joint county-city economic development authority" means an economic development
220.14 authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between
220.15 a city and county and excluding those established by the county only.

220.16 (d) "Market rate residential rental properties" means properties that are rented at market
220.17 value, including new modular homes, new manufactured homes, and new manufactured
220.18 homes on leased land or in a manufactured home park, and may include rental developments
220.19 that have a portion of income-restricted units.

220.20 (e) "Qualified expenditure" means expenditures for market rate residential rental
220.21 properties including acquisition of property; construction of improvements; and provisions
220.22 of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing
220.23 costs.

220.24 Sec. 18. Minnesota Statutes 2023 Supplement, section 462A.395, is amended to read:

220.25 **462A.395 GREATER MINNESOTA HOUSING INFRASTRUCTURE GRANT**
220.26 **PROGRAM.**

220.27 Subdivision 1. **Grant program established.** The commissioner of the Minnesota Housing
220.28 Finance Agency may make grants to counties and cities to provide up to 50 percent of the
220.29 capital costs of public infrastructure necessary for an eligible workforce housing development
220.30 project. The commissioner may make a grant award only after determining that nonstate
220.31 resources are committed to complete the project. The nonstate contribution may be cash,
220.32 other committed grant funds, or in kind. In-kind contributions may include the value of the

221.1 site, whether the site is prepared before or after the law appropriating money for the grant
221.2 is enacted.

221.3 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
221.4 meanings given.

221.5 (b) "City" means a statutory or home rule charter city located outside the metropolitan
221.6 area, as defined in section 473.121, subdivision 2.

221.7 (c) "Housing infrastructure" means publicly owned physical infrastructure necessary to
221.8 support housing development projects, including but not limited to sewers, water supply
221.9 systems, utility extensions, streets, wastewater treatment systems, stormwater management
221.10 systems, and facilities for pretreatment of wastewater to remove phosphorus.

221.11 Subd. 3. **Eligible projects.** Housing projects eligible for a grant under this section may
221.12 be a single-family or multifamily housing development, and either owner-occupied or rental.
221.13 Housing projects eligible for a grant under this section may also be a manufactured home
221.14 development qualifying for homestead treatment under section 273.124, subdivision 3a.

221.15 Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for
221.16 soliciting and reviewing applications for grants under this section. At a minimum, a city or
221.17 county must include in its application a resolution of the county board or city council
221.18 certifying that the required nonstate match is available. The commissioner must evaluate
221.19 complete applications for funding for eligible projects to determine that:

221.20 (1) the project is necessary to increase sites available for housing development that will
221.21 provide adequate housing stock for the current or future workforce; and

221.22 (2) the increase in workforce housing will result in substantial public and private capital
221.23 investment in the county or city in which the project would be located.

221.24 (b) The determination of whether to make a grant for a site is within the discretion of
221.25 the commissioner, subject to this section. The commissioner's decisions and application of
221.26 the criteria are not subject to judicial review, except for abuse of discretion.

221.27 Subd. 5. **Maximum grant amount.** A county or city may receive no more than ~~\$30,000~~
221.28 \$40,000 per lot for single-family, duplex, triplex, or fourplex housing developed, no more
221.29 than \$60,000 per manufactured housing lot, and no more than \$180,000 per lot for
221.30 multifamily housing with more than four units per building. A county or city may receive
221.31 no more than \$500,000 in two years for one or more housing developments. The \$500,000
221.32 limitation does not apply to use on manufactured housing developments.

222.1 Sec. 19. Minnesota Statutes 2022, section 462A.40, subdivision 2, is amended to read:

222.2 Subd. 2. **Use of funds; grant and loan program.** (a) The agency may award grants and
 222.3 loans to be used for multifamily and single family developments for persons and families
 222.4 of low and moderate income. Allowable use of the funds include: gap financing, as defined
 222.5 in section 462A.33, subdivision 1; new construction; acquisition; rehabilitation; demolition
 222.6 or removal of existing structures; construction financing; permanent financing; interest rate
 222.7 reduction; and refinancing.

222.8 (b) The agency may give preference for grants and loans to comparable proposals that
 222.9 include regulatory changes or waivers that result in identifiable cost avoidance or cost
 222.10 reductions, including but not limited to increased density, flexibility in site development
 222.11 standards, or zoning code requirements.

222.12 ~~(c) The agency shall separately set aside:~~

222.13 ~~(1) at least ten percent of the financing under this section for housing units located in a~~
 222.14 ~~township or city with a population of 2,500 or less that is located outside the metropolitan~~
 222.15 ~~area, as defined in section 473.121, subdivision 2;~~

222.16 ~~(2) at least 35 percent of the financing under this section for housing for persons and~~
 222.17 ~~families whose income is 50 percent or less of the area median income for the applicable~~
 222.18 ~~county or metropolitan area as published by the Department of Housing and Urban~~
 222.19 ~~Development, as adjusted for household size; and~~

222.20 ~~(3) at least 25 percent of the financing under this section for single family housing.~~

222.21 ~~(d) If by September 1 of each year the agency does not receive requests to use all of the~~
 222.22 ~~amounts set aside under paragraph (c), the agency may use any remaining financing for~~
 222.23 ~~other projects eligible under this section.~~

222.24 Sec. 20. Minnesota Statutes 2022, section 462A.40, subdivision 3, is amended to read:

222.25 Subd. 3. **Eligible recipients; definitions; restrictions; use of funds.** (a) The agency
 222.26 may award a grant or a loan to any recipient that qualifies under subdivision 2. The agency
 222.27 must not award a grant or a loan to a disqualified individual or disqualified business.

222.28 (b) For the purposes of this subdivision disqualified individual means ~~an individual who:~~

222.29 (1) an individual who or an individual whose immediate family member made a
 222.30 contribution to the account in the current or prior taxable year and received a credit certificate;

222.31 (2) an individual who or an individual whose immediate family member owns the housing
 222.32 for which the grant or loan will be used and is using that housing as their domicile;

223.1 (3) an individual who meets the following criteria:

223.2 (i) the individual is an officer or principal of a business entity; and

223.3 (ii) that business entity made a contribution to the account in the current or previous
223.4 taxable year and received a credit certificate; or

223.5 (4) an individual who meets the following criteria:

223.6 (i) the individual directly owns, controls, or holds the power to vote 20 percent or more
223.7 of the outstanding securities of a business entity; and

223.8 (ii) that business entity made a contribution to the account in the current or previous
223.9 taxable year and received a credit certificate.

223.10 (c) For the purposes of this subdivision disqualified business means a business entity
223.11 that:

223.12 (1) made a contribution to the account in the current or prior taxable year and received
223.13 a credit certificate;

223.14 (2) has an officer or principal who is an individual who made a contribution to the
223.15 account in the current or previous taxable year and received a credit certificate; or

223.16 (3) meets the following criteria:

223.17 (i) the business entity is directly owned, controlled, or is subject to the power to vote 20
223.18 percent or more of the outstanding securities by an individual or business entity; and

223.19 (ii) that controlling individual or business entity made a contribution to the account in
223.20 the current or previous taxable year and received a credit certificate.

223.21 (d) ~~The disqualifications in paragraphs (b) and (c) apply if the taxpayer would be~~
223.22 ~~disqualified either individually or in combination with one or more members of the taxpayer's~~
223.23 ~~family, as defined in the Internal Revenue Code, section 267(e)(4). For purposes of this~~
223.24 ~~subdivision, "immediate family" means the taxpayer's spouse, parent or parent's spouse,~~
223.25 ~~sibling or sibling's spouse, or child or child's spouse. For a married couple filing a joint~~
223.26 ~~return, the limitations in this paragraph subdivision apply collectively to the taxpayer and~~
223.27 ~~spouse. For purposes of determining the ownership interest of a taxpayer under paragraph~~
223.28 ~~(a), clause (4), the rules under sections 267(c) and 267(e) of the Internal Revenue Code~~
223.29 ~~apply.~~

223.30 (e) Before applying for a grant or loan, all recipients must sign a disclosure that the
223.31 disqualifications under this subdivision do not apply. The Minnesota Housing Finance

224.1 Agency must prescribe the form of the disclosure. The Minnesota Housing Finance Agency
 224.2 may rely on the disclosure to determine the eligibility of recipients under paragraph (a).

224.3 (f) The agency may award grants or loans to a city as defined in section 462A.03,
 224.4 subdivision 21; a federally recognized American Indian tribe or subdivision located in
 224.5 Minnesota; a tribal housing corporation; a private developer; a nonprofit organization; a
 224.6 housing and redevelopment authority under sections 469.001 to 469.047; a public housing
 224.7 authority or agency authorized by law to exercise any of the powers granted by sections
 224.8 469.001 to 469.047; or the owner of the housing. The provisions of subdivision 2, and
 224.9 paragraphs (a) to (e) and (g) of this subdivision, regarding the use of funds and eligible
 224.10 recipients apply to grants and loans awarded under this paragraph.

224.11 (g) ~~Except for the set-aside provided in subdivision 2, paragraph (d),~~ Eligible recipients
 224.12 must use the funds to serve households that meet the income limits as provided in section
 224.13 462A.33, subdivision 5.

224.14 Sec. 21. Minnesota Statutes 2022, section 469.012, is amended by adding a subdivision
 224.15 to read:

224.16 Subd. 14. Assistance to preserve naturally occurring affordable housing. An authority
 224.17 may provide financial assistance of any kind, including but not limited to grants, loans,
 224.18 forgivable loans, payment of interest, interest rate reduction, issuance of bonds and the
 224.19 spending of the proceeds of the bonds, to assist with the capital repair or replacement of an
 224.20 asset or category of assets with a regular life span in excess of 25 years and with a project
 224.21 cost in excess of \$5,000,000, where: (1) the capital repair project is in a multifamily housing
 224.22 building, whether owner-occupied or rental; (2) at least 25 percent of the units were sold
 224.23 or are rented to households meeting low-income requirements set by the United States
 224.24 Department of Housing and Urban Development; and (3) more than 25 years has elapsed
 224.25 since the asset or category of assets has been repaired or replaced. In the case of a common
 224.26 interest community, the assistance authorized herein may be provided whether or not the
 224.27 assets being repaired or replaced are owned by the individual unit owners or by the common
 224.28 interest community of which the individual unit owners are part of the membership, and
 224.29 may be provided to the common interest community or to individual unit owners, or both.

224.30 Sec. 22. Laws 2023, chapter 37, article 1, section 2, subdivision 2, is amended to read:

224.31 Subd. 2. Challenge Program	60,425,000	60,425,000
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224.32 (a) This appropriation is for the economic
 224.33 development and housing challenge program

225.1 under Minnesota Statutes, sections 462A.33
225.2 and 462A.07, subdivision 14.

225.3 (b) Of this amount, \$6,425,000 each year shall
225.4 be made available during the first 11 months
225.5 of the fiscal year exclusively for housing
225.6 projects for American Indians. Any funds not
225.7 committed to housing projects for American
225.8 Indians within the annual consolidated request
225.9 for funding processes may be available for
225.10 any eligible activity under Minnesota Statutes,
225.11 sections 462A.33 and 462A.07, subdivision
225.12 14.

225.13 (c) Of the amount in the first year, \$5,000,000
225.14 is for a grant to Urban Homeworks to expand
225.15 initiatives pertaining to deeply affordable
225.16 homeownership in Minneapolis neighborhoods
225.17 with over 40 percent of residents identifying
225.18 as Black, Indigenous, or People of Color and
225.19 at least 40 percent of residents making less
225.20 than 50 percent of the area median income.
225.21 The grant is to be used for acquisition,
225.22 rehabilitation, gap financing as defined in
225.23 Minnesota Statutes, section 462A.33,
225.24 subdivision 1, and construction of homes to
225.25 be sold to households with incomes ~~of 50 to~~
225.26 at or below 60 percent of the area median
225.27 income. This is a onetime appropriation, and
225.28 ~~is available until June 30, 2027.~~ By December
225.29 15 each year ~~until 2027,~~ Urban Homeworks
225.30 must submit a report to the chairs and ranking
225.31 minority members of the legislative
225.32 committees having jurisdiction over housing
225.33 finance and policy. The report must include
225.34 the amount used for (1) acquisition, (2)
225.35 rehabilitation, and (3) construction of housing

226.1 units, along with the number of housing units
 226.2 acquired, rehabilitated, or constructed, and the
 226.3 amount of the appropriation that has been
 226.4 spent. If any home was sold or transferred
 226.5 within the year covered by the report, Urban
 226.6 Homeworks must include the price at which
 226.7 the home was sold, as well as how much was
 226.8 spent to complete the project before sale.

226.9 (d) Of the amount in the first year, \$2,000,000
 226.10 is for a grant to Rondo Community Land
 226.11 Trust. This is a onetime appropriation.

226.12 (e) The base for this program in fiscal year
 226.13 2026 and beyond is \$12,925,000.

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

226.15 Sec. 23. Laws 2023, chapter 37, article 1, section 2, subdivision 32, is amended to read:

226.16	Subd. 32. Northland Foundation	1,000,000	-0-
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226.17 This appropriation is for a grant to Northland
 226.18 Foundation for use on expenditures authorized
 226.19 under Minnesota Statutes, section 462C.16,
 226.20 subdivision 3, to assist and support
 226.21 communities in providing housing locally, and
 226.22 ~~on~~ for assisting local governments to establish
 226.23 local or regional housing trust funds.
 226.24 Northland Foundation may award grants and
 226.25 loans to other entities to expend on authorized
 226.26 expenditures under this section. This
 226.27 appropriation is onetime and available until
 226.28 June 30, 2025.

226.29 Sec. 24. Laws 2023, chapter 37, article 2, section 12, subdivision 2, is amended to read:

226.30 Subd. 2. **Eligible homebuyer.** For the purposes of this section, an "eligible homebuyer"
 226.31 means an individual:

226.32 (1) whose income is at or below 130 percent of area median income;

227.1 ~~(2) who resides in a census tract where at least 60 percent of occupied housing units are~~
 227.2 ~~renter-occupied, based on the most recent estimates or experimental estimates provided by~~
 227.3 ~~the American Community Survey of the United States Census Bureau;~~

227.4 ~~(3)~~ (2) who is financing the purchase of an eligible property with an interest-free,
 227.5 fee-based mortgage; and

227.6 ~~(4)~~ (3) who is a first-time homebuyer as defined by Code of Federal Regulations, title
 227.7 24, section 92.2.

227.8 Sec. 25. **HOUSING AFFORDABILITY PRESERVATION INVESTMENT.**

227.9 Subdivision 1. Establishment. The commissioner of the Minnesota Housing Finance
 227.10 Agency must establish and administer a grant program to support recapitalization of distressed
 227.11 buildings.

227.12 Subd. 2. Definitions. For purposes of this section:

227.13 (1) "distressed building" means an existing rental housing building in which the units
 227.14 are restricted to households at or below 60 percent of the area median income, and:

227.15 (i) is in foreclosure proceedings;

227.16 (ii) has two or more years of negative net operating income;

227.17 (iii) has two or more years with a debt service coverage ratio of less than one; or

227.18 (iv) has necessary costs of repair, replacement, or maintenance that exceed the project
 227.19 reserves available for those purposes; and

227.20 (2) "recapitalization" means financing for the physical and financial needs of a distressed
 227.21 building, including restructuring and forgiveness of amortizing and deferred debt, principal
 227.22 and interest paydown, interest rate write-down, deferral of debt payments, mortgage payment
 227.23 forbearance, deferred maintenance, security services, property insurance, capital
 227.24 improvements, funding of reserves for supportive services, and property operations.

227.25 Subd. 3. Grant program. The commissioner must use a request for proposal process
 227.26 to consider funding requests and award grants to finance recapitalization of distressed
 227.27 buildings. In awarding grants, the commissioner must give priority to distressed buildings
 227.28 most at risk of losing affordable housing, to the extent practicable.

227.29 Subd. 4. Report. By February 1, 2025, and November 30, 2025, the commissioner shall
 227.30 submit a report to the chairs and ranking minority members of the legislative committees
 227.31 having jurisdiction over housing and homelessness. The report must detail the number of

228.1 applications received, the amount of funding requested, the grants awarded, and the number
228.2 of affordable housing units preserved through awards under this section.

228.3 **Sec. 26. REPORT ON RENTAL HOUSING PROGRAMS.**

228.4 The commissioner of the Minnesota Housing Finance Agency must review the financial
228.5 impacts of the low-income rental property tax classification in Minnesota Statutes, section
228.6 273.128, and the low-income housing tax credit program under section 42 of the Internal
228.7 Revenue Code, including the extent of rent increases and housing related expenses. By
228.8 December 15, 2024, the commissioner must report on the findings and recommendations
228.9 for legislative changes to the chairs and ranking minority members of the legislative
228.10 committees with jurisdiction over human services, housing finance, and taxes. The
228.11 commissioner must use existing financial resources for this review and report.

228.12 **Sec. 27. SINGLE-EXIT STAIRWAY APARTMENT BUILDING REPORT.**

228.13 The commissioner of labor and industry must evaluate conditions under which single-exit
228.14 stairway apartment buildings above three stories up to 75 feet would achieve life safety
228.15 outcomes equal to or superior to currently adopted codes, including those for multifamily
228.16 buildings with very large footprints and single-family houses. The commissioner must use
228.17 research techniques that include smoke modeling, egress modeling, an analysis of fire loss
228.18 history in jurisdictions that have already adopted similar provisions, and interviews with
228.19 fire services regarding fire suppression and rescue techniques in such buildings. The
228.20 commissioner shall consult with relevant stakeholders, including but not limited to the
228.21 Minnesota Fire Chiefs Association, Minnesota Professional Firefighters Association,
228.22 Association of Minnesota Building Officials, Housing First Minnesota, Center for Building
228.23 in North America, and faculty from the relevant department of a university which grants
228.24 degrees in fire protection engineering. The commissioner may contract with external experts
228.25 or an independent third party to develop the report and perform other functions required of
228.26 the commissioner under this section. By December 31, 2025, the commissioner must report
228.27 on the findings to the chairs and ranking minority members of the legislative committees
228.28 with jurisdiction over housing and state building codes.

228.29 **Sec. 28. REPORT TO THE LEGISLATURE.**

228.30 By January 15 each year, the commissioner of the Minnesota Housing Finance Agency
228.31 must submit a report to the chairs and ranking minority members of the legislative committees
228.32 having jurisdiction over housing finance and policy containing the following information:

- 229.1 (1) the total number of applications for funding;
- 229.2 (2) the amount of funding requested;
- 229.3 (3) the amounts of funding awarded; and
- 229.4 (4) the number of housing units that are affected by funding awards, including the number
- 229.5 of:
- 229.6 (i) newly constructed owner-occupied units;
- 229.7 (ii) renovated owner-occupied units;
- 229.8 (iii) newly constructed rental units; and
- 229.9 (iv) renovated rental units.

229.10 Sec. 29. **REVISOR INSTRUCTION.**

229.11 The revisor of statutes shall renumber Minnesota Statutes, section 462A.37, subdivision

229.12 2i, as Minnesota Statutes, section 462A.37, subdivision 3a. The revisor shall also make

229.13 necessary cross-reference changes in Minnesota Statutes.

229.14 **ARTICLE 13**

229.15 **EXPEDITING RENTAL ASSISTANCE**

229.16 Section 1. **[462A.2096] ANNUAL PROJECTION OF EMERGENCY RENTAL**

229.17 **ASSISTANCE NEEDS.**

229.18 The agency must develop a projection of emergency rental assistance needs in

229.19 consultation with the commissioner of human services and representatives from county and

229.20 Tribal housing administrators and housing nonprofit agencies. The projection must identify

229.21 the amount of funding required to meet all emergency rental assistance needs, including

229.22 the family homelessness prevention and assistance program, the emergency assistance

229.23 program, and emergency general assistance. By January 15 each year, the commissioner

229.24 must submit a report on the projected need for emergency rental assistance to the chairs and

229.25 ranking minority members of the legislative committees having jurisdiction over housing

229.26 and human services finance and policy.

229.27 Sec. 2. **DATA COLLECTION TO MEASURE TIMELINESS OF RENTAL**

229.28 **ASSISTANCE.**

229.29 The commissioner of the Minnesota Housing Finance Agency must work with the

229.30 commissioner of human services to develop criteria for measuring the timeliness of

230.1 processing applications for rental assistance. The commissioner of the Minnesota Housing
230.2 Finance Agency must collect data to monitor application speeds of the family homelessness
230.3 prevention and assistance program and use the collected data to inform improvements to
230.4 application processing systems. By January 15, 2027, the commissioner of the Minnesota
230.5 Housing Finance Agency must submit a report to the chairs and ranking minority members
230.6 of the legislative committees having jurisdiction over housing finance and policy. The report
230.7 must include analysis of the data collected and whether goals have been met to (1) process
230.8 an emergency rental assistance application within two weeks of the receipt of a complete
230.9 application, and (2) if approved, make payment to a landlord within 30 days of the receipt
230.10 of a complete application.

230.11 **Sec. 3. E-SIGNATURE OPTIONS FOR RENTAL ASSISTANCE.**

230.12 The commissioner of the Minnesota Housing Finance Agency, working with the
230.13 commissioner of human services, shall develop uniform e-signature options to be used in
230.14 applications for the family homelessness prevention and assistance program. No later than
230.15 June 30, 2026, the commissioner shall require administrators of the family homelessness
230.16 prevention and assistance program to incorporate and implement the developed e-signature
230.17 options. The commissioner must notify the chairs and ranking minority members of the
230.18 legislative committees with jurisdiction over housing of the date when the e-signature options
230.19 are implemented.

230.20 **Sec. 4. VERIFICATION PROCEDURES FOR RENTAL ASSISTANCE.**

230.21 (a) The commissioner of the Minnesota Housing Finance Agency, working with program
230.22 administrators, must develop recommendations to simplify the process of verifying
230.23 information in applications for the family homelessness prevention and assistance program.

230.24 In developing recommendations, the commissioner must consider:

230.25 (1) allowing self-attestation of emergencies, assets, and income;

230.26 (2) allowing verbal authorization by applicants to allow emergency rental assistance
230.27 administrators to communicate with landlords and utility providers regarding applications
230.28 for assistance; and

230.29 (3) allowing landlords to apply for emergency rental assistance on tenants' behalf.

230.30 (b) The commissioner must:

230.31 (1) prepare recommendations by January 1, 2025;

230.32 (2) adopt any recommendations by July 1, 2025; and

231.1 (3) provide technical assistance to counties, Tribes, and other emergency rental assistance
231.2 administrators to implement these recommendations.

231.3 (c) By January 13, 2025, the commissioner must report to the chairs and ranking minority
231.4 members of the legislative committees with jurisdiction over housing detailing the proposed
231.5 recommendations required by this section. By July 7, 2025, the commissioner must report
231.6 to the chairs and ranking minority members of the legislative committees with jurisdiction
231.7 over housing detailing the recommendations adopted as required by this section.

179.81 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 179.81 to 179.85, the terms defined in this section have the meanings given them.

Subd. 2. **Area labor-management committee or committee.** "Area labor-management committee" or "committee" means a committee formed by and composed of multiple employers and multiple labor organizations within a geographic area or statewide employment sector, for the purpose of improving labor-management relations and enhancing economic development within a given geographic jurisdiction or sector through labor-management cooperation.

Subd. 3. **Bureau.** "Bureau" means the Bureau of Mediation Services.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of the Bureau of Mediation Services.

179.82 GRANT PROGRAM CREATED; APPLICATIONS.

Subdivision 1. **Creation.** An area labor-management committee grant program is created within the bureau to be administered by the commissioner.

Subd. 2. **Rules.** Applications for area/statewide industry labor-management committee grants must be submitted to the bureau under rules adopted by the commissioner.

179.83 ACTION ON APPLICATION.

Subdivision 1. **Standard for approval.** Following an established calendar, the commissioner shall review the applications. Grants must be awarded on a competitive basis based on the appropriateness of the proposal, the attainability of the goals, the evidence of interest in the proposal among representatives of labor and management in the area within the committee's jurisdiction, and the thoroughness of the financial plan presented. Successful applicants shall be notified of the award no later than December 1 of each year.

179.84 GENERAL CONDITIONS AND TERMS OF GRANTS.

Subdivision 1. **Requirements.** For each grant awarded the commissioner shall:

(1) require an approved work plan that establishes measurable goals and objectives for the committee within the committee's area of responsibility and that prohibits the committee from becoming involved in contract disputes, labor negotiations, or grievance procedures; and

(2) annually review the operating performance of each area labor-management committee receiving state money under this program.

179.85 FUNDING LIMITATIONS.

A new or existing area labor-management committee may apply for a maximum grant of \$75,000 per year. A new or existing area labor-management committee may be awarded state grant money, and must provide money from other nonstate sources, in the following ratio of state and nonstate money: in the first year, 90 percent state and ten percent nonstate; in the second year, 80 percent state and 20 percent nonstate; in the third year and beyond, 50 percent state and 50 percent nonstate.

430.01 DESIGNATION OF LAND FOR VARIOUS USES.

Subd. 4. **Definition.** As used in this chapter, the term "system of streets, parks, and parkways" means a body of contiguous land designed to be used in part for streets and in part for parks or parkways. The concurrent resolution must designate which part is for streets, which part is for parks, and which part is for parkways.

Laws 2023, chapter 37, article 2, section 13

Sec. 13. **MANUFACTURED HOME LENDING GRANTS.**

Subdivision 1. **Program established.** The commissioner of the Minnesota Housing Finance Agency must award a grant to an organization for manufactured home lending services under subdivision 2.

Subd. 2. **Eligible services.** The commissioner may award a grant under this section to an organization providing lending funds for the following services:

- (1) new manufactured home financing programs;
- (2) manufactured home down payment assistance; or
- (3) manufactured home repair, renovation, removal, and site preparation financing programs.

Subd. 3. **Eligible organization.** To be eligible for a grant under this section, a nonprofit organization must:

- (1) qualify for tax exempt status under United States Code, title 26, section 501(c)(3);
- (2) have primary operations located in Minnesota;
- (3) be a qualified nonprofit lender or certified as a community development financial institution by the United States Department of the Treasury; and
- (4) serve low-income populations in manufactured home communities owned by residents, cooperatives, nonprofits, or municipalities.

Subd. 4. **Commissioner duties.** The commissioner shall develop the forms, applications, and reporting requirements for use by eligible organizations. In developing these materials, the commissioner shall consult with manufactured housing cooperatives, resident-owned manufactured home communities, and nonprofit organizations working with manufactured housing cooperatives and resident-owned communities.

Subd. 5. **Loan payments and interest.** Interest earned and repayments of principal from loans issued under this section must be used for the purposes of this section.

5520.0100 APPLICATION.

Parts 5520.0100 to 5520.0800 apply to the preparation, submission, and approval of applications for grants under the Minnesota Area Labor-Management Committee Grant Program.

5520.0110 POLICY.

Parts 5520.0100 to 5520.0800 shall be liberally construed to accomplish the provisions and purposes of the Minnesota Area Labor-Management Committee Grant Program.

5520.0120 DEFINITIONS.

Subpart 1. **Scope.** For the purpose of parts 5520.0100 to 5520.0800, the terms defined in this part have the meanings given them.

Subp. 2. **Application.** "Application" means a written request for grant funds completed on a form developed by and available from the bureau.

Subp. 3. **Bureau.** "Bureau" means the Minnesota Bureau of Mediation Services.

Subp. 4. **Commissioner.** "Commissioner" means the commissioner of the bureau or an authorized agent.

Subp. 5. **Area Labor-Management Committee or committee.** "Area Labor-Management Committee" or "committee" means an organization of representatives from multiple labor organizations and multiple employer enterprises within a geographic area or statewide employment sector which has as its principle purpose the strengthening of union-management relations within the area or sector.

Subp. 6. **Grant program.** "Grant program" means the Minnesota Area Labor-Management Committee Grant Program, as created in Minnesota Statutes, sections 179.81 to 179.85.

Subp. 7. **Office of Cooperative Labor-Management Programs.** "Office of Cooperative Labor-Management Programs" means the office within the bureau created to administer the grant program.

5520.0200 GRANT APPLICATIONS.

Subpart 1. **Scope.** The procedures in this part will be used by the commissioner in receiving and considering grant program applications.

Subp. 2. **Notice and deadline.** On or before September 1 of each calendar year, the commissioner shall publish a notice of the availability of funds under the grant program in the State Register. An application for a grant must be submitted to the bureau by October 15 of the previous year.

Subp. 3. **Application form and purpose.** Each application must be on forms available from the bureau and must include a statement of purpose and a description of the Area Labor-Management Committee requesting grant funds. All current committee members and officers must be identified in the application and a brief description of the committee's existing or proposed operating procedures must be included. A copy of the committee bylaws, if adopted, must also accompany the application.

Subp. 4. **Statement of goals.** The application must include a descriptive statement of the labor-management climate and major issues or problems existing in the committee's area of jurisdiction, as well as the major purpose or goal of the committee in the context of the problems. The goal statement must describe specific changes or outcomes the committee seeks to accomplish through use of grant program funds. Quantifiable, specific goal and problem statements are encouraged. Applicants should avoid broad, generic, overly-generalized statements.

Subp. 5. **Methodology.** The application must include a description of the approach and methodology to be used by the committee in solving the problems and achieving the goals identified in subpart 4. The application must include an implementation plan setting forth specific and measurable goals and objectives to be accomplished during the grant period, the major action steps to be taken, a timetable indicating when those action steps will be taken, and when goals and objectives will be accomplished.

Subp. 6. **Financial plan.** The application must include a four-year financial plan detailing the revenues and expenditures anticipated over a four-year period, commencing with the year for which the grant is being requested. The plan must identify the total amount of state funding necessary to carry out the committee's goals and objectives and the money to be raised from other sources to meet the guidelines of the grant program. The plan must be accompanied by a proposed committee budget over the four-year period detailing how all money, including state grant money, is to be expended. Existing committees must also submit copies of actual financial statements for the four-year period preceding the proposed grant period.

5520.0250 GRANT RESTRICTIONS.

Subpart 1. **Labor negotiations, grievances, or disputes.** No committee funded, in whole or in part, through the grant program may engage in activities directly or indirectly related to labor negotiations, contract disputes, or grievance procedures. Violation of this subpart is grounds for termination of the grant.

Subp. 2. **Prior obligations.** No grant money may be used directly or indirectly to cover costs incurred before the effective date of the grant nor to cover costs that are not specifically related to the goals in the application. No finder's fee or other form of payment for successful application shall be permitted in conjunction with the grant program.

Subp. 4. **Delegation or transfer.** A successful applicant may not, in whole or in part, delegate or transfer responsibility for the management of the grant or control and use of its funds to any other organization or entity.

5520.0300 GRANT PERIOD AND AMOUNT.

Subpart 1. **Grant period.** All grants are awarded for a 12-month period commencing January 1.

Subp. 2. **Amount.** The amount of each grant will be determined by the commissioner after considering the merits and reasonableness of each application, the total funds available in relationship to the total amounts requested, prior awards and experiences with individual applicants, the usual and customary costs of operating a committee, and the overall purposes and goals of the program.

Subp. 3. **Ratio of state and nonstate funds.** Regardless of the funds available, no grant will be awarded that would be inconsistent with the following ratio of state and nonstate revenues for the committee: (Year 1 is the first year state funds are received under this program, Year 2 is the second, etc.).

	Percent Nonstate Revenues	Percent State Revenues
Year 1	10	90
Year 2	20	80
Year 3 & Beyond	50	50

5520.0500 APPLICATION REVIEW PROCEDURES.

Subpart 1. **Competitive basis.** All timely and complete applications will be reviewed on a competitive basis. Grants will be awarded by the commissioner in amounts and to parties as deemed consistent with the overall purposes of the grant program. In evaluating applications and awarding grants, the factors described in this part will be considered.

Subp. 2. **Appropriateness.** The appropriateness of the proposal must be evaluated. Appropriateness includes:

- A. consistency of the proposal's purpose with the public policy objectives of the grant program;
- B. the extent and history of labor-management activity within the area to be served by the proposed grant;
- C. other past or present cooperative labor-management activities within the designated area;
- D. the need for public funding of the endeavor; and
- E. the reasonableness of proposed expenditures in relationship to benefits to be derived.

Subp. 3. **Attainability of goals.** The attainability of the goals in the proposal must be evaluated. Attainability includes:

- A. ability of the applicant to articulate quantifiable and meaningful goals and activities;
- B. evaluation of the applicant's ability and capacity to implement program activities necessary to achieve stated goals;
- C. prior success of the applicant in achieving previous program goals;
- D. other labor-management activities in the area; and
- E. the relationship of the proposed goals with the overall objectives of the grant program.

Subp. 4. **Support for the proposal.** Evidence of support for the proposal from multiple labor-management representatives within the area will be reviewed. The evidence may be submitted in the form of letters of endorsement, resolutions of support adopted by ad hoc groups, or other form that permits consultation and verification with individual representatives by the bureau. Established committees must attach a copy of the minutes of the meeting at which the proposal was approved and the minutes should reflect the names and organizations of all persons present for the meeting.

Subp. 5. **Financial plans.** The thoroughness of the four-year financial plan submitted as a part of the proposal, including an analysis of the overall reasonableness of revenue and expense projections; the detail and reasonableness of projected funding sources and amounts; and the detail and reasonableness of projected expenditures will be considered. Established committees must attach copies of actual financial operating statements that reflect annual revenue sources and amounts and expense categories and amounts for each year of the three-year period preceding the current year, as well as for the current year-to-date.

Subp. 6. **Work plans.** The thoroughness of detailed plans for achieving the major goals and objectives of the committee will be evaluated to determine the ability of the committee to identify key tasks and action steps necessary to the attainment of goals; the designation of appropriate time frames; relevance of work plans to objectives of the grant program; and the extent of planning undertaken by the applicant with regard to its goals.

5520.0520 WORK PLAN.

Each grant application must include a work plan that describes the major work steps to be undertaken by the committee during the grant period in achieving its individual goals and objectives. Work plans should describe each area of substantial program activity contemplated by the committee, the key steps necessary to achieving each program activity, and a time frame for determining progress in each activity area. Grantees are responsible for compliance with their work plans and for advising the Office of Cooperative Labor-Management Programs of any significant alterations in the goals, objectives, or work plans of the committee. Written quarterly reports, describing the progress and problems in adhering to the work plan, must accompany financial reports in conformance to the provisions of part 5520.0560.

5520.0540 BUDGET ADJUSTMENTS.

Grant recipients must consult, in writing, with the Office of Cooperative Labor-Management Programs before making budget adjustments that:

- A. result in changes in the scope or objectives of the program in the approved application;
- B. result in more grant money available than is necessary to meet the needs of the program;
- C. result in a change in the percent of state funds available to the grantee that would be inconsistent with part 5520.0300, subpart 3, or Minnesota Statutes, section 179.85; or
- D. amount to ten percent or more of the total grant awarded.

5520.0560 QUARTERLY REPORTS.

Each grant recipient must file detailed financial and activity reports on a quarterly basis in accordance with the following schedule:

- A. Period covered: January 1 to March 31, date due: April 20;
- B. Period covered: April 1 to June 30, date due: July 20;
- C. Period covered: July 1 to September 30, date due: October 20; and
- D. Period covered: October 1 to December 31, date due: January 20.

5520.0600 ACCOUNTING SYSTEM.

Each grant recipient must establish and maintain a system of financial management of the grant that complies with accepted accounting practices. The system must provide accurate, current, and complete information on the financial status of each grant-supported activity and must include the generation of periodic reports indicating the allocation of funds by activity, the amount expended, and the amount obligated. Each dollar of Area Labor-Management Committee Grant Program money must be traceable through the accounting system.

All accounting documents must be supported by source documentation such as payroll records, invoices, and purchase vouchers. All employees paid in whole or in part from grant funds must prepare time sheets reflecting the number of hours worked on grant activities during the pay period and the payroll must be based on these time sheets. Any purchase of services agreement entered into by the committee must specify the amount and nature of services to be provided in a manner that facilitates determination of an hourly or per-unit rate for those services.

5520.0620 AUDITS.

Subpart 1. **Financial and compliance audits.** All grant recipients must arrange for and undergo a financial and compliance audit at least once every two years. The audits must be performed by qualified individuals who are independent of those persons who authorize, manage, and carry out the expenditure of funds to ensure unbiased opinions, conclusions, or judgments. Grant recipients are responsible for arranging and paying for these audits. The purpose of the audit is to report on whether:

- A. the financial operations have been conducted properly;
- B. financial and other reports submitted as a part of the program have been presented fairly and accurately;
- C. the grantee has complied with applicable laws, regulations, and policies;
- D. resources are used and managed in an economic and efficient manner; and
- E. program objectives and results are being effectively and economically achieved.

Normal accepted auditing methods and standards must be applied in the performance of this audit. Should an auditor become aware of irregularities in financial or programmatic performance, the auditor must promptly notify the commissioner of those irregularities and, if appropriate, higher grantee management officials than the level at which irregularities appear to lie.

Subp. 2. **Audit reports.** A written audit report shall be prepared and include:

- A. a statement of the standards used in the performance of the audit;
- B. financial statements and audit comments on the statements for the period;
- C. audit comments regarding compliance and internal control; and
- D. comments regarding the accuracy and completeness of financial and program reports filed by the grantee.

Three copies of the written audit report must be provided to the commissioner and a copy shall be made available to each member of the committee.

5520.0700 INITIAL PAYMENTS.

No grant payments will be issued until the grant application and required work plans have received final approval by the commissioner and a written grant contract has been executed and approved.

5520.0710 SUBSEQUENT PAYMENTS.

Subsequent grant payments will be made on a quarterly basis based on submission of a payment request form and other required reports. When computing requests for payment, the recipient should first apply any unused portions of a previous grant payment toward the next month's anticipated expenditures.

5520.0800 TERMINATION OF GRANTS.

Subpart 1. **General.** Grants shall be suspended, terminated, or withdrawn, in whole or in part, by the commissioner if funds provided are used in a manner inconsistent with the policies of parts 5520.0100 to 5520.0800, or if it appears that funds are being used in a manner inconsistent with the stated goals and purpose of the grant application or approved amendments. Grants shall also be suspended, terminated, or withdrawn if it appears that the applicant is unable or unwilling to fulfill responsibilities set forth in the application.

Subp. 2. **Notice.** In the event the commissioner believes that there is reason to suspend, terminate, or withdraw a grant, the commissioner shall provide written notice to the grant recipient stating the nature of the contemplated action, the anticipated effective date, and

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the reasons for the action. The grant recipient may submit a written response to the notice within five working days of receipt of the notice from the commissioner. After investigating the situation, including any information provided by the committee in response to the commissioner's notice, the commissioner shall determine final action with regard to suspension, termination, or withdrawal of the grant. The commissioner shall provide written notice of the final determination to all interested parties.