

S.F. No. 10 – Transportation Omnibus (1st Engrossment)

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Article 1 - Transportation Appropriations

Section 1 states that all appropriations in this article are from the trunk highway fund unless another fund is specified. Defines certain terms, including a definition of legislative staff for the purpose of receiving agency communications.

Section 3. Department of Transportation.

Subdivision 1. Total MnDOT Appropriations. Contains the total appropriations to the Department of Transportation by fund. Prohibits trunk highway fund appropriations from being used for transit and active transportation; aeronautics; passenger rail; tourist information centers; parades, events, or sponsorship of events; or public electric vehicle infrastructure.

Subdivision 2. Multimodal systems.

(a) **Aeronautics.**

- (1) Appropriations for airport development and assistance, including \$5.6 million one-time in fiscal year 2022 for a Karlstad airport runway.
- (2) Appropriations for aviation support and services, including \$28,000 in fiscal year 2022 and \$36,000 in fiscal year 2023 for regulating unmanned aircraft systems. Replaces the base trunk highway fund appropriation with general fund.
- (3) Appropriations for the Civil Air Patrol.

- (b) **Transit.** Appropriations for Greater Minnesota transit systems, including \$40,000 in fiscal year 2022-23 for operating adjustments, \$5 million one-time in fiscal year 2022 for active transportation grants, and \$300,000 one-time in fiscal

year 2022 for a grant to the 494 Corridor Commission. Replaces the base trunk highway fund appropriation with general fund.

- (c) **Safe Routes to School.** Appropriations for the Safe Routes to School grant program, including \$5 million one-time funding in fiscal year 2022.
- (d) **Passenger Rail.** Appropriations for state passenger rail, including \$10 million one-time in fiscal year 2022 for a second daily Amtrak train between the Twin Cities and Chicago.
- (e) **Freight.** Appropriations for freight programs, including \$314,000 in fiscal year 2022-23 for operating adjustments, \$1 million one-time in fiscal year 2022 for procurement of a statewide freight optimization tool, and \$637,000 in fiscal year 2022-23 for additional rail safety inspectors.

Subdivision 3. State Roads.

- (a) **Operations and Maintenance.** Appropriations for trunk highway operations and maintenance, including \$9.08 million in fiscal year 2022-23 for operating adjustments and \$4.26 million one-time in fiscal year 2022-23 for liquid deicing chemicals and equipment.
- (b) **Program Planning and Delivery.**
 - Planning and Research: Appropriations, including \$480,000 in fiscal year 2022-23 for operating adjustments and up to \$500,000 one-time in fiscal year 2022 for safety improvements in MNDOT District 1.
 - Program Delivery: Appropriations, including \$6.92 million in fiscal year 2022-23 for operating adjustments.
- (c) **State Road Construction.** Appropriations for construction and improvement of trunk highways, including fiscal year 2022-23 increases of \$257.6 million over base funding, and:
 - up to one-half of one percent of the federal highway funds included in the appropriation may be used for highway construction-related job training center grants; and
 - up to \$15 million each year may be used for the transportation revolving loan fund.
- (d) **Corridors of Commerce.** Appropriations for the Corridors of Commerce project selection program. Allows use of up to 17% of appropriation for program delivery in each year.
- (e) **Highway Debt Service.** Appropriations for highway debt service, including \$23.3 million in fiscal year 2022-23 for debt service on additional bond authorizations in **Article 2**. Allows the commissioner of management and budget to transfer an additional amount if this appropriation is insufficient to make all transfers required in a given year.

- (f) **Statewide Radio Communications.** Appropriations for statewide radio communications, including \$160,000 in fiscal year 2022-23 for operating adjustments.

Subdivision 4. Local Roads.

- (a) **County State Aid Roads.** Appropriations for statutory distribution to counties, including \$12 million one-time in fiscal year 2022 for town roads.
- (b) **Municipal State Aid Roads.** Appropriations for statutory distribution to cities with population of over 5,000.
- (c) **Other Local Roads.**
 - (1) Appropriates \$14 million one-time in fiscal year 2022 for local bridge improvements.
 - (2) Appropriates \$5.5 million one-time in fiscal year 2022 for local road improvements.
 - (3) Appropriates \$18 million one-time in fiscal year 2022 for statutory distribution to small cities (population under 5,000) for road improvements.

Subdivision 5. Agency Management.

- (a) **Agency Services.** Appropriations for MNDOT agency services, including \$14.8 million in fiscal year 2022-23 for agency cybersecurity improvements, and \$1.46 million in fiscal year 2022-23 for operating adjustments. Replaces a portion of the base trunk highway fund appropriation with general fund.
- (b) **Buildings.** Appropriations for MNDOT buildings, including \$802,000 in fiscal year 2022-23 for operating adjustments.
- (c) **Tort Claims.** Appropriations for tort claims.

Subdivision 6. Transfers.

- (a) Allows the commissioner, with approval of the commissioner of management and budget, to transfer among the appropriations from trunk highway fund and state airports fund contained in this article. Any such transfers may not be made (1) between funds, (2) from the appropriations for state road construction or debt service, and (3) from the appropriations for operations and maintenance or program delivery unless the transfer is to state road construction or debt service.
- (b) Requires that transfers under **paragraph (a)** must be reported to the legislature.
- (c) Transfers funds from the flexible highway account in fiscal year 2022 and fiscal year 2023 to the trunk highway fund, the municipal turnback account, and the county turnback account. The transfers are for the costs of highway turnbacks.

Subdivision 7. Contingent Appropriations. Allows the commissioner, with approval of the governor and the majority of a group consisting of the Legislative Advisory Commission and ranking minority members of the House and Senate transportation finance committees, to transfer all or part of the balance in the trunk highway fund to an appropriation:

- (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income or federal advance construction funding;
- (2) for trunk highway maintenance to meet an emergency; or
- (3) to pay tort or environmental claims.

Specifies that any transfer as a result of using federal advance construction funding must include an analysis of the effects on the long-term trunk highway fund balance. Does not authorize commissioner to increase federal advanced construction funding beyond specifically authorized amounts.

Section 4. Metropolitan Council.

Subdivision 1. Total Metropolitan Council Appropriations. Contains the total appropriations to the Metropolitan Council from the general fund.

Subdivision 2. Transit System Operations. Appropriations for transit, including \$250,000 one-time in fiscal year 2022 for a zero-emission transit vehicle transition plan, \$250,000 one-time in fiscal year 2022 for a study of transit system improvements along Trunk Highway 55, and \$57.5 million one-time in fiscal year 2022 for arterial bus rapid transit projects.

Subdivision 3. Metro Mobility. Appropriations for Metro Mobility program.

Section 5. Department of Public Safety.

Subdivision 1. Total Public Safety Appropriations. Contains the total appropriations to the Department of Public Safety transportation-related programs by fund. States that the commissioner must spend trunk highway fund appropriations in subdivision 3 only for state patrol purposes.

Subdivision 2. Administration and Related Services.

- (a) **Office of Communications.** Appropriations for communications. Replaces the base trunk highway fund appropriation with general fund.
- (b) **Public Safety Support.** Appropriations for public safety support, including \$135,000 in fiscal year 2022-23 for operating adjustments.
- (c) **Public Safety Officer Survivor Benefits.** Appropriations.
- (d) **Public Safety Office Reimbursements.** Appropriations.
- (e) **Soft Body Armor Reimbursements.** Appropriations for soft body armor reimbursement. Replaces the base trunk highway fund appropriation with general fund.

- (f) **Technology and Support Services.** Appropriations for technology and support. Replaces the base highway user tax distribution fund appropriation and a portion of base trunk highway fund appropriation with general fund.

Subdivision 3. State Patrol.

- (a) **Patrolling Highways.** Appropriations for state troopers in patrolling highways, including \$6.346 million in fiscal year 2022-23 for body worn cameras, and \$14.485 million in fiscal year 2022-23 for staff and equipment costs of additional troopers.
- (b) **Commercial Vehicle Enforcement.** Appropriations for state troopers in commercial vehicle enforcement, including \$854,000 in fiscal year 2022-23 for body worn cameras.
- (c) **Capitol Security.** Appropriations for state troopers in capitol security, including \$844,000 in fiscal year 2022-23 for body worn cameras, \$13.283 million in fiscal year 2022-23 for staff and equipment costs of additional troopers, and \$2.094 million in fiscal year 2022-23 for operating adjustments.
- (d) **Vehicle Crimes Unit.** Appropriations for state troopers in the vehicle crimes unit, including \$40,000 in fiscal year 2022-23 for body worn cameras.

Subdivision 4. Driver and Vehicle Services.

- (a) **Driver Services.** Appropriations for driver services, including \$5.196 million one-time in fiscal year 2022-23 for costs of reopening closed driver exam stations, \$2.384 million in fiscal year 2022-23 for a pilot project for same-day driver's license issuance, and \$3.651 million in fiscal year 2022-23 for costs of additional staffing and operations.
- (b) **Vehicle Services.** Appropriations for vehicle services, including \$200,000 one-time in fiscal year 2022 for an independent review of MNDRIIVE, \$250,000 one-time in fiscal year 2022 for programming costs related to implementation of self-service vehicle registration renewal kiosks, and \$3.742 million in fiscal year 2022-23 for costs of additional staffing and operations. Replaces the highway user tax distribution fund appropriation (partially in fiscal year 2022 and fully in fiscal year 2023) with appropriations from the vehicle services operating account in the special revenue fund, supported by increased license plate fee revenue.

Subdivision 5. Traffic Safety. Appropriations for the traffic safety office, including \$14.796 million one-time in fiscal year 2022-23 for grants to schools and school bus companies for school bus stop-arm camera systems, \$204,000 one-time in fiscal year 2022-23 for grant administration staff costs, and \$13,000 in fiscal year 2022-23 for operating adjustments.

Subdivision 6. Pipeline Safety. Appropriations for the pipeline safety office.

Subdivision 7. Hazardous Substances Transportation Incident Preparedness. Appropriation of \$1 million one-time in fiscal year 2022 for training and response preparedness related to train or pipeline discharge incidents involving oil or other hazardous substances.

Section 5. State Patrol Trooper Academy. Amends a fiscal year 2021 appropriation to the Department of Public Safety for a state patrol trooper academy, allowing the commissioner to use up to \$1.718 million of that appropriation for the same purpose until December 30, 2021.

Section 6. Trunk Highway Corridor Studies and Local Road Grants; Appropriation.

Appropriation of \$30.93 million one-time in fiscal year 2022 to MNDOT for costs of trunk highway and local road projects, including for grants to local governments for their share of these projects. Purposes include studies, project development, predesign, preliminary and final design, engineering, environmental analysis and mitigation, right-of-way acquisition, construction, and associated infrastructure improvements.

Section 7. Department of Employment and Economic Development; Appropriation.

Appropriation of \$30,000 one-time in fiscal year 2022-23 for temporary staff costs related to procurement of a statewide freight optimization tool for MNDOT.

Section 8. Appropriation Cancellations.

- (a) **MNDOT.** Cancellation of \$271,000 of a fiscal year 2021 appropriation from the general fund for MNDOT's passenger rail program.

- (b) **DPS.** Cancellation of \$220,000 of a fiscal year 2021 appropriation from the general fund for public safety support in DPS Administration.

Section 9. Rail Service Improvement; Transfer. Transfer of \$13 million one-time in fiscal year 2022-23 from the general fund to the rail service improvement account in the special revenue fund, for the rail service improvement (MRSI) program.

Section 10. Special Revenue Fund; Transfer. Transfer of \$5 million one-time in each of fiscal year 2021 and fiscal year 2022 from the vehicle services operating account to the driver services operating account, both in the special revenue fund.

Section 11. Appropriations Budget. Requires MnDOT and the Department of Public Safety to produce budget narratives and proposals for the 2024-25 biennium that match the budget structure set in the act. Requires additional budgeting detail to be provided by the Metropolitan Council as part of its budget submission for 2024-25.

Section 12. Minnesota Law Enforcement Association Retroactive Contract Funding.

Subdivision 1. Allows the commissioner of public safety to cancel certain fiscal year 2021 appropriations from the general fund, trunk highway fund, highway user tax distribution fund, and opiate epidemic response fund if a collective bargaining agreement between MN Management and Budget and the MN Law Enforcement Association for July 1, 2019 through June 30, 2021 is not implemented before June 30, 2021.

Subdivision 2. Appropriates in fiscal year 2022 the amounts cancelled to the general fund in **subdivision 1.**

Subdivision 3. Appropriates in fiscal year 2022 the amounts cancelled to the trunk highway fund in **subdivision 1.**

Subdivision 4. Appropriates in fiscal year 2022 the amounts cancelled to the highway user tax distribution fund in **subdivision 1**.

Subdivision 5. Appropriates in fiscal year 2022 the amounts cancelled to the opiate epidemic response fund in **subdivision 1**.

Subdivision 6. States that the appropriations made in this section are for retroactive salary increases in a final collective bargaining agreement between MN Management and Budget and the MN Law Enforcement Association.

Article 2 - Trunk Highway Bonds

Section 1. Bond Appropriations. Contains summary of total appropriations in this article: \$413 million to MNDOT and \$413,000 to MN Management and Budget from the bond proceeds account in the trunk highway fund.

Section 2. Department of Transportation.

Subdivision 1. Corridors of Commerce. Appropriations of \$100 million in fiscal year 2024 and \$100 million in fiscal year 2025 to MNDOT for the corridors of commerce program, of which up to 17% may be used for program delivery. The commissioner must begin the project selection process for all available funds by August 1, 2022. These appropriations cancel as provided in statute, with the issuance date counted as the first day of the fiscal year in which the bonds are available rather than this section's date of enactment.

Subdivision 2. State Road Construction. Appropriation of \$100 million in fiscal year 2022 for construction, reconstruction, and improvement of trunk highways, of which up to 17% may be used for program delivery. The commissioner must select projects to be funded by August 1, 2022.

Subdivision 3. SRC – Regional and Community Investment Priorities. Appropriation of \$113 million in fiscal year 2022 for environmental analysis, predesign, design, engineering, construction, reconstruction, and improvement projects within the regional and community investment priority category established in the State Highway Investment Plan. Of this appropriation, \$25 million is for upgrade of a two-lane trunk highway in Carver County to four lanes. Up to 17% of this appropriation amount may be used for program delivery.

Section 3. Bond Sale Expenses. Appropriation of \$213,000 in fiscal year 2022, \$100,000 in fiscal year 2024, and \$10,000 in fiscal year 2025 to the commissioner of management and budget for bond sale expenses.

Section 4. Bond Sale Authorization. Authorizes commissioner of management and budget to sell and issue up to \$413 million of state bonds. Bond proceeds must be deposited in the bond proceeds account in the trunk highway fund.

Article 3 - Law Enforcement Salaries

Section 1. Law Enforcement Salary Increases. Directs the commissioner of public safety to increase the salary of state patrol troopers represented by the Minnesota Law Enforcement Association by 13.2%. Those troopers compensated at the maximum base wage level must have salaries increased by an additional 2%.

Section 2. Law Enforcement Salary Supplement for Fiscal Year 2020. Authorizes salary supplement payments of 2.25% of salary earned in fiscal year 2020 for state patrol troopers employed in fiscal year 2020 and still employed on the effective date of this section.

Section 3. Law Enforcement Salary Supplement for a Portion of Fiscal Year 2021. Authorizes salary supplement payments of 4.8% of salary earned from July 1, 2020 to October 21, 2020, for state patrol troopers employed during that period and still employed on the effective date of this section.

Section 4. Appropriations; Salary Increases. Appropriations for state patrol trooper salary increases in **section 1**, in fiscal year 2021 through fiscal year 2023, from the general fund, trunk highway fund, and the highway user tax distribution fund.

Section 5. Appropriations; Salary Supplements from July 1, 2019 to October 21, 2020. Appropriations for state patrol trooper salary supplement payments in **sections 2 and 3**, in fiscal year 2021, from the general fund, trunk highway fund, and the highway user tax distribution fund.

Section 6. Repealer. Repeals a previous salary increase of 8.4% for state patrol troopers that was enacted in **Laws 2020, Fifth Special Session, Chapter 3**.

Article 4 - Transportation Policy

Section 1 (Highway user tax distribution fund and trunk highway fund details) requires state agency commissioners to include detailed information in their budget proposal on proposed appropriations from the highway user tax distribution fund or the trunk highway fund. This section is effective July 1, 2022.

Section 2 (Greater Minnesota transit account) allows the commissioner of transportation to use up to two percent of the available revenue in the greater Minnesota transit account for administration of the transit program. Current law includes a flat amount that may be used for administration.

Section 3 (Off-highway motorcycle), section 4 (Off-road vehicle), and section 5 (All-terrain vehicle or vehicle) exclude electric-assisted bicycles from the definition of “off-highway motorcycle,” “off-road vehicle,” and “all-terrain vehicle” in **chapter 84**, which relates to the Department of Natural Resources. These sections are effective August 1, 2021.

Section 6 (Appoint commissioners for damages) requires commissioners appointed in eminent domain proceedings to reside in Minnesota.

Section 7 (Commissioner qualifications) eliminates the requirement that judges inquire into a commissioner’s conflicts of interest prior to appointing that commissioner in an eminent domain proceeding. This allows the court to appoint commissioners without the commissioners needing to be present. This section is effective August 1, 2021.

Section 8 (Bikeway) amends the definition of bikeway in **chapter 160** to reference the definition found in **chapter 169**.

Section 9 (Designation) sets forth the process for designating a bikeway on a segment of road where there is a disability parking space.

Section 10 (Prohibition) allows a vehicle with any number of occupants to use MnPASS lanes on specified holidays upon approval from the Federal Highway Administration. This section is effective August 1, 2021.

Section 11 (Highway user tax distribution fund appropriations; trunk highway fund appropriations) allows state agency commissioners to only spend highway user tax distribution funds and trunk highway funds for appropriate purposes. A commissioner must not spend highway user tax distribution funds or trunk highway funds for a list of specified purposes. This section is effective July 1, 2025.

Section 12 (Project selection process; criteria) requires the commissioner of transportation to consider project readiness when selecting projects for the corridors of commerce program. All criteria must be given equal weight in the selection process, with the exception of the criterion to consider regional balance.

Section 13 (Report on dedicated fund expenditures) requires the commissioners of transportation and public safety to include a section on cybersecurity expenditures in the dedicated fund expenditures report.

Section 14 (Route No. 96) amends the description of legislative route number 96 to reflect a portion of the road being turned back to Washington County. This section is effective the day after the commissioner of transportation receives a copy of the turnback agreement.

Section 15 (Corporal Caleb L. Erickson Memorial Highway) designates a section of Trunk Highway 13 in Waseca County as Corporal Caleb L. Erickson Memorial Highway.

Section 16 (Chief Daryl “Taddy” Drusch Memorial Highway) designates a portion of U.S. Highway 12 in Howard Lake as Chief Daryl “Taddy” Drusch Memorial Highway.

Section 17 (Private Joseph Marthaler Memorial Bridge) designates a bridge on U.S. Highway 52 in Dakota County as “Private Joseph Marthaler Memorial Bridge.”

Section 18 (Patrol Inspector Robert H. Lobdell Memorial Highway) designates a portion of Trunk Highway 11 from Roseau to Warroad as Patrol Inspector Robert H. Lobdell Memorial Highway.

Section 19 (Deputy Richard K. Magnuson Memorial Highway) designates a portion of Trunk Highway 310 between Roseau and the Canadian border as Deputy Richard K. Magnuson Memorial Highway.

Section 20 (Conveyance of excess) allows the commissioner of transportation to sell excess real estate to the owner of the abutting land. If lands are unsold after being offered for public sale, the commissioner may offer to sell the land to anyone agreeing to pay the minimum bid.

Section 21 (Services of licensed real estate broker) allows the commissioner of transportation to negotiate the sale price of excess land in some situations, as long as the negotiated price is not less than 80% of the appraised market value.

Section 22 (Selection authority; limitation) lowers the cap on the number construction manager/general contractor contracts the commissioner of transportation may award in a year from four to three.

Section 23 (Services of licensed real estate broker) allows the commissioner of transportation to negotiate the sale prices of unnecessary land in some situations, as long as the negotiated price is not less than 80% of the appraised market value.

Section 24 (Unsold lands) allows the commissioner of transportation to sell unneeded lands for at least 80% of the minimum bid established for public sale. The commissioner must approve any offers less than 100% of the minimum bid.

Section 25 (Administration) corrects an incorrect cross-references and updates terminology.

Section 26 (Qualifications, salary, and term) eliminates the requirement that a county highway engineer be a resident of Minnesota.

Section 27 (Operation costs for central office building, payment) the cost of operation and maintenance of the MnDOT central office building must not be paid out of the trunk highway fund. The amount necessary to pay these costs is statutorily appropriated from the general fund to the commissioner of transportation. This section is effective July 1, 2025.

Section 28 (Motor vehicle) excludes electric-assisted bicycle from the definition of “motor vehicle” in **chapter 168**, which relates to vehicle registration. Language is moved from one paragraph to another. This section is effective August 1, 2021.

Section 29 (Motor vehicle registration self-service kiosks) requires the commissioner of public safety to establish a process to implement and install self-service kiosks to be used for motor vehicle registration renewals. Minimum requirements are established for the kiosks. This section is effective the day following final enactment.

Section 30 (Plates; design, visibility, periods of issuance) adds veterans service groups special plates and “Proud to be a Veteran” special plates to the list of plates that are issued for the life of the veteran.

Section 31 (Additional fee) modifies the fees for replacement license plates. This section is effective August 1, 2021.

Section 32 (Minnesota 100 Club plates) establishes Minnesota 100 Club special plates. The annual contributions are distributed to the Minnesota 100 Club. This section is effective January 1, 2022.

Section 33 (Minnesota Agriculture special plates) establishes Minnesota agriculture special plates. The annual contributions are distributed to the Minnesota FFA Foundation and the

University of Minnesota Extension Service to support Minnesota 4-H. This section is effective January 1, 2022.

Section 34 (Honorary Consul plates) establishes honorary consul special plates for individuals recognized as an honorary consular official appointed by the respective government to serve in Minnesota. This section is effective January 1, 2022.

Section 35 (Motor vehicles of certain nonresidents) adds a cross-reference the statute that establishes vehicle tax on trucks and tractors. Permits for payment in lieu of registration plates must be available in an approved format while the vehicle is in the state.

Section 36 (Trip permit) establishes the fee for a trip permit as one-twelfth of the registration amount for trucks and tractors. The current \$15 fee is stricken.

Section 37 (Surrender plates and credit tax paid) adds a cross-reference to the \$10 fee that is charged for each title transfer for motor vehicles weighing more than 1,000 pounds. This fee is collected under current law.

Section 38 (Installments; registration generally) amends the timeline for paying taxes in installments so that the second and third payments are due on July 1 and November 1, regardless of when the first installment is made.

Section 39 (Records and fees) amends cross references to refer to new subdivisions elsewhere in the bill. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 40 (Vehicle records subscription service) allows the commissioner of public safety to implement a vehicle record subscription service to provide information on motor vehicle records. A fee structure is established for the service. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 41 (Custom data request record fees) requires the commissioner of public safety to charge a fee of \$0.02 per for custom data requests of 1,000 or more vehicle records, registration records, or driver's license records. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 42 (Review and audit of subscription services) requires each subscription of vehicle records or driver license records to annually engage in an independent audit of its use of the data and IT security procedures. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 43 (Requirements upon subsequent transfer; service fee) allows deputy registrars to charge dealers a fee of \$7 (instead of up to \$7) to provide the required notice to the state that a vehicle has been removed from the state.

Section 44 (Notification on vehicle held for resale) allows deputy registrars to charge auto dealers a fee of \$7 (instead of up to \$7) to provide the required notice to the state that a dealership is holding a vehicle for resale.

Section 45 (Bicycle lane) eliminates a reference to road shoulders in the definition of “bicycle lane.” This means bicycle lanes are only a part of the roadway itself. This section is effective August 1, 2021.

Section 46 (Bikeway) expands the definition of “bikeway” to include shared use paths and other similar bicycle facilities. This section is effective August 1, 2021.

Section 47 (Class 1 electric-assisted bicycle), section 48 (Class 2 electric-assisted bicycle), and section 49 (Class 3 electric-assisted bicycle) provide definitions for purposes of **chapter 169**. These sections are effective August 1, 2021.

Section 50 (Electric-assisted bicycle) amends the definition of “electric-assisted bicycle” to be consistent with other changes made in the article relating to electric-assisted bicycles. This section is effective August 1, 2021.

Section 51 (Motor vehicle) excludes electric-assisted bicycles from the definition of “motor vehicle.” This section is effective August 1, 2021.

Section 52 (Narrow-width lane) defines a “narrow-width lane” for purposes of **chapter 169**. This section is effective August 1, 2021.

Section 53 (Transportation by animal) requires a person operating an animal-drawn vehicle to comply with applicable sections of the traffic code.

Section 54 (Reports confidential; evidence, fee, penalty, appropriation) allows crash reports to be used by a prosecuting attorney for a traffic or criminal offense that is the result of a crash investigation conducted by law enforcement.

Section 55 (Penalties) deletes a cross reference to a subdivision that is repealed in the bill.

Section 56 (Slower vehicles) requires animal-drawn vehicles to be operated as close as practicable to the right-hand curb or edge of the roadway.

Section 57 (Traffic laws apply) specifies that traffic laws apply to bicycles operating on the shoulder of a road as well as on the road. A bicyclist on a sidewalk or crossing a road on a crosswalk has the rights and duties of a pedestrian; this language is very similar to language being deleted elsewhere. This section is effective August 1, 2021.

Section 58 (Riding rules) deletes language that is inserted in other sections elsewhere in the bill. This section is effective August 1, 2021.

Section 59 (Electric-assisted bicycle; riding rules) establishes riding rules for electric-assisted bicycles. In general, a person may operate an electric-assisted bicycle in the same manner as other bicycles on roads, bicycle lanes, and bicycle routes and may operate without the motor engaged on a bikeway or bicycle trail. State and local authorities may restrict the use of electric-assisted bicycles on paths and trails under certain circumstances. This section is effective August 1, 2021.

Section 60 (Electric-assisted bicycle; equipment) requires manufacturers and distributors of electric-assisted bicycles to label the bicycle with specified information. Establishes equipment

requirements for electric assisted bicycles. The labeling requirements are effective on January 1, 2022, and the remainder is effective August 1, 2021.

Section 61 (Inspection criteria) codifies new school bus inspection criteria and procedures. Strikes a reference to criteria in rules that are repealed in the bill.

Section 62 (Member of the State Patrol) provides a definition related to **section 61**.

Section 63 (Displaying emblem; rules) must display a triangular slow-moving vehicle emblem as well as being equipped with lamps as provided in **section 64**.

Section 64 (Animal-drawn vehicles) requires animal-drawn vehicles to be equipped with lamps, unless the vehicle operates only during daylight hours or never operates on a public roadway.

Section 65 (Escort vehicles required; width) requires a vehicle transporting an overdimensional load that extends beyond the left of the centerline on an undivided highway to have one lead escort vehicle, one rear escort vehicle, and one lead licensed peace officer. Current law only requires the lead licensed peace officer. This section is effective the day following final enactment.

Section 66 (Special soybean meal-hauling vehicle permit) allows the commissioner of transportation to issue a special two- or three-unit vehicle permit to a vehicle transporting soybean meal that meets length and weight specifications and that will operate in northwest Minnesota. Vehicles operating with a special permit are subject to weight and load limits. This section is effective January 1, 2022.

Section 67 (Failure to appear) prohibits the commissioner of public safety from suspending a person's driver's license based only on the fact that the person did not appear in court either: (1) in compliance with a citation for a petty misdemeanor, or (2) for a violation of the law on driving after suspension or revocation. This section is effective January 1, 2022.

Section 68 (Two-wheeled vehicle endorsement fee) increases the additional fee for an initial endorsement or a duplicate driver's license obtained for the purpose of adding an endorsement. The fee for each subsequent renewal is also increased. The increased fee revenue goes to the motorcycle safety fund. This section is effective August 1, 2021.

Section 69 (Contents of application; other information) corrects an incorrect cross reference.

Section 70 (Remote application) requires the commissioner of public safety to establish a process for eligible individuals living outside of Minnesota to apply remotely for a driver's license or state ID card. Procedures and requirements are established. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 71 (Variance for homebound individuals) allows the commissioner of public safety to grant variances from the photo requirements for a noncompliant identification card if the individual is homebound, has provided proof that the individual is homebound, and has provided a recent photograph.

Section 72 (Data privacy; noncompliant license or identification card) allows the use of data on noncompliant driver's licenses and noncompliant identification cards to verify a person's identity as

part of an online application for a replacement Social Security card. This section is effective February 1, 2022, or upon completion of the necessary programming changes, whichever is earlier.

Section 73 (Examination subjects and locations; provisions for color blindness, disabled veterans) adds a cross reference to the remote application procedures established in **section 70**. Prohibits the commissioner of public safety from denying an application for a driver's license based on the grounds that the applicant has been diagnosed with diabetes. The various changes in this section are effective on July 1, 2021, or on August 1, 2021, or upon completion of the necessary programming changes.

Section 74 (Two-wheeled vehicle endorsement examination fee) requires a person applying for an initial two-wheeled vehicle endorsement on a driver's license to pay a \$2.50 examination, the endorsement fee in **section 68**, and the appropriate driver's license fee. This section is effective August 1, 2021.

Section 75 (Examination fees) requires an individual to pay a "no-show" fee of \$20 for missing a knowledge or road test or cancelling within 24 hours of the appointment time. This section is effective November 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 76 (Online driver's license knowledge testing authorization) defines who may serve as a proctor for an online driver's license knowledge test. The proctor must be physically present at the location where the test is administered. This section is effective on the earlier of August 1, 2021, or the day following the expiration of the peacetime emergency declared in Executive Order 20-01 and extended by subsequent executive orders.

Section 77 (Suspension on conviction) prohibits the commissioner of public safety from suspending a person's driver's license if that person was convicted only for a driving after suspension or revocation. This section is effective January 1, 2022.

Section 78 (Failure to pay fine) prohibits the commissioner of public safety from suspending a person's driver's license based only on the fact that the person was convicted of violating a traffic law but did not pay the fine or surcharge. This section is effective January 1, 2022.

Section 79 (Suspension under reciprocal agreement) allows the commissioner of public safety to suspend a person's driver's license if the commissioner receives a report from another state that is a member of the nonresident violator compact reporting that the person failed to appear in court or pay a fine or surcharge as required in by the laws of the other state. This section is effective January 1, 2022.

Section 80 (Offenses) prohibits the commissioner of public safety from suspending a person's driver's license who has been convicted of certain offenses who was also convicted of driving after suspension or revocation. This section is effective January 1, 2022.

Section 81 (Reinstatement fee) establishes a single fee for reinstating a suspended driver's license, despite the number of violations that resulted in the suspension. The fee to reinstate a license that has been both suspended and revoked is established in **section 83**. Makes technical changes. This section is effective March 1, 2022, or upon completion of the necessary programming changes, whichever is earlier.

Section 82 (License expiration and renewal; exceptions) expands the current driver's license expiration date extension to other eligible individuals living outside of Minnesota. This section is effective August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Section 83 (Reinstatement fees and surcharges allocated and appropriated) establishes a single fee for reinstating a revoked driver's license, despite the number of violations that resulted in the revocation. Makes technical changes. Allows any person whose license has been revoked for specified reasons to pay the fee in installments. The first changes are effective March 1, 2022, or upon completion of the necessary programming changes, whichever is earlier. The latter changes are effective August 1, 2021.

Section 84 (Driver's license suspensions and revocations; reports) requires the commissioner of public safety to annually report to the legislature on the status of drivers' licenses issued, suspended, and revoked. The state court administrator must annually report to the legislature on certain types of charges, convictions, and fines.

Section 85 (Statewide freight and passenger rail plan) requires the commissioner of transportation to regularly revise the statewide freight and passenger rail plan. The rail plan must prioritize future passenger rail capital improvement projects based a scoring system and must include specified information. The commissioner must spend funds for passenger rail on projects listed in the plan in order of priority, unless an appropriation otherwise specifies a project. Obsolete language is stricken.

Section 86 (Minnesota state highway investment plan) modifies the Minnesota State Highway Investment Plan to include roadside infrastructure and traveler-related facilities and to prioritize preservation, maintenance, and repairs. Makes conforming and technical changes. This section is effective the day following final enactment and applies to the next plan update.

Section 87 (Salaries and expenses) specifies that salaries and expenses of the Department of Transportation relating to highway purposes are paid from the trunk highway fund, except as prohibited elsewhere in law.

Section 88 (Trunk highway performance, resiliency, and sustainability) requires the commissioner of transportation to implement performance measures and annual targets for the trunk highway system. Specifies requirements for the transportation planning process. The commissioner must submit annual reports to the legislature. This section is effective July 1, 2021, and the first report is due December 15, 2022.

Section 89 (Transportation Programming and Investment Committee) codifies the Department of Transportation's Transportation Programming and Investment Committee. The Committee provides policy direction on the department's capital investments and makes programmatic capital investment decisions and recommendations to the commissioner. The Committee must establish and maintain an investment opportunity plan. Certain information about the Committee's activities must be posted on the department's website.

Section 91 (Pavement selection guidelines) requires the commissioner of transportation to develop and implement a pavement investment guide. The commissioner must review and approve pavement selections made by district offices to ensure that the selection is consistent with the guide.

Section 92 (Transit service for disabled veterans) deletes an obsolete date relating to transit services for disabled veterans.

Section 93 (Report) deletes an obsolete date relating to a report by the Minnesota Council on Transportation Access.

Section 94 (Program administration) requires the commissioner of transportation to publish specified information about the Safe Routes to School program on the department's website. Deletes an obsolete date.

Section 95 (Major local bridges) allows the commissioner of transportation to make grants for major local bridges only if the enacted appropriation specifically references this subdivision. When authorized by law, the commissioner may make grants for replacement or rehabilitation of a major local bridge with a total bridge cost estimate of \$7 million or more.

Section 96 (Bridge grant program; rulemaking) requires the commissioner of transportation to publish information about the bridge grant program on the department's website. The commissioner must maintain a local bridge project list, which must be updated annually. The commissioner must not award a grant of more than \$7 million for a local bridge replacement or rehabilitation project except in specified situations.

Section 97 (Total bridge cost estimate; definition) defines "total bridge cost estimate."

Section 98 (Grant procedures and criteria) requires the commissioner of transportation to publish certain information about the local road improvement program on the department's website.

Section 99 (Report required) deletes an obsolete date relating to the report on major highway projects, trunk highway fund expenditures, and efficiencies.

Section 100 (State road construction prior appropriations) allows the commissioner of transportation to carry forward appropriations for state road construction budget activity if the commissioner spends the money on the project for which the money was first encumbered during the biennium when it was originally appropriated.

Section 101 (Program established; inspector powers and duties) eliminates the cap on the number of state rail inspection program positions. Changes the list of inspection categories from required inspections to permissive inspections. Additional inspection categories are added.

Section 102 (Railroad company assessment; account; appropriation) amends the calculation for assessing the railroad companies. The calculation must include the costs to support up to four rail safety inspector positions. Makes technical changes.

Section 103 (Debt service forecast) changes the date the commissioner of management and budget must report to the commissioner of revenue on trunk highway debt service from March 1 to April 1.

Section 104 (Allocation of funds) amends the priority list for spending funds from the railroad and pipeline safety account.

Section 105 (Salary and benefit survey) amends the timeline for the legislative auditor to conduct compensation and benefit surveys of law enforcement police departments.

Section 106 (Transfer of motor vehicle; mileage disclosure) makes changes to state law in response to changes in federal law relating to mileage disclosure when a vehicle is sold. The disclosure may be made electronically or in writing. This section is effective the day following final enactment.

Section 107 (State; unclaimed property; disposition; duty of state patrol) allows state patrol troopers to seize, retain, and dispose of abandoned personal property on a highway or state-owned property. Notice must be provided to the owner if the owner is known.

Section 108 (Ordinances of political subdivisions) requires political subdivisions to allow the commissioner of transportation to review proposed ordinances affecting the operation of drones. Political subdivisions must notify the commissioner whenever an ordinance affecting the operation of drones is adopted.

Section 109 (Small unmanned aircraft) and section 110 (Small unmanned aircraft system) provide definitions relating to small unmanned aircraft.

Section 111 (Small unmanned aircraft systems) provides that small unmanned aircraft systems are not subject to registration if the system is owned and operated solely for recreational purposes. Otherwise, the system must be registered in the state and pay an annual \$25 fee. These systems are exempt from aircraft registration tax.

Section 112 (Certificate of insurance) specifies owners of small unmanned aircraft must, at the time of registration, provide proof of insurability. Operators must maintain records that each flight was insured. A cross-reference is updated.

Section 113 (Fares) requires MetroMobility fares to be established in accordance with federal law. The Council must use all fares collected from MetroMobility for MetroMobility purposes.

Section 114 (Forecasted funding) requires the commissioner of management and budget to include in the February and November forecasts a state obligation from the general fund for the annual net costs to the council for MetroMobility. This section is effective July 1, 2024 and applies beginning with the November 2024 forecast for each fiscal year beginning on or after July 1, 2025.

Section 115 (Obligations) authorizes the Metropolitan Council to issue a total of \$98.4 million in bonds for capital expenditures, frequently referred to as “regional transit capital bonds.”

Section 116 (Limitation; light rail transit) prohibits the use of the regional transit capital bonds issued pursuant to **section 115** for light rail transit.

Section 117 (Zero-emission and electric transit vehicles) requires the Metropolitan Council to develop and maintain a zero-emission and electric transit vehicle transition plan. Specified information must be included in the plan. A copy of the plan must be submitted to the legislature after each revision. This section is effective the day following final enactment.

Section 118 (Transit operating reserves; report) requires each replacement service provider (or “opt-out” provider) to submit an annual report to the Metropolitan Council with its projected total operating expenses for the current calendar year and its projected operating reserve fund balance. The Council must compile the reports and submit a report to the legislature. The Council’s report

must also include the Council's projected total operating expenses for the current calendar year and its projected operating reserve fund balance.

Section 119 (Motor vehicle charges and conviction data; report) requires the court administrator to collect and report on data relating to charges and convictions for certain charges and convictions.

Sections 120, 121, and 122 (Effective date) increases the number of construction manager/general contractor contracts the commissioner of transportation may enter into from 10 to 20.

Section 123 (City of Minneapolis; transit project financing) allows Minneapolis to use its value capture district for transit lines instead of just for streetcars.

Section 124 (Legislative Route No. 263 removed) describes a turnback of trunk highway 263 to Martin County. The statutory description of the route is repealed upon completion of the turnback agreement.

Section 125 (Legislative Route No. 267 removed) describes a turnback of trunk highway 267 to Murray County. The statutory description of the route is repealed upon completion of the turnback agreement.

Section 126 (Animal-drawn vehicles; safety manual) the commissioner of public safety must develop and publish an animal-drawn vehicles safety manual.

Section 127 (Speed limit on park road) allows the Minneapolis Park and Recreation Board to establish speed limits on roads under its jurisdiction. The speed limit must not be lower than 20 miles per hour. This section is effective the day after local approval.

Section 128 (Payables offenses; best practices) requires the Office of Traffic Safety, the state court administrator's office, and the State Patrol to confer with law enforcement officers and prosecutors to determine best practices to employ when processing cases where a citation is issued to ensure that the citation does not inadvertently fail to require a court appearance when one is warranted under the circumstances.

Section 129 (Federal funds reporting requirement; replacement service providers) requires replacement service providers (or "opt-out" providers) to report to the legislature on all expenditures of COVID-19-related federal funds. This section is effective the day following final enactment.

Section 130 (Rulemaking; medical providers) requires the commissioner of public safety to amend rules to allow a licensed physician assistant or advanced practiced registered nurse to complete required medical statements or reports. This section is effective the day following final enactment.

Section 131 (School bus age exemption) allows a school bus that is 12 years or older to remain in service until August 31, 2022, if the bus passes all required inspections.

Section 132 (MnPass Lanes; Request to Federal Highway Administration) requires the commissioner of transportation to request approval from the Federal Highway Administration to allow MnPass lanes to be used by anyone on certain holidays. This section is effective the day following final enactment.

Section 133 (Freight Network Optimization Tool Creation) requires the commissioner of transportation, in consultation with the commissioner of employment and economic development, to procure a statewide freight network optimization tool to assist public and private entities in optimizing the movement of freight.

Section 134 (Transportation project selection process) requires the commissioner of transportation to develop and implement a project selection process for every program or process the commissioner uses to evaluate, prioritize, or select capital projects; award grants for capital projects; or allocate funding or resources for capital projects, including trunk highway and general obligation bonds. The commissioner must adopt the policy by November 1, 2022, and publish it on the department's website. The commissioner must report to the legislature by February 1, 2023, on the policy. This section is effective the day following final enactment.

Section 135 (School bus knowledge test availability) requires the commissioner of public safety to ensure adequate availability of time slots for school bus endorsement knowledge tests. Where necessary, the commissioner must prioritize these tests over class D driver's license knowledge tests. This section is effective the day following final enactment and expires December 31, 2021.

Section 136 (Vehicle registration self-service kiosk report) requires the commissioner of public safety to report to the legislature by December 1, 2022, about the use of the self-service vehicle registration kiosks.

Section 137 (Transportation revenue and expenditures; report) requires the commissioner of transportation, in collaboration with the commissioners of revenue and management and budget, to submit a report to the legislature on transportation revenues and expenditures in the state. The report is due by January 1, 2022. This section is effective the day following final enactment.

Section 138 (School bus stop-signal arm camera grant reports) requires the commissioner of public safety, in coordination with the state court administrator, to submit a report on school bus stop-signal arm cameras to the legislature by December 15, 2023.

Section 139 (Legislative report on exam station expenditures) requires the commissioner of public safety to submit reports to the legislature by January 15, 2023, and by January 15, 2024, on specified expenditures for exam stations.

Section 140 (Work zone speed management study) requires the commissioners of transportation and public safety to perform a work zone speed management study. The commissioners must complete the study and submit it to the legislature by February 1, 2022. This section is effective the day following final enactment.

Section 141 (Driver's license same-day issuance pilot project) requires the commissioner of public safety to conduct a same-day driver's license pilot project in Lakeville and Moorhead. The pilot project will require participating driver's license agents to issue same-day noncompliant driver's licenses, identification cards, and instruction permits. The commissioner must submit a report about the pilot project to the legislature by January 1, 2024. This section is effective on October 1, 2022.

Section 142 (Project selection study; Department of Transportation) requires the commissioner of transportation to submit a report to the legislature by January 15, 2022, on ways to include meaningful legislative input into the project selection process.

Section 143 (Study on post-COVID pandemic public transportation) requires the commissioner of transportation to arrange for the Center for Transportation Studies at the University of Minnesota to study public transportation after the COVID-19 pandemic. The commissioner must provide a copy of the study to the legislature by February 1, 2023.

Section 144 (Independent expert review of MnDRIVE) requires an independent review of MnDRIVE. The review must evaluate MnDRIVE's performance and processes in order to make recommendations to optimize the benefits and efficiencies of MnDRIVE for end users. A report on the findings and recommendations must be submitted to the legislature by February 1, 2022. The review must also review and make recommendations regarding driver exam station locations and operations. A report on the findings and recommendations must be submitted to the legislature by November 1, 2022.

Section 145 (Independent expert review of MnDRIVE; purpose and intent) states that one reason for the independent review required by **section 144** is to examine the increase in work for deputy registrars and driver's license agents since the implementation of MnDRIVE. The legislature intends that the review be used to determine whether deputy registrar and driver's license agent fees should be increased.

Section 146 (Dedicated funds expenditures task force) establishes the dedicated funds expenditures task force to review and make recommendations regarding the permissible uses of expenditures from the trunk highway fund and the highway user tax distribution fund. The task force must submit a report to the legislature by February 15, 2022. This section is effective the day following final enactment.

Section 147 (Salvage title task force) establishes a salvage title task force to evaluate issues related to salvage certificates of title and make any recommendations for legislative changes. The task force must submit a report to the legislature by January 31, 2022. This section is effective the day following final enactment.

Section 148 (Revisor instruction) directs the revisor of statutes to renumber the definition of "shared use path" so that it appears in a different chapter along with other bicycle-related definitions. This section is effective August 1, 2021.

Section 149 (Revisor instruction) directs the revisor of statutes to recodify a section related to driver's license suspension in a different section of law. This section is effective January 1, 2022.

Section 150 (Revisor instruction) directs the revisor of statute to change cross-references from a statute being repealed to the successor statute. This section is effective July 1, 2025.

Section 151 (Repealer) repeals several statutes and rules.

Paragraph (a) repeals a section that allows the commissioner of management and budget to transfer money from the highway user tax distribution fund to the general fund for the cost of collecting transportation taxes.

Paragraph (b) repeals a subdivision on bulk vehicle records requests. This paragraph is effective on August 1, 2021, or upon completion of the necessary programming changes, whichever is earlier.

Paragraph (c) repeals a subdivision that requires a driver to submit an accident report to the commissioner of public safety in certain circumstances.

Paragraph (d) repeal rules related to drivers who have been diagnosed with diabetes.

Paragraph (e) repeals rules related to school bus inspections.

Paragraph (f) repeals a subdivision that prohibits use of trunk highway funds for specific purposes. This paragraph is effective July 1, 2025.