

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

S.F. No. 2882

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DATE
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Introduction and first reading
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to motor vehicles; requiring the purchase and implementation of a vehicle

1.3 title and registration system to replace the Minnesota Licensing and Registration

1.4 System (MNLARS); modifying license plate fees; establishing committees and

1.5 task forces; requiring reports; appropriating money; amending Minnesota Statutes

1.6 2018, sections 168.013, subdivision 21; 168.10, subdivision 1g; 168.105,

1.7 subdivision 5; 168.12, subdivisions 2, 2b, 2c, 2d, 2e, 2g, 5; 168.121, subdivision

1.8 1; 168.123, subdivision 1; 168.1235, subdivision 1; 168.1255, subdivision 1;

1.9 168.1256, subdivision 1; 168.128, subdivision 2; 168.1282, subdivision 1; 168.1291,

1.10 subdivision 4; 168.1294, subdivision 1; 168.1295, subdivision 1; 168.1296,

1.11 subdivision 1; 168.1297, subdivision 1; 168.1298, subdivision 1; 168.1299,

1.12 subdivision 1; 168.327, subdivisions 4, 5; 168.62, subdivision 3; 168A.29,

1.13 subdivision 1; 171.06, subdivision 2; 299A.705, subdivision 3; Laws 2018, chapter

1.14 101, section 3, subdivision 1; repealing Laws 2018, chapter 101, section 3,

1.15 subdivision 2.

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

1.17 Section 1. Minnesota Statutes 2018, section 168.013, subdivision 21, is amended to read:

1.18 Subd. 21. **Technology surcharge.** For every vehicle registration renewal required under

1.19 this chapter, the commissioner shall collect a surcharge of: ~~(1) \$1.75 until June 30, 2012;~~

1.20 ~~and (2) \$1 from July 1, 2012, to June 30, 2016 \$.....~~ Surcharges collected under this

1.21 subdivision must be credited to the driver and vehicle services technology account in the

1.22 special revenue fund under section 299A.705.

1.23 Sec. 2. Minnesota Statutes 2018, section 168.10, subdivision 1g, is amended to read:

1.24 Subd. 1g. **Original plates.** A vehicle registered pursuant to subdivision 1a, 1b, 1c or 1d

1.25 may in lieu of being issued number plates by the commissioner display original Minnesota

1.26 number plates issued in the same year as the model year of the car on which they are

1.27 displayed. The number of the original plates must be provided to the commissioner. The

2.1 original plates must be in good condition. Original Minnesota number plates shall not be
2.2 used if the number on the original plate is identical to a number on any current plate or any
2.3 other plate in a numbering system used by the commissioner without written authorization
2.4 from the commissioner. Any person currently using plates issued pursuant to subdivision
2.5 1a, 1b, 1c or 1d shall return those plates to the commissioner before substituting original
2.6 plates. The commissioner shall charge a fee of ~~\$10~~ \$..... for registering the number on
2.7 original plates.

2.8 Sec. 3. Minnesota Statutes 2018, section 168.105, subdivision 5, is amended to read:

2.9 Subd. 5. **Original plates.** (a) Instead of being issued classic motorcycle plates, a classic
2.10 motorcycle registered under this section may display original Minnesota plates issued in
2.11 the same year as the model year of the motorcycle on which they are displayed. The number
2.12 on the original plates must be provided to the commissioner.

2.13 (b) Original Minnesota plates may not be used if the number on the original plate is
2.14 identical to the number on a current collector's plate issued by the commissioner.

2.15 (c) If the vehicle is not registered as a collector vehicle, the commissioner shall charge
2.16 a fee of ~~\$10~~ \$..... for registering the number on the original plates.

2.17 Sec. 4. Minnesota Statutes 2018, section 168.12, subdivision 2, is amended to read:

2.18 Subd. 2. **Amateur radio licensee; special plates, rules.** (a) The commissioner shall
2.19 issue amateur radio plates to an applicant who:

2.20 (1) is an owner of a passenger automobile or recreational vehicle;

2.21 (2) is a resident of this state;

2.22 (3) holds an official amateur radio station license or a citizens radio service class D
2.23 license, in good standing, issued by the Federal Communications Commission;

2.24 (4) pays the registration tax required under section 168.013;

2.25 (5) pays a fee of ~~\$10~~ \$..... for each set of special plates and any other fees required by
2.26 this chapter; and

2.27 (6) complies with this chapter and rules governing the registration of motor vehicles and
2.28 licensing of drivers;

2.29 (b) In lieu of the registration number required for identification under subdivision 1, the
2.30 plates must indicate the official amateur call letters of the applicant, as assigned by the
2.31 Federal Communications Commission, and the words "AMATEUR RADIO."

3.1 (c) This provision for the issue of special plates applies only if the applicant's motor
 3.2 vehicle is already registered in Minnesota so that the applicant has valid regular Minnesota
 3.3 plates issued for that motor vehicle under which to operate it during the time that it will
 3.4 take to have the necessary special plates made.

3.5 (d) If owning more than one motor vehicle of the type specified in this subdivision, the
 3.6 applicant may apply for special plates for each motor vehicle and, if each application
 3.7 complies with this subdivision, the commissioner shall furnish the applicant with the special
 3.8 plates, indicating the official amateur call letters and other distinguishing information as
 3.9 the commissioner considers necessary, for each of the motor vehicles.

3.10 (e) The commissioner may make reasonable rules governing the use of the special plates
 3.11 as will assure the full compliance by the owner of the special plates, with all existing laws
 3.12 governing the registration of motor vehicles and the transfer and use of the plates.

3.13 (f) Despite any contrary provision of subdivision 1, the special plates issued under this
 3.14 subdivision may be transferred by an owner to another motor vehicle listed in paragraph
 3.15 (a) and registered to the same owner, upon the payment of a fee of \$5. The commissioner
 3.16 must be notified before the transfer and may prescribe a format for the notification.

3.17 Sec. 5. Minnesota Statutes 2018, section 168.12, subdivision 2b, is amended to read:

3.18 Subd. 2b. **Firefighters; special plates, rules.** (a) The commissioner shall issue special
 3.19 plates, or a single license plate in the case of a motorcycle plate, to any applicant who:

3.20 (1) is a member of a fire department receiving state aid under chapter 69, has a letter
 3.21 from the fire chief, and is an owner of a passenger automobile, a one-ton pickup truck, or
 3.22 a motorcycle;

3.23 (2) pays a fee of ~~\$10~~ \$..... and any other fees required by this chapter;

3.24 (3) pays the registration tax required by this chapter for the motor vehicle; and

3.25 (4) complies with this chapter and rules governing the registration of motor vehicles and
 3.26 licensing of drivers.

3.27 (b) In lieu of the identification required under subdivision 1, the special plates must bear
 3.28 an emblem of a Maltese Cross together with any numbers or characters prescribed by the
 3.29 commissioner.

3.30 (c) Special plates issued under this subdivision may only be used during the period that
 3.31 the owner of the motor vehicle is a member of a fire department as specified in this
 3.32 subdivision. When the individual to whom the special plates were issued is no longer a

4.1 member of a fire department or when the motor vehicle ownership is transferred, the owner
4.2 shall remove the special plates from the motor vehicle. If the commissioner receives written
4.3 notification that an individual is no longer qualified for these special plates, the commissioner
4.4 shall invalidate the plates and notify the individual of this action. The individual may retain
4.5 the plate only upon demonstrating compliance with the qualifications of this subdivision.
4.6 Upon removal or invalidation of the special plates or special motorcycle plate, the owner
4.7 or purchaser of the motor vehicle shall obtain regular plates, a regular motorcycle plate, or
4.8 special plates for the proper registration classification for the motor vehicle.

4.9 (d) A special motorcycle license plate issued under this subdivision must be the same
4.10 size as a standard motorcycle license plate.

4.11 (e) Upon payment of a fee of \$5, plates issued under this subdivision for a passenger
4.12 automobile or truck may be transferred to another passenger automobile or truck owned or
4.13 jointly owned by the person to whom the plates were issued. On payment of a fee of \$5, a
4.14 plate issued under this subdivision for a motorcycle may be transferred to another motorcycle
4.15 owned or jointly owned by the person to whom the plate was issued.

4.16 (f) The commissioner may adopt rules under the Administrative Procedure Act, sections
4.17 14.001 to 14.69, to govern the issuance and use of the special plates authorized in this
4.18 subdivision.

4.19 Sec. 6. Minnesota Statutes 2018, section 168.12, subdivision 2c, is amended to read:

4.20 Subd. 2c. **National Guard; special plates, rules.** (a) The commissioner shall issue
4.21 special plates to any applicant who:

4.22 (1) is a regularly enlisted, commissioned, or retired member of the Minnesota National
4.23 Guard, other than an inactive member who is not a retired member, and is an owner of a
4.24 passenger automobile;

4.25 (2) pays a fee of ~~\$10~~ \$..... and any other fees required by this chapter;

4.26 (3) pays the registration tax required by this chapter; and

4.27 (4) complies with this chapter and rules governing the registration of motor vehicles and
4.28 licensing of drivers.

4.29 (b) The adjutant general shall design the emblem for these special plates subject to the
4.30 approval of the commissioner.

4.31 (c) Special plates issued under this subdivision may only be used during the period that
4.32 the owner of the motor vehicle is an active or retired member of the Minnesota National

5.1 Guard as specified in this subdivision. When the individual to whom the special plates were
5.2 issued is no longer an active or retired member of the Minnesota National Guard, the special
5.3 plates must be removed from the vehicle by the owner. If the commissioner receives written
5.4 notification that an individual is no longer qualified for these special plates, the commissioner
5.5 shall invalidate the plates and notify the individual of this action. The individual may retain
5.6 the plate only upon demonstrating compliance with the qualifications of this subdivision.
5.7 Upon removal or invalidation of the special plates, either the owner or purchaser of the
5.8 motor vehicle shall obtain regular plates for the motor vehicle.

5.9 (d) While the person is an active or retired member of the Minnesota National Guard,
5.10 plates issued pursuant to this subdivision may be transferred to another motor vehicle owned
5.11 by that individual upon payment of a fee of \$5.

5.12 (e) For purposes of this subdivision, "retired member" means an individual placed on
5.13 the roll of retired officers or roll of retired enlisted members in the Office of the Adjutant
5.14 General under section 192.18 and who is not deceased.

5.15 (f) The commissioner may adopt rules under the Administrative Procedure Act to govern
5.16 the issuance and use of the special plates authorized by this subdivision.

5.17 Sec. 7. Minnesota Statutes 2018, section 168.12, subdivision 2d, is amended to read:

5.18 Subd. 2d. **Ready Reserve; special plates, rules.** (a) The commissioner shall issue special
5.19 plates to an applicant who:

5.20 (1) is not eligible for special National Guard plates under subdivision 2c, is a member
5.21 of the United States armed forces ready reserve as described in United States Code, title
5.22 10, section 10142 or 10143, or a retired reserve as described in United States Code, title
5.23 10, section 10154, and is an owner of a passenger automobile;

5.24 (2) pays a fee of ~~\$10~~ \$..... and any other fees required by this chapter;

5.25 (3) pays the registration tax required by this chapter; and

5.26 (4) complies with this chapter and rules governing the registration of motor vehicles and
5.27 licensing of drivers.

5.28 (b) The commissioner of veterans affairs shall design the emblem for these special plates
5.29 subject to the approval of the commissioner.

5.30 (c) Special plates issued under this subdivision may only be used during the period that
5.31 the owner of the motor vehicle is a member of the ready reserve. When the owner is no
5.32 longer a member, the special plates must be removed from the motor vehicle by the owner.

6.1 If the commissioner receives written notification that an individual is no longer qualified
6.2 for these special plates, the commissioner shall invalidate the plates and notify the individual
6.3 of this action. The individual may retain the plate only upon demonstrating compliance with
6.4 the qualifications of this subdivision. On removal or invalidation of the special plates, either
6.5 the owner or purchaser of the motor vehicle shall obtain regular plates for the motor vehicle.
6.6 While the owner is a member of the ready reserve, plates issued under this subdivision may
6.7 be transferred to another motor vehicle owned by that individual on paying a fee of \$5.

6.8 (d) The commissioner may adopt rules under the Administrative Procedure Act to govern
6.9 the issuance and use of the special plates authorized by this subdivision.

6.10 Sec. 8. Minnesota Statutes 2018, section 168.12, subdivision 2e, is amended to read:

6.11 Subd. 2e. **Volunteer ambulance attendants; special plates.** (a) The commissioner shall
6.12 issue special license plates to an applicant who:

6.13 (1) is a volunteer ambulance attendant as defined in section 144E.001, subdivision 15,
6.14 and owns a motor vehicle taxed as a passenger automobile;

6.15 (2) pays the registration tax required by this chapter for the motor vehicle;

6.16 (3) pays a fee of ~~\$10~~ \$..... and any other fees required by this chapter; and

6.17 (4) complies with this chapter and rules governing the registration of motor vehicles and
6.18 licensing of drivers.

6.19 (b) An individual may use special plates issued under this subdivision only during the
6.20 period that the individual is a volunteer ambulance attendant. When the individual to whom
6.21 the special plates were issued ceases to be a volunteer ambulance attendant, the individual
6.22 shall remove each set of special plates issued. If the commissioner receives written
6.23 notification that an individual is no longer qualified for these special plates, the commissioner
6.24 shall invalidate the plates and notify the individual of this action. The individual may retain
6.25 the plate only upon demonstrating compliance with the qualifications of this subdivision.
6.26 When ownership of the motor vehicle is transferred, the individual shall remove the special
6.27 plates from that motor vehicle. On removal or invalidation of the special plates, the owner
6.28 or purchaser of the motor vehicle shall obtain regular plates for the motor vehicle. Special
6.29 plates issued under this subdivision may be transferred to another motor vehicle owned by
6.30 the volunteer ambulance attendant on payment of a fee of \$5.

6.31 (c) The commissioner may adopt rules governing the design, issuance, and sale of the
6.32 special plates authorized by this subdivision.

7.1 Sec. 9. Minnesota Statutes 2018, section 168.12, subdivision 2g, is amended to read:

7.2 Subd. 2g. **Retired firefighters; special plates.** (a) The commissioner shall issue special
7.3 retired firefighters plates to an applicant who:

7.4 (1) is a retired member of a fire department as defined in section 299N.01, subdivision
7.5 2, has a letter from the fire chief affirming that the applicant is a retired firefighter who
7.6 served ten or more years and separated in good standing, and is a registered owner of a
7.7 passenger automobile, a one-ton pickup truck, a recreational vehicle, or a motorcycle;

7.8 (2) pays a fee of ~~\$10~~ \$..... for each set of license plates applied for along with any other
7.9 fees required by this chapter; and

7.10 (3) complies with this chapter and rules governing registration of motor vehicles and
7.11 licensing of drivers.

7.12 (b) The commissioner shall design the special plate emblem so that it is distinguishable
7.13 from the emblem on firefighter special plates issued under subdivision 2b.

7.14 (c) On payment of a transfer fee of \$5, plates issued under this subdivision may be
7.15 transferred to another passenger automobile, one-ton pickup truck, recreational vehicle, or
7.16 motorcycle registered to the individual to whom the special plates were issued.

7.17 (d) Fees collected under this subdivision must be credited to the vehicle services operating
7.18 account in the special revenue fund.

7.19 (e) This subdivision is exempt from section 168.1293.

7.20 Sec. 10. Minnesota Statutes 2018, section 168.12, subdivision 5, is amended to read:

7.21 Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax
7.22 otherwise imposed upon any vehicle, the payment of which is required as a condition to the
7.23 issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph

7.24 (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates,
7.25 except for plates issued to disabled veterans as defined in section 168.031 and plates issued
7.26 pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger
7.27 automobiles. The commissioner shall issue graphic design plates only for vehicles registered
7.28 pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013,
7.29 subdivision 1g.

7.30 (b) Unless otherwise specified or exempted by statute, the following plate and validation
7.31 sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate
7.32 year:

		Single	Double
8.1	License Plate		
8.2		4.50	6.00
8.3	Regular and Disability	\$	\$
8.4		8.50	10.00
8.5	Special	\$	\$
8.6		10.00	14.00
8.7	Personalized (Replacement)	\$	\$
8.8		13.50	15.00
8.9	Collector Category	\$	\$
8.10	Emergency Vehicle Display	\$ 3.00	\$ 6.00
8.11	Utility Trailer Self-Adhesive	\$ 2.50	
8.12	Vertical Motorcycle Plate	\$ 100.00	NA
8.13	Stickers		
8.14		1.00	1.00
8.15	Duplicate year	\$	\$
8.16	International Fuel Tax		
8.17	Agreement	\$ 2.50	

8.18 (c) For vehicles that require two of the categories above, the registrar shall only charge
8.19 the higher of the two fees and not a combined total.

8.20 Sec. 11. Minnesota Statutes 2018, section 168.121, subdivision 1, is amended to read:

8.21 Subdivision 1. **Issuance and design.** Notwithstanding section 168.1293, the commissioner
8.22 shall issue special plates remembering victims of impaired drivers to an applicant who:

8.23 (1) is a registered owner of a passenger automobile;

8.24 (2) pays a fee of ~~\$10~~ \$..... for each set of license plates applied for; and

8.25 (3) complies with this chapter and rules governing registration of motor vehicles and
8.26 licensing of drivers.

8.27 Sec. 12. Minnesota Statutes 2018, section 168.123, subdivision 1, is amended to read:

8.28 Subdivision 1. **General requirements; fees.** (a) On payment of a fee of ~~\$10~~ \$..... for
8.29 each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the
8.30 registration tax required by law, and compliance with other applicable laws relating to
8.31 vehicle registration and licensing, as applicable, the commissioner shall issue:

8.32 (1) special veteran's plates to an applicant who served in the active military service in a
8.33 branch of the armed forces of the United States or of a nation or society allied with the
8.34 United States in conducting a foreign war, was discharged under honorable conditions, and
8.35 is a registered owner of a passenger automobile, recreational motor vehicle, or one-ton

9.1 pickup truck, but which is not a commercial motor vehicle as defined in section 169.011,
 9.2 subdivision 16; or

9.3 (2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (e),
 9.4 (f), (h), (i), (j), or (m), or another special plate designed by the commissioner to an applicant
 9.5 who is a registered owner of a motorcycle and meets the criteria listed in this paragraph and
 9.6 in subdivision 2, paragraph (a), (e), (f), (h), (i), (j), or (m). Plates issued under this clause
 9.7 must be the same size as regular motorcycle plates. Special motorcycle license plates issued
 9.8 under this clause are not subject to section 168.1293.

9.9 (b) The additional fee of ~~\$10~~ \$..... is payable for each set of veteran's plates, is payable
 9.10 only when the plates are issued, and is not payable in a year in which stickers are issued
 9.11 instead of plates.

9.12 (c) The veteran must have a certified copy of the veteran's discharge papers, indicating
 9.13 character of discharge, at the time of application. If an applicant served in the active military
 9.14 service in a branch of the armed forces of a nation or society allied with the United States
 9.15 in conducting a foreign war and is unable to obtain a record of that service and discharge
 9.16 status, the commissioner of veterans affairs may certify the applicant as qualified for the
 9.17 veterans' plates provided under this section.

9.18 Sec. 13. Minnesota Statutes 2018, section 168.1235, subdivision 1, is amended to read:

9.19 Subdivision 1. **General requirements; fees.** (a) The commissioner shall issue a special
 9.20 plate emblem for each plate to an applicant who:

9.21 (1) is a member of a congressionally chartered veterans service organization and is a
 9.22 registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational
 9.23 vehicle;

9.24 (2) pays the registration tax required by law;

9.25 (3) pays a fee of ~~\$10~~ \$..... for each set of two plates, and any other fees required by this
 9.26 chapter; and

9.27 (4) complies with this chapter and rules governing the registration of motor vehicles and
 9.28 licensing of drivers.

9.29 (b) The additional fee of ~~\$10~~ \$..... is payable at the time of initial application for the
 9.30 special plate emblem and when the plates must be replaced or renewed. An applicant must
 9.31 not be issued more than two sets of special plate emblems for motor vehicles listed in
 9.32 paragraph (a) and registered to the applicant.

10.1 (c) The applicant must present a valid card indicating membership in the American
10.2 Legion or Veterans of Foreign Wars.

10.3 Sec. 14. Minnesota Statutes 2018, section 168.1255, subdivision 1, is amended to read:

10.4 Subdivision 1. **General requirements and procedures.** The commissioner shall issue
10.5 special veteran contribution plates or a single motorcycle plate to an applicant who:

10.6 (1) is a veteran, as defined in section 197.447;

10.7 (2) is a registered owner of a passenger automobile as defined in section 168.002,
10.8 subdivision 24, recreational vehicle as defined in section 168.002, subdivision 27, one-ton
10.9 pickup truck as defined in section 168.002, subdivision 21b, or motorcycle as defined in
10.10 section 168.002, subdivision 19;

10.11 (3) pays a fee of ~~\$10~~ \$..... to cover the costs of handling and manufacturing the plates;

10.12 (4) pays the registration tax required under section 168.013;

10.13 (5) pays the fees required under this chapter;

10.14 (6) pays an additional onetime World War II memorial contribution of \$30, which the
10.15 department shall retain until all start-up costs associated with the development and issuing
10.16 of the plates have been recovered, after which the commissioner shall deposit contributions
10.17 in the World War II donation match account; and

10.18 (7) complies with this chapter and rules governing the registration of motor vehicles and
10.19 licensing of drivers.

10.20 Sec. 15. Minnesota Statutes 2018, section 168.1256, subdivision 1, is amended to read:

10.21 Subdivision 1. **Issuance of plates.** The commissioner shall issue retired law enforcement
10.22 license special plates or a single motorcycle plate to an applicant who:

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

10.25 (2) is a retired peace officer as defined in section 626.84, subdivision 1, paragraph (c)
10.26 or (d);

10.27 (3) provides a letter from the chief law enforcement officer affirming that the applicant
10.28 is a retired peace officer who served ten or more years and separated in good standing;

10.29 (4) pays a fee of ~~\$10~~ \$..... for each set of plates, along with any other fees required by
10.30 this chapter;

11.1 (5) pays the registration tax as required under section 168.013; and

11.2 (6) complies with this chapter and rules governing registration of motor vehicles and
11.3 licensing of drivers.

11.4 Sec. 16. Minnesota Statutes 2018, section 168.128, subdivision 2, is amended to read:

11.5 Subd. 2. **Plates.** (a) A person who operates a limousine for other than personal use shall
11.6 register the motor vehicle as provided in this section. A person who operates a limousine
11.7 for personal use may apply for limousine plates.

11.8 (b) The commissioner shall issue limousine plates to the registered owner of a limousine
11.9 who:

11.10 (1) certifies that an insurance policy or policies under section 65B.135, in the minimum
11.11 aggregate amount required under that section, is in effect for the entire period of the
11.12 registration;

11.13 (2) provides the commissioner with proof that the passenger automobile registration tax
11.14 and a ~~\$10~~ \$..... fee have been paid for each limousine receiving limousine plates; and

11.15 (3) complies with this chapter and rules governing the registration of motor vehicles and
11.16 licensing of drivers.

11.17 (c) The limousine plates must be designed to specifically identify the vehicle as a
11.18 limousine and must be clearly marked with the letters "LM." Limousine plates may not be
11.19 transferred upon sale of the limousine, but may be transferred to another limousine owned
11.20 by the same person upon notifying the commissioner and paying a \$5 transfer fee.

11.21 Sec. 17. Minnesota Statutes 2018, section 168.1282, subdivision 1, is amended to read:

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

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

11.26 (2) pays a fee of ~~\$10~~ \$..... for each set of plates;

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

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

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

12.3 Sec. 18. Minnesota Statutes 2018, section 168.1291, subdivision 4, is amended to read:

12.4 Subd. 4. **Fees.** Despite section 168.12, subdivisions 2b to 2e; 168.123; or 168.129, the
12.5 commissioner shall charge a fee of ~~\$10~~ \$..... for each set of plates issued under this section.

12.6 Sec. 19. Minnesota Statutes 2018, section 168.1294, subdivision 1, is amended to read:

12.7 Subdivision 1. **Issuance of plates.** The commissioner shall issue special law enforcement
12.8 memorial license plates or a single motorcycle plate to an applicant who:

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

12.11 (2) pays an additional fee of ~~\$10~~ \$..... for each set of plates;

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

12.14 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the
12.15 Minnesota law enforcement memorial account; and

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

12.18 Sec. 20. Minnesota Statutes 2018, section 168.1295, subdivision 1, is amended to read:

12.19 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
12.20 issue state parks and trails plates to an applicant who:

12.21 (1) is a registered owner of a passenger automobile, recreational vehicle, ~~one-ton~~ one-ton
12.22 pickup truck, or motorcycle;

12.23 (2) pays a fee of ~~\$10~~ \$..... to cover the costs of handling and manufacturing the plates;

12.24 (3) pays the registration tax required under section 168.013;

12.25 (4) pays the fees required under this chapter;

12.26 (5) contributes a minimum of \$60 annually to the state parks and trails donation account
12.27 established in section 85.056; and

12.28 (6) complies with this chapter and rules governing registration of motor vehicles and
12.29 licensing of drivers.

13.1 (b) The state parks and trails plate application must indicate that the contribution specified
 13.2 under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the
 13.3 applicant may make an additional contribution to the account.

13.4 (c) State parks and trails plates may be personalized according to section 168.12,
 13.5 subdivision 2a.

13.6 Sec. 21. Minnesota Statutes 2018, section 168.1296, subdivision 1, is amended to read:

13.7 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
 13.8 issue critical habitat plates to an applicant who:

13.9 (1) is a registered owner of a passenger automobile or recreational vehicle;

13.10 (2) pays a fee of ~~\$10~~ \$..... to cover the costs of handling and manufacturing the plates;

13.11 (3) pays the registration tax required under section 168.013;

13.12 (4) pays the fees required under this chapter;

13.13 (5) contributes a minimum of \$30 annually to the Minnesota critical habitat private
 13.14 sector matching account established in section 84.943; and

13.15 (6) complies with this chapter and rules governing registration of motor vehicles and
 13.16 licensing of drivers.

13.17 (b) The critical habitat plate application must indicate that the annual contribution
 13.18 specified under paragraph (a), clause (5), is a minimum contribution to receive the plate
 13.19 and that the applicant may make an additional contribution to the account.

13.20 (c) Owners of recreational vehicles under paragraph (a), clause (1), are eligible only for
 13.21 special critical habitat license plates for which the designs are selected under subdivision
 13.22 2, on or after January 1, 2006.

13.23 (d) Special critical habitat license plates, the designs for which are selected under
 13.24 subdivision 2, on or after January 1, 2006, may be personalized according to section 168.12,
 13.25 subdivision 2a.

13.26 Sec. 22. Minnesota Statutes 2018, section 168.1297, subdivision 1, is amended to read:

13.27 Subdivision 1. **General requirements and procedures.** The commissioner shall issue
 13.28 special "Rotary member" plates to an applicant who:

13.29 (1) is a registered owner of a passenger automobile;

13.30 (2) pays a fee of ~~\$10~~ \$..... to cover the costs of handling and manufacturing the plates;

14.1 (3) pays the registration tax required under section 168.013;

14.2 (4) pays the fees required under this chapter;

14.3 (5) submits proof to the commissioner that the applicant is a member of Rotary

14.4 International; and

14.5 (6) complies with this chapter and rules governing registration of motor vehicles and

14.6 licensing of drivers.

14.7 Sec. 23. Minnesota Statutes 2018, section 168.1298, subdivision 1, is amended to read:

14.8 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall

14.9 issue special "Support Our Troops" license plates to an applicant who:

14.10 (1) is an owner of a passenger automobile, one-ton pickup truck, recreational vehicle,
14.11 or motorcycle;

14.12 (2) pays a fee of ~~\$10~~ \$..... to cover the costs of handling and manufacturing the plates;

14.13 (3) pays the registration tax required under section 168.013;

14.14 (4) pays the fees required under this chapter;

14.15 (5) contributes a minimum of \$30 annually to the Minnesota "Support Our Troops"

14.16 account established in section 190.19; and

14.17 (6) complies with laws and rules governing registration and licensing of vehicles and

14.18 drivers.

14.19 (b) The license application under this section must indicate that the annual contribution

14.20 specified under paragraph (a), clause (5), is a minimum contribution to receive the plates

14.21 and that the applicant may make an additional contribution to the account.

14.22 Sec. 24. Minnesota Statutes 2018, section 168.1299, subdivision 1, is amended to read:

14.23 Subdivision 1. **Issuance.** Notwithstanding section 168.1293, the commissioner shall

14.24 issue special Minnesota golf plates or a single motorcycle plate to an applicant who:

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

14.27 (2) pays a fee of ~~\$10~~ \$..... and any other fees required by this chapter;

14.28 (3) contributes a minimum of \$30 annually to the Minnesota Section PGA Foundation

14.29 account; and

15.1 (4) complies with this chapter and rules governing registration of motor vehicles and
15.2 licensing of drivers.

15.3 Sec. 25. Minnesota Statutes 2018, section 168.327, subdivision 4, is amended to read:

15.4 Subd. 4. **Driver records subscription service.** (a) The commissioner may implement
15.5 a driver records subscription service to provide information concerning access to driver
15.6 license, instruction permit, and identification card records, including regular notice of records
15.7 that have changed, to subscribers who:

15.8 (1) pay applicable fees; and

15.9 (2) are approved by the commissioner in accordance with sections 168.346 and 171.12,
15.10 and United States Code, title 18, section 2721.

15.11 (b) If a driver records subscription service is implemented, the commissioner shall
15.12 establish a fee that does not exceed \$3,680 per month for a subscription to the service. Fees
15.13 collected under this paragraph must be credited to the driver services operating account in
15.14 the special revenue fund under section 299A.705, and are appropriated to the commissioner
15.15 for the purposes in paragraph (a) and this paragraph.

15.16 (c) If a driver records subscription service is implemented, the commissioner shall
15.17 ~~establish~~ charge a fee that does not exceed ~~\$0.01~~ \$0.02 per driver record requested. Of
15.18 the fees collected under this paragraph, ~~40~~ 20 percent must be credited to the driver services
15.19 operating account in the special revenue fund under section 299A.705 and is appropriated
15.20 to the commissioner for the purposes in this subdivision, ~~and 60~~; 30 percent must be credited
15.21 to the data security account in the special revenue fund under section 3.9741, subdivision
15.22 5; and 50 percent must be credited to the driver and vehicle services technology account in
15.23 the special revenue fund.

15.24 Sec. 26. Minnesota Statutes 2018, section 168.327, subdivision 5, is amended to read:

15.25 Subd. 5. **Bulk vehicle records requests.** (a) "Bulk vehicle records" in this section is a
15.26 total of 1,000 or more vehicle title records and vehicle registration records.

15.27 (b) The commissioner shall ~~establish~~ charge a fee that does not exceed ~~\$0.01~~ \$0.02
15.28 per record for a request of bulk vehicle records.

15.29 (c) Of the fees collected, ~~40~~ 20 percent must be credited to the vehicle services operating
15.30 account in the special revenue fund under section 299A.705 and is appropriated to the
15.31 commissioner for the purposes in this subdivision, ~~and 60~~; 30 percent must be credited to
15.32 the data security account in the special revenue fund under section 3.9741, subdivision 5;

16.1 and 50 percent must be credited to the driver and vehicle services technology account in
 16.2 the special revenue fund.

16.3 Sec. 27. Minnesota Statutes 2018, section 168.62, subdivision 3, is amended to read:

16.4 Subd. 3. **Special plates or certificate; fee; proceeds to highway user fund.** At the
 16.5 same time that an owner or operator of intercity buses registers them in Minnesota and
 16.6 obtains number plates therefor, the owner or operator shall apply for special identification
 16.7 plates or certificates for the remainder of that fleet of intercity buses. The registrar of motor
 16.8 vehicles shall design an appropriate plate or identification certificate for this purpose which
 16.9 shall be issued upon the payment of a fee of ~~\$10~~ \$..... covering each intercity bus so
 16.10 identified. The proceeds of such fees shall be deposited to the credit of the vehicle services
 16.11 operating account under section 299A.705, subdivision 1. No intercity bus shall at any time
 16.12 be operated in the state of Minnesota without either Minnesota number plates or special
 16.13 identification plates or certificates issued as herein provided.

16.14 Sec. 28. Minnesota Statutes 2018, section 168A.29, subdivision 1, is amended to read:

16.15 Subdivision 1. **Amounts.** (a) The department must be paid the following fees:

16.16 (1) for filing an application for and the issuance of an original certificate of title, the
 16.17 sum of:

16.18 ~~(i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle services~~
 16.19 ~~operating account of the special revenue fund under section 299A.705, and from July 1,~~
 16.20 ~~2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver~~
 16.21 ~~and vehicle services technology account; and~~

16.22 ~~(ii) on and after January 1, 2017, \$8.25, of which \$4.15 must be paid into the vehicle~~
 16.23 ~~services operating account, and a surcharge of \$..... must be added to the fee and credited~~
 16.24 ~~to the driver and vehicle services technology account in the special revenue fund under~~
 16.25 ~~section 299A.705;~~

16.26 (2) for each security interest when first noted upon a certificate of title, including the
 16.27 concurrent notation of any assignment thereof and its subsequent release or satisfaction, the
 16.28 sum of \$2, except that no fee is due for a security interest filed by a public authority under
 16.29 section 168A.05, subdivision 8;

16.30 ~~(3) until December 31, 2016, for the transfer of the interest of an owner and the issuance~~
 16.31 ~~of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the vehicle~~
 16.32 ~~services operating account of the special revenue fund under section 299A.705, and from~~

17.1 ~~July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to~~
 17.2 ~~the driver and vehicle services technology account;~~

17.3 ~~(4)~~ (3) for each assignment of a security interest when first noted on a certificate of title,
 17.4 unless noted concurrently with the security interest, the sum of \$1; and

17.5 ~~(5)~~ (4) for issuing a duplicate certificate of title, the sum of \$7.25, of which \$3.25 must
 17.6 be paid into the vehicle services operating account of the special revenue fund under section
 17.7 299A.705; ~~from July 1, 2012, to June 30, 2016, and~~ a surcharge of \$1 \$..... must be added
 17.8 to the fee and credited to the driver and vehicle services technology account in the special
 17.9 revenue fund under section 299A.705.

17.10 (b) In addition to the fee required under paragraph (a), clause (1), the department must
 17.11 be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be deposited
 17.12 in the special revenue fund and credited to the public safety motor vehicle account established
 17.13 in section 299A.70.

17.14 Sec. 29. Minnesota Statutes 2018, section 171.06, subdivision 2, is amended to read:

17.15 Subd. 2. **Fees.** (a) The fees for a license and Minnesota identification card are as follows:

17.16 REAL ID Compliant or				
17.17 Noncompliant Classified	D-\$17.25	C-\$21.25	B-\$28.25	A-\$36.25
17.18 Driver's License	.....	.....	.....	.....
17.19 REAL ID Compliant or				
17.20 Noncompliant Classified	D-\$17.25	C-\$21.25	B-\$28.25	A-\$16.25
17.21 Under-21 D.L.	.....	.....	.....	.....
17.22	D-\$32.25	C-\$36.25	B-\$43.25	A-\$51.25
17.23 Enhanced Driver's License	.....	.....	.....	.....
17.24 REAL ID Compliant or				
17.25 Noncompliant Instruction				\$5.25
17.26 Permit				
17.27 Enhanced Instruction				\$20.25
17.28 Permit				
17.29 Commercial Learner's				\$2.50
17.30 Permit				
17.31 REAL ID Compliant or				
17.32 Noncompliant Provisional				\$8.25
17.33 License				
17.34 Enhanced Provisional				\$23.25
17.35 License				
17.36 Duplicate REAL ID				
17.37 Compliant or Noncompliant				
17.38 License or duplicate REAL				
17.39 ID Compliant or				\$6.75

18.1	Noncompliant	
18.2	identification card	
18.3	Enhanced Duplicate	
18.4	License or enhanced	
18.5	duplicate identification card	\$21.75
18.6	REAL ID Compliant or	
18.7	Noncompliant Minnesota	
18.8	identification card or REAL	
18.9	ID Compliant or	
18.10	Noncompliant Under-21	
18.11	Minnesota identification	
18.12	card, other than duplicate,	
18.13	except as otherwise	
18.14	provided in section 171.07,	
18.15	subdivisions 3 and 3a	\$11.25
18.16	Enhanced Minnesota	
18.17	identification card	\$26.25

18.18 (b) In addition to each fee required in ~~this~~ paragraph (a), the commissioner shall collect
 18.19 a surcharge of: ~~(1) \$1.75 until June 30, 2012; and (2) \$1.00 from July 1, 2012, to June 30,~~
 18.20 ~~2016~~ \$..... beginning July 1, 2019. Surcharges collected under this paragraph must be
 18.21 credited to the driver and vehicle services technology account in the special revenue fund
 18.22 under section 299A.705.

18.23 ~~(b)~~ (c) Notwithstanding paragraph (a), an individual who holds a provisional license and
 18.24 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,
 18.25 169A.35, sections 169A.50 to 169A.53, or section 171.177, (2) convictions for crash-related
 18.26 moving violations, and (3) convictions for moving violations that are not crash related, shall
 18.27 have a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving
 18.28 violation" has the meaning given it in section 171.04, subdivision 1.

18.29 ~~(c)~~ (d) In addition to the driver's license fee required under paragraph (a), the
 18.30 commissioner shall collect an additional \$4 processing fee from each new applicant or
 18.31 individual renewing a license with a school bus endorsement to cover the costs for processing
 18.32 an applicant's initial and biennial physical examination certificate. The department shall not
 18.33 charge these applicants any other fee to receive or renew the endorsement.

18.34 ~~(d)~~ (e) In addition to the fee required under paragraph (a), a driver's license agent may
 18.35 charge and retain a filing fee as provided under section 171.061, subdivision 4.

18.36 ~~(e)~~ (f) In addition to the fee required under paragraph (a), the commissioner shall charge
 18.37 a filing fee at the same amount as a driver's license agent under section 171.061, subdivision
 18.38 4. Revenue collected under this paragraph must be deposited in the driver services operating
 18.39 account.

19.1 ~~(f)~~ (g) An application for a Minnesota identification card, instruction permit, provisional
 19.2 license, or driver's license, including an application for renewal, must contain a provision
 19.3 that allows the applicant to add to the fee under paragraph (a), a \$2 donation for the purposes
 19.4 of public information and education on anatomical gifts under section 171.075.

19.5 Sec. 30. Minnesota Statutes 2018, section 299A.705, subdivision 3, is amended to read:

19.6 Subd. 3. **Driver and vehicle services technology account.** (a) The driver and vehicle
 19.7 services technology account is created in the special revenue fund, consisting of the
 19.8 technology surcharge collected as specified in chapters 168, 168A, and 171; the filing fee
 19.9 revenue collected under section 168.33, subdivision 7; and any other money otherwise
 19.10 donated, allotted, appropriated, or legislated to this account.

19.11 (b) Money in the account is annually appropriated to the commissioner of public safety
 19.12 ~~to support the research,~~ for the development, deployment, and maintenance of a the driver
 19.13 and vehicle services information ~~system~~ systems.

19.14 ~~(c) Following completion of the deposit of filing fee revenue into the driver and vehicle~~
 19.15 ~~services technology account as provided under section 168.33, subdivision 7~~ By January
 19.16 15 of each year, the commissioner ~~shall~~ must submit a ~~notification report~~ report to the chairs and
 19.17 ranking minority members of the legislative committees with jurisdiction over transportation
 19.18 policy and finance concerning ~~driver and vehicle services information system implementation~~
 19.19 the account, which must include information on (1) total revenue deposited in the driver
 19.20 and vehicle services technology account, with a breakdown by sources of funds; ~~(2) total~~
 19.21 ~~project costs incurred, with a breakdown by key project components;~~ and ~~(3)~~ (2) an estimate
 19.22 of ongoing system maintenance costs, including a breakdown of the amounts spent by
 19.23 category.

19.24 Sec. 31. Laws 2018, chapter 101, section 3, subdivision 1, is amended to read:

19.25 Subdivision 1. **Appointment.** (a) The legislative auditor must appoint an information
 19.26 technology auditor to actively monitor and report on the development and implementation
 19.27 of the Minnesota Licensing and Registration System (MNLARS) and the vehicle title and
 19.28 registration system (VTRS). At a minimum, the person appointed to this position must have
 19.29 expertise in .NET software development and must have project management experience.
 19.30 The auditor must submit quarterly reports on the VTRS to the Driver and Vehicle Systems
 19.31 Oversight Committee. The auditor must submit the reports to the committee between 20
 19.32 and 30 days before the start of each quarter.

19.33 (b) At a minimum, the review required by paragraph (a) must:

20.1 (1) verify the status of VTRS and whether the project deliverables are being achieved
 20.2 within the timeline and budget specified in the contract;

20.3 (2) review stakeholder engagement in the implementation process and opine on whether
 20.4 the engagement was appropriate;

20.5 (3) identify concerns or risks that could jeopardize meeting the contractual deadlines
 20.6 and identify potential ways to address or minimize the concerns or risks; and

20.7 (4) verify the status of decommissioning MNLARS and the legacy system and whether
 20.8 the systems will be decommissioned within the timeline and budget specified in the contract.

20.9 (c) Within three months of full implementation, the information technology auditor must
 20.10 complete a final audit of VTRS and submit the audit to the Driver and Vehicle Systems
 20.11 Oversight Committee. The final audit must, at a minimum:

20.12 (1) verify the full implementation of VTRS and whether the project deliverables were
 20.13 achieved within the timeline and budget specified in the contract, and if not, the reasons
 20.14 why not;

20.15 (2) verify that MNLARS and the legacy system are decommissioned and whether the
 20.16 systems were decommissioned within the timeline and budget specified in the contract, and
 20.17 if not, the reasons why not;

20.18 (3) identify concerns or risks for the ongoing maintenance and operation of VTRS and
 20.19 identify potential ways to address the risks or concerns; and

20.20 (4) provide an overall retrospective of the project, including best practices and key
 20.21 lessons learned that may benefit similar projects in the future.

20.22 For purposes of this subdivision, "full implementation" means all packaged software solution
 20.23 components are implemented and functioning and all MNLARS and legacy components
 20.24 are decommissioned.

20.25 Sec. 32. **DEFINITIONS.**

20.26 (a) For purposes of sections 33 and 34, the terms in this section have the meanings given.

20.27 (b) "Blue Ribbon Council on Information Technology" means the council established
 20.28 by executive order 19-02 or a successor entity with a similar purpose.

20.29 (c) "Commissioner" means the commissioner of public safety.

20.30 (d) "Driver and Vehicle Executive Steering Committee" means the committee established
 20.31 by the Department of Public Safety in March 2019 and is comprised of stakeholders, MN.IT

21.1 employees, and Department of Public Safety employees that provide oversight and
 21.2 accountability for projects within the Driver and Vehicle Services Division of the Department
 21.3 of Public Safety that impact the information systems used to issue driver's licenses and
 21.4 motor vehicle titles and registration. Driver and Vehicles Executive Steering Committee
 21.5 also means any similarly comprised group with a similar purpose that replaces or succeeds
 21.6 the MNLARS Executive Steering Committee.

21.7 (e) "Driver and Vehicle Systems Oversight Committee" or "Oversight Committee" means
 21.8 the Driver and Vehicle Systems Oversight Committee established in section 33.

21.9 (f) "Driver's license system" means the system for application and issuance of driver's
 21.10 licenses and identification cards that is in use on the effective date of this section.

21.11 (g) "Information technology auditor" means the individual appointed by the legislative
 21.12 auditor pursuant to Laws 2018, chapter 101, section 3, as amended by this act.

21.13 (h) "Minnesota Licensing and Registration System" or "MNLARS" means the vehicle
 21.14 title and registration system and the legacy system in use on the effective date of this section.

21.15 (i) "MNLARS Steering Committee" means the MNLARS Steering Committee established
 21.16 by Laws 2018, chapter 101.

21.17 (j) "Quarter" means a three-month period starting on July 1, October 1, January 1, or
 21.18 April 1.

21.19 (k) "Vehicle Title and Registration System" or "VTRS" means the vehicle title and
 21.20 registration system that is licensed and implemented pursuant to section 34 and is a
 21.21 replacement for MNLARS.

21.22 (l) "Vendor" means the vendor selected to implement the vehicle title and registration
 21.23 system under section 34.

21.24 **Sec. 33. DRIVER AND VEHICLE SYSTEMS OVERSIGHT COMMITTEE.**

21.25 Subdivision 1. **Definitions.** The definitions in section 32 apply to this section.

21.26 Subd. 2. **Driver and Vehicle Systems Oversight Committee established.** (a) The
 21.27 Driver and Vehicle Systems Oversight Committee is established and consists of the following
 21.28 members:

21.29 (1) the chair of the senate Finance Committee, or a senator appointed by the chair of the
 21.30 senate Finance Committee;

22.1 (2) the chair and ranking minority member of the senate committee with jurisdiction
22.2 over transportation finance;

22.3 (3) the chair of the house of representatives Ways and Means Committee, or a member
22.4 of the house of representatives appointed by the chair of the house of representatives Ways
22.5 and Means Committee; and

22.6 (4) the chair and ranking minority member of the house of representatives committee
22.7 with jurisdiction over transportation finance.

22.8 (b) The chair of the Blue Ribbon Council on Information Technology, or the chair's
22.9 designee, must serve on the committee as a nonvoting member. If the council expires or is
22.10 dissolved, this position on the committee is discontinued.

22.11 Subd. 3. **Dissolution of MNLARS Steering Committee.** The MNLARS Steering
22.12 Committee is dissolved and is replaced by the Oversight Committee.

22.13 Subd. 4. **Duties.** (a) The Oversight Committee must:

22.14 (1) review progress reports received pursuant to subdivision 5 and reports from the
22.15 information technology auditor;

22.16 (2) oversee the implementation of the VTRS;

22.17 (3) oversee the decommissioning of MNLARS, including the funds and staff resources
22.18 spent on the decommissioning;

22.19 (4) oversee the driver's license system;

22.20 (5) review whether the fee and surcharge increases required by this act should be
22.21 continued beyond September 30, 2021, and make a recommendation to the legislature on
22.22 whether fee and surcharge increases should remain in place after September 30, 2021; and

22.23 (6) hold a public meeting to review the status of contract negotiations and draft contracts
22.24 for VTRS. The commissioner must provide information to the Oversight Committee to the
22.25 extent provided by law. The meeting must be held prior to the contract with the vendor
22.26 being finalized.

22.27 (b) The Oversight Committee may contract with, hire, or otherwise consult with any
22.28 individual to assist the committee with its duties.

22.29 Subd. 5. **Progress reports.** (a) Between 20 and 30 days before the start of each quarter,
22.30 the commissioners of public safety and MN.IT must submit a report to the Oversight
22.31 Committee and the information technology auditor on the following:

23.1 (1) the status of MNLARS, including a summary of work performed to maintain
23.2 MNLARS and any work performed to decommission MNLARS;

23.3 (2) the status of the implementation of VTRS;

23.4 (3) a detailed explanation of any funds expended related to MNLARS and the purposes
23.5 of the expenditures, the number of staff working on MNLARS, and a description of the
23.6 work performed;

23.7 (4) a list of all requested customizations to VTRS, the purpose for the customization,
23.8 the cost of the customization, and whether the commissioner approved the customization;
23.9 and

23.10 (5) the status of the driver's license system.

23.11 (b) Between 20 and 30 days before the start of each quarter, the vendor must submit a
23.12 report to the Oversight Committee regarding the progress on the implementation of the
23.13 VTRS.

23.14 (c) Between 20 and 30 days before the start of each quarter, the Minnesota Deputy
23.15 Registrars Association, the Minnesota Deputy Registrar Business Owners Association, the
23.16 Minnesota Automobile Dealers Association, and any other stakeholders are each encouraged
23.17 to submit a report to the Oversight Committee regarding MNLARS, VTRS, or the driver's
23.18 license system.

23.19 Subd. 6. **Meetings.** (a) The chairs of the legislative committees with jurisdiction over
23.20 transportation finance serve as cochairs of the Oversight Committee.

23.21 (b) The Oversight Committee must meet at least once each quarter.

23.22 (c) The Oversight Committee is subject to Minnesota Statutes, section 3.055, except
23.23 that a member may vote by submitting a written statement indicating how the member votes
23.24 on a motion. The written statement must be treated in the same manner as the votes of the
23.25 members present at the meeting. The written statement must be submitted to all members
23.26 prior to the start of the meeting at which the vote will take place.

23.27 (d) The Legislative Coordinating Commission must provide meeting space and
23.28 administrative support for the Oversight Committee.

23.29 Subd. 7. **Expiration.** The Oversight Committee expires six months after full
23.30 implementation of VTRS. After full implementation but prior to the expiration of the
23.31 Oversight Committee, the Oversight Committee must submit a report to the chairs and
23.32 ranking minority members of the legislative committees with jurisdiction over transportation

24.1 policy and finance. The report must summarize the activities of the Oversight Committee
24.2 and make recommendations the Oversight Committee wishes the legislature to consider.
24.3 For purposes of this subdivision, "full implementation" means all packaged software solution
24.4 components are implemented and functioning and all MNLARS and legacy components
24.5 are decommissioned.

24.6 Sec. 34. **VEHICLE TITLE AND REGISTRATION SYSTEM.**

24.7 Subdivision 1. **Definitions.** The definitions in section 32 apply to this section.

24.8 Subd. 2. **Procurement.** (a) Recognizing that the preservation of the integrity of the
24.9 public contracting process of the state is vital to the operations of government and a matter
24.10 of interest to the people of the state, the legislature hereby declares as follows:

24.11 (1) the Department of Public Safety, in collaboration with the Office of MN.IT Services
24.12 and the Department of Administration, must conduct an expedited procurement process to
24.13 execute the recommendations set forth in the Independent Expert Review of MNLARS
24.14 dated May 1, 2019;

24.15 (2) the expedited procurement process shall be open, competitive, and evaluated based
24.16 on criteria that is predetermined and publicly disclosed as part of a request for proposal
24.17 process; and

24.18 (3) the commissioner of administration is authorized to waive the requirements of
24.19 Minnesota Statutes, chapter 16C, or other laws and procedures as necessary to complete an
24.20 expedited procurement process or to enter into direct negotiations with a vendor in the event
24.21 the commissioner determines an expedited process will not result in a contract that meets
24.22 the timelines or objectives of the report, or as otherwise necessary to achieve the best interests
24.23 of the state.

24.24 (b) The commissioner must include the following criteria in any request for proposal or
24.25 as required by paragraph (a):

24.26 (1) the vendor must have successfully deployed the software system in five or more
24.27 states and must provide contacts for references from each state; and

24.28 (2) the vendor must have at least five years of expertise in vehicle-packaged software
24.29 solutions.

24.30 (c) The commissioner of public safety must award the contract based on best value, as
24.31 defined in Minnesota Statutes, section 16C.02, subdivision 4, by July 1, 2019.

25.1 Subd. 3. **Stakeholder input.** The commissioner must ensure that stakeholders are
25.2 consulted during the process of implementing VTRS.

25.3 Subd. 4. **MNLARS freeze.** Update 1.16 scheduled to be released in June 2019 is the
25.4 final update to MNLARS, except that the fee and surcharge changes required by this act
25.5 must be implemented by August 1, 2019. Thereafter, MNLARS must be maintained with
25.6 nominal staff to address bugs and ensure continued operation of the system.

25.7 Subd. 5. **Department roles.** The Department of Public Safety is the owner of VTRS
25.8 and is responsible for the final decision on functionality priorities and decisions. MN.IT is
25.9 the technical lead on the project and is responsible for the final decisions regarding the
25.10 implementation of technology products and services, technical staff, and technical vendor
25.11 staff.

25.12 Subd. 6. **Customization.** (a) Wherever possible, business practices must be changed to
25.13 conform to VTRS in order to minimize the need for customizing VTRS.

25.14 (b) The Driver and Vehicle Executive Steering Committee must make recommendations
25.15 to the commissioner on requests to customize VTRS. In making the recommendations, the
25.16 Executive Steering Committee must consider the following factors when considering
25.17 customization:

25.18 (1) the reason for the customization and whether the reason is based on state law or on
25.19 a business practice;

25.20 (2) the cost of the customization;

25.21 (3) any future cost related to the customization; and

25.22 (4) input from stakeholders.

25.23 The commissioner is responsible for approving or denying all requests to customize VTRS.

25.24 Subd. 7. **Timeline.** The legislature intends that the contract with the vendor to implement
25.25 VTRS will be completed and implementation will begin in early summer of 2019. The
25.26 legislature further intends that VTRS will be launched and MNLARS will be decommissioned
25.27 by the end of calendar year 2020. The legislature further intends that VTRS will be fully
25.28 implemented and MNLARS and the legacy system be fully decommissioned by the fall of
25.29 2021.

25.30 Subd. 8. **Driver and Vehicle Systems Oversight Committee.** The Driver and Vehicle
25.31 Systems Oversight Committee must oversee the implementation of VTRS.

26.1 Sec. 35. SELF-SERVICE OPTIONS.

26.2 The commissioner of public safety must consider ways in which the driver services
26.3 system and the vehicle title and registration system allow for the addition of self-service
26.4 options and on-the-spot fulfillment. The commissioner of public safety must consider
26.5 capabilities such as allowing individuals to receive a driver's license or identification card
26.6 at the same time and in the same location that the application is made. The commissioners
26.7 must report the findings to the Driver and Vehicle Systems Oversight Committee established
26.8 in section 33 of this act.

26.9 Sec. 36. VEHICLE REGISTRATION TASK FORCE.

26.10 Subdivision 1. Membership. (a) The Vehicle Registration Task Force consists of the
26.11 following 20 members:

26.12 (1) four senators, including two senators appointed by the senate majority leader and
26.13 two senators appointed by the senate minority leader;

26.14 (2) four members of the house of representatives, including two members appointed by
26.15 the speaker of the house and two members appointed by the minority leader of the house
26.16 of representatives;

26.17 (3) one member appointed by the governor from the Office of the Governor;

26.18 (4) the commissioner of transportation or a designee;

26.19 (5) the chief financial officer of the Department of Transportation or a designee;

26.20 (6) the commissioner of public safety or a designee;

26.21 (7) the director of Driver and Vehicle Services Division of the Department of Public
26.22 Safety or a designee;

26.23 (8) the chief financial officer of the Department of Public Safety or a designee;

26.24 (9) the state chief information officer or a designee;

26.25 (10) the chief financial officer of MN.IT Services or a designee;

26.26 (11) one deputy registrar appointed by the Minnesota Deputy Registrars Association;

26.27 (12) one deputy registrar appointed by the Minnesota Deputy Registrar Business Owners
26.28 Association; and

26.29 (13) two members, one of whom is familiar with the title and registration process,
26.30 appointed by the Minnesota Automobile Dealers Association.

27.1 (b) Appointing authorities must make initial appointments to the Vehicle Registration
 27.2 Task Force by June 1, 2019.

27.3 Subd. 2. **Duties.** The Vehicle Registration Task Force is established to study various
 27.4 methods of vehicle registration and the corresponding fee structures. At a minimum, the
 27.5 task force must study:

27.6 (1) how each of the following methods could be implemented in Minnesota in a revenue
 27.7 neutral manner: flat rate, weight-based, value-based, and age-based;

27.8 (2) a two-year vehicle registration period and any other changes related to timing of
 27.9 vehicle registration periods;

27.10 (3) the financial effects of the changes considered in clauses (1) and (2) including, at a
 27.11 minimum, costs for vehicle owners and deputy registrars; and

27.12 (4) whether the changes considered in clauses (1) and (2) will require customization to
 27.13 the vehicle title and registration system and the potential cost of the customization.

27.14 Subd. 3. **Report.** By January 15, 2020, the task force shall report to the chairs and ranking
 27.15 minority members of the legislative committees with jurisdiction over transportation policy
 27.16 and finance. The report must:

27.17 (1) summarize the activities of the task force;

27.18 (2) provide an explanation of how each method examined could be implemented in
 27.19 Minnesota in a revenue neutral manner;

27.20 (3) provide recommendations by the task force on which method is preferable and why;
 27.21 and

27.22 (4) include any draft legislation needed to implement the recommendations.

27.23 Subd. 4. **First meeting; chair.** The chair of the Legislative Coordinating Commission
 27.24 must convene the first meeting of the Vehicle Registration Task Force by July 1, 2019. At
 27.25 the first meeting, the task force shall elect a chair by a majority vote of those members
 27.26 present.

27.27 Subd. 5. **Meetings.** The meetings of the task force are subject to Minnesota Statutes,
 27.28 chapter 13D.

27.29 Subd. 6. **Administration.** (a) The Legislative Coordinating Commission shall provide
 27.30 administrative services for the task force.

28.1 (b) The Department of Transportation, the Department of Public Safety, and MN.IT
28.2 Services must provide the task force with general informational and technical support.

28.3 Subd. 7. **Compensation.** Public members are compensated as provided in Minnesota
28.4 Statutes, section 15.059, subdivision 3.

28.5 Subd. 8. **Expiration.** This section expires the day after submission of the report required
28.6 in subdivision 3 or on January 16, 2020, whichever is later.

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

28.8 Sec. 37. **APPROPRIATIONS.**

28.9 (a) \$..... in fiscal year 2020 is appropriated from the general fund to the commissioner
28.10 of public safety for the development and implementation of a packaged software system
28.11 for vehicle registration and title transactions. Of this amount, \$..... is available for ongoing
28.12 operations and maintenance of MNLARS and the legacy system until the systems are
28.13 decommissioned. This is a onetime appropriation and is available until December 31, 2021.

28.14 (b) \$..... is appropriated in fiscal year 2020 and \$..... is appropriated in fiscal year 2021
28.15 from the data security account in the special revenue fund under Minnesota Statutes, section
28.16 3.9741, subdivision 5, for the quarterly reviews and final audit required by section 31.

28.17 Sec. 38. **REVISOR INSTRUCTION.**

28.18 The revisor of statutes must correct all cross-references to the paragraphs that are
28.19 relettered in section 29.

28.20 Sec. 39. **REPEALER.**

28.21 Laws 2018, chapter 101, section 3, subdivision 2, is repealed.

28.22 Sec. 40. **EFFECTIVE DATE.**

28.23 (a) Except as provided in paragraph (b), this act is effective the day following final
28.24 enactment.

28.25 (b) The fee changes in sections 2 to 24 and section 29, paragraph (a), are effective August
28.26 1, 2019, and expire September 30, 2021.

Laws 2018, chapter 101, section 3, subdivision 2

Sec. 3. **INFORMATION TECHNOLOGY AUDITOR; MNLARS ASSESSMENTS.**

Subd. 2. Duties. (a) The information technology auditor must conduct an assessment of MNLARS. Upon completion, the assessment must be provided to the MNLARS Steering Committee established under section 4. At a minimum, the assessment must include:

(1) a technical assessment of MNLARS;

(2) an assessment on the feasibility of the MNLARS Project Roadmap proposed by the Department of Public Safety and the Office of MN.IT Services in January 2018, and the project timeline under section 2, subdivision 2;

(3) an assessment of estimated funding needs for the continued development, operations, and maintenance of MNLARS; and

(4) an assessment of process changes and business workflows for auto dealers and deputy registrars.

(b) Each quarter, the information technology auditor must report to the MNLARS Steering Committee whether the commissioner of public safety and the state chief information officer are:

(1) meeting the deadlines and performance measures in the project timeline required in section 2, subdivision 2; and

(2) in compliance with the plans required in section 2, subdivision 2.

(c) The quarterly reports under paragraph (b) must be submitted to the committee between 20 and 30 days before the start of each quarter.