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Minnesota House of Representatives Lisa Demuth, Speaker

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# New Laws Effective July 1, 2025

The following is a list of <u>select</u> new laws passed during the 2025 legislative session, a couple from 2024 and one from 2023 that take effect July 1, 2025. The asterisk following the bill number denotes language that became law. Summaries of laws passed by the 2025 Legislature are available online from nonpartisan House Public Information Services at house.mn.gov/newlaws/search/2025.

# **BUSINESS AND COMMERCE**

#### Commerce law includes establishing homeowners' association ombudsperson

A new common interest community ombudsperson position will be created within the Department of Commerce to assist unit owners, unit owners' tenants and associations in understanding their rights and facilitate the resolution of disputes between unit owners and associations.

It is one provision in the omnibus commerce law sponsored by Rep. Kaohly Vang Her (DFL-St. Paul) and Sen. Matt Klein (DFL-Mendota Heights).

Among its other provisions that take effect July 1, 2025, is a place of entertainment will be required at a ticketed event with at least 100 attendees to provide access to free water and allow attendees to bring factory-sealed bottled water or an empty water bottle to access potable water. Limits can be placed on the types and sizes of allowable bottles. A place of entertainment will not be required to allow water in an exhibit, gallery or presentation space where beverages are prohibited if water is available outside the space.

Among changes for financial institutions is they will be permitted to give notice and close a deposit account of an account holder who has harassed the financial institution's staff or customers.

2025 Special Session: SSHF4\*/SSSF4/CH4

# ECONOMIC DEVELOPMENT

#### New law funds economic development, jobs programs

State spending on jobs, economic development, labor and industry will total about \$460 million during the 2026-27 biennium. The law authorizing these appropriations also makes scores of accompanying policy changes, including reexamining grant processes, beefing up some labor law enforcement and realigning inspection fee structures.

Rep. Dave Pinto (DFL-St. Paul) and Senate President Bobby Joe Champion (DFL-Mpls) sponsor the law. Here are some appropriations that take effect July 1, 2025:

- \$95 million for business and community development and \$92.34 million for workforce development services, much of it distributed through grants of \$500,000 to \$1.5 million to community organizations;
- \$88.4 million for vocational rehabilitation services, including \$17.33 million annually for extended employment services for people with severe disabilities;

- \$41.46 million for Explore Minnesota, including \$5 million for costs related to the World Junior Hockey Championships, \$825,000 for Explore Minnesota Film, and \$671,000 for the 2026 Special Olympics USA Games;
- \$41.44 million previously earmarked for the Paid Family and Medical Leave program to fund benefits until premium payments are collected;
- \$16.85 million to provide services for the blind; and
- \$4.5 million to the Minnesota Trade Office. Policy changes include:
- clarifying and making modest changes to earned sick and safe time policies, such as allowing employers to request documentation, such as a doctor's note, for employees taking two or more days of earned time off – instead of after three days;
- the maximum CanStartup loan to a cannabis business will increase from \$50,000 to \$75,000, and \$150,000 to \$200,000 if matched by new private investment; and
- an Office of Public Service will be established to promote, expand, create and strengthen career pathways aligned with public service opportunities.
  2025 Special Session: SSHF15/SSSF17\*/CH6

# **EDUCATION**

#### Summer unemployment insurance for hourly school workers boosted by \$100 million

A new law that takes effect July 1, 2025, will provide a onetime \$100 million appropriation in fiscal year 2026 to reimburse school districts to fund the summer unemployment insurance program.

Funds in the account are used to reimburse school districts, charter schools, intermediate school districts, and other cooperative units for costs associated with providing unemployment benefits to hourly school employees over the summer.

Sponsored by Rep. Emma Greenman (DFL-Mpls) and Sen. Jennifer McEwen (DFL-Duluth), the law will cancel a \$77.23 million appropriation made in 2023 for the Northern Lights Express rail project — a proposed passenger rail service between Minneapolis and Duluth — and reduce \$683,000 for fiscal year 2026 and \$22.09 million for fiscal year 2027 from special education aid to provide the \$100 million to the school unemployment aid account.

However, the special education reductions are not an actual loss in revenue to schools since these costs are fully covered by the direct state unemployment insurance aid payments for the 2026-27 biennium. In subsequent years, if no direct unemployment aid is provided to schools, the special education formula will reimburse a portion of the unemployment insurance costs for special education paraprofessionals in the same manner as other eligible special education expenditures.

Hourly workers will remain eligible for the summer unemployment insurance program in future years, but districts will eventually have to absorb the cost.

HF1143\*/SF906/CH33

#### Law funds Minnesota schools with nearly \$26 billion, but cuts in several areas

The \$25.73 billion K-12 education finance and policy law will increase funding to schools by \$4.2 million in the 2026-27 biennium.

Sponsored by Rep. Cheryl Youakim (DFL-Hopkins) and Sen. Mary Kunesh (DFL-New Brighton), the law will provide a one-time \$55.64 million compensatory revenue increase and \$22.96 million more "to develop, continue or expand Grow Your Own new teacher programs ... to develop a teaching workforce that more closely reflects the state's increasingly diverse student population and ensure all students have equitable access to effective and diverse teachers." It will also provide inflationary increases to the basic education formula in the next biennium and beyond.

In addition to calling for a \$420 million funding cut in the 2028-29 biennium when the state is forecast to have a multi-billion dollar shortfall, there are some 2026-27 biennial budget cuts, including reductions in teacher pipeline programs and a trim to the reimbursement for special education pupil transportation.

With special education costs continuing to grow dramatically, a Blue Ribbon Commission on Special Education is created. "By October 1, 2026, the commission must develop and present to the legislature and the governor an action plan for transforming special education services while maintaining a free appropriate public education for students with disabilities." If the commission's action plan does not result in the 2027 Legislature passing at least \$250 million in biennial cuts to special education funding beginning with the 2028-29 biennium, the department must reduce the special education cross subsidy factor until the total is reached.

School districts will be reimbursed 95% for transporting students with disabilities in fiscal year 2026 and 90% beginning in fiscal year 2027. This will result in a reduction of \$43.2 million in the 2026-27 biennium and \$48.2 million in the 2028-29 biennium.

Policy provisions in the law include:

- establishment of a Compensatory Revenue Task Force;
- a district can begin the school year on or after Sept. 1 for the 2026-27 and 2027-28 school years because Labor Day is as late as it can be in 2026 and 2027;
- school boards are encouraged to adopt a process to include student representation to advise the board;
- the short-call emergency substitute teacher pilot program is made permanent;
- a high school student can possess and administer an opiate antagonist to another high school student; and
- school districts and charter schools will be encouraged to teach courses on healthy aging and dementia.

2025 Special Session: SSHF5\*/SSSF5/CH10

#### **EMPLOYMENT**

#### Law adds protections for minors appearing in online media

A new law establishes regulations, compensation requirements, and enforcement provisions related to minor children appearing on internet platforms where the content generates compensation.

Sponsored by Rep. Zack Stephenson (DFL-Coon Rapids) and Sen. Erin Maye Quade (DFL-Apple Valley), the law taking effect July 1, 2025, defines "content creator" as a person who creates and posts videos online for compensation, on their own or with a company, but excludes minors creating content. Content creators showing minors appearing incidentally in a video that depicts a public event are not subject to the law.

The law will apply when at least 30% of the content creator's compensated video content produced within a 30-day period included the likeness, name, or photograph of any minor.

A trust account and payment for the content created using the minor's likeness will be required and the trust must be maintained until the minor reaches age 18.

Records must be kept on minors who appear in at least 30% of the content creator's videos, when the content creator's videos generate income. They must be readily accessible to the minor and the minor may request the content with their likeness be deleted any time after they turn 13.

Children under 14 will be prohibited from working in content creation, so they cannot appear in more than 30% of the videos, but, if they do appear, they are entitled to 100% of the profits.

The law specifies that minors aged 14 to 18 can produce their own content and are entitled to the profits.

2024 Session: HF3488\*/SF3496/CH103

# ENVIRONMENT

### Environment law spends \$1.19 billion, makes changes to PCA permitting processes

A new law funds state agencies and departments charged with preserving the quality of the state's air, water, land and wildlife. It also makes reforms to the permitting processes used by the Pollution Control Agency, modifies regulations prohibiting intentionally added PFAS in consumer products and expands the enforcement authority of the Department of Natural Resources regarding abandoned watercraft.

Rep. Josh Heintzeman (R-Nisswa) and Sen. Foung Hawj (DFL-St. Paul) are the sponsors.

The law reforms many of the Pollution Control Agency's permitting processes with the goal of making them more efficient and speedier for businesses needing environmental permits to operate. These include:

- requiring the agency's annual permitting efficiency report to focus on the more complicated Tier 2 permits, and include additional information about permits that have not met the statutory goal;
- allowing the agency to not provide expedited permitting when it lacks the staff or contractor capacity to do so;
- providing permit applicants five business days to remedy identified deficiencies in permit applications; and
- limiting who can file discretionary environmental assessment worksheets to people residing in the county in which a proposed project will be undertaken or in one or more adjoining counties.

The law relaxes regulations prohibiting intentionally added PFAS in consumer products and other substances by:

- exempting the internal components of products from the prohibition on selling products that contain intentionally added PFAS;
- excluding certain children's recreational vehicles, including all-terrain vehicles and snowmobiles, electric-assisted bicycles, and replacement parts for these items, from the prohibition on selling juvenile products containing intentionally added PFAS; and
- providing a temporary exemption from the ban on PFAS-containing firefighting foam when used in fixed firefighting systems at airport hangars.

Peace or conservation officers will be able to ticket watercraft "unlawfully located on public accesses, public lands, and waters of this state or unlawfully located on property adjacent to waters of this state." An owner who knowingly fails to remedy the condition within 14 days of notification is guilty of a misdemeanor. The DNR must investigate tagged watercraft 14 days after sending notice to the registered owner. If the condition that led to tagging hasn't been remedied, the watercraft is considered abandoned and must be seized and disposed of by the DNR.

A person convicted of failing to remedy a condition that led to the watercraft tagging is subject to the following penalties until the person has reimbursed the DNR for all of its costs: voiding of their annual game and fish licenses, prohibiting action under any lifetime game and fish license, and voiding of all licenses and registrations needed to operate a watercraft, off-highway vehicle and snowmobile.

Other policy in the law includes:

- making the open season for taking largemouth and smallmouth bass year-round;
- extending by one year the ability of a person to hunt and fish with a crossbow during the respective archery seasons;
- a "shotgun zone" that restricted deer hunters to using only shotguns, muzzleloaders, and handguns in the southern portion of the state is repealed; and
- a Minnesota Sustainable Foraging Task Force is created to provide legislative recommendations by Feb. 28, 2026, on science-based foraging guidelines for state lands. 2025 Special Session: SSHF8/SSSF3\*/SSCH1

#### Legacy dollars will fund \$777 million to outdoors, clean water, parks and trails, and the arts

Nearly \$777 million from legacy funds will be appropriated to protect drinking water sources; protect, enhance, and restore wetlands, prairies, forests, and fish, game, and wildlife habitat; preserve arts and cultural heritage; support parks and trails; and protect, enhance, and restore lakes, rivers, streams, and groundwater.

The Environmental and Natural Resources Trust Fund was established in 1988 via a constitutional amendment to "provide a long-term, consistent, and stable source of funding for activities that protect, conserve, preserve, and enhance Minnesota's 'air, water, land, fish, wildlife, and other natural resources' for the benefit of current citizens and future generations." Money is generated by the state lottery.

Rep. Samantha Vang (DFL-Brooklyn Center) and Sen. Foung Hawj (DFL-St. Paul) sponsor the law. Funding in the law includes:

- \$139.34 million for 17 Board of Water and Soil Resources projects; including \$88.1 million to implement state-approved watershed-based plans;
- \$77.65 million for 21 habitat projects, and a conservation partners grant program;
- \$67.65 million for arts and arts access initiatives;
- \$51.53 million to "connect people to the outdoors; acquire land and create opportunities; maintain existing holdings; and improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan";
- \$33.43 million for 10 prairie projects;
- \$29.03 million for eight wetland protection or restoration projects;
- \$18.9 million to complete statewide assessments of surface water quality and trends; and
- \$5.4 million for "the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota." HF2563\*/SF2865/CH36

#### Permit needed to operate boat, personal watercraft

In an expansion of the current boater operator law, effective July 1, 2025, many boaters must have an operator's permit to drive a boat or personal watercraft in Minnesota. The requirement will start with boaters 21 and younger but will gradually apply to older age groups by 2028.

Per the law, "The commissioner must issue a watercraft operator's permit to a person 12 years of age or older who successfully completes a water safety course and written test." An 11-year-old can earn the permit, but it will not be valid until the person is 12.

A motorboat rental business will be prohibited from renting or leasing a motorboat unless the person is at least 18 and has a valid watercraft operator's permit or is exempt from the requirements.

Rep. Rick Hansen (DFL-South St. Paul) and Sen. Foung Hawj (DFL-St. Paul) are the sponsors. 2023 Session: HF2310\*/SF2438/CH60

#### **HEALTH AND HUMAN SERVICES**

#### Health, human services law aims to maintain services while curbing spending growth

A new law directing billions in spending supports subsidized health insurance, foster care, drinking water testing, and dozens of other initiatives designed to improve Minnesotans' well-being.

The net General Fund appropriation for the Departments of Health, Human Services and Children, Youth, and Families is \$7.01 billion for the 2026-27 biennium.

Rep. Robert Bierman (DFL-Apple Valley) and Sen. Melissa Wiklund (DFL-Bloomington) are the sponsors. To respond to projected budget shortfalls driven in part by rising health care costs, the law includes targeted adjustments to revenues and spending. Modifications to MinnesotaCare and Medical Assistance programs aim to reduce spending while maintaining or increasing payments to struggling sectors of the health care industry.

To that end, the law will:

- seek federal approval for a directed payment system that'd increase Medical Assistance payments to hospitals without affecting state spending by shifting more cost to the federal government;
- seek federal approval to provide an assessment on managed care organizations expected to raise an additional \$207.42 million — to help increase Medical Assistance reimbursement rates for some mental health services;
- pay certain independent pharmacies an additional \$4.50 per prescription filled through the Medical Assistance program;
- establish a uniform non-emergency medical transport program for Medical Assistance and MinnesotaCare, anticipated to save \$48.34 million;
- repeal permission to seek federal approval for a public option, saving \$21 million;
- establish a Minnesota-specific prescription drug cost survey and contract with a single pharmacy benefits manager for the Medical Assistance and MinnesotaCare programs, which together are expected to produce net savings of \$960,000 for the 2026-27 biennium; and
- establish a county-administered rural Medical Assistance program to "facilitate integration of health care, public health, and social services to address health-related social needs in rural communities." Additionally, nonprofit health care organizations will be able to access capital to finance health care

facility construction projects, similar to educational institutions, with the formation of the Minnesota Health

- and Education Facilities Authority, which has an upper limit of \$2.75 billion in bonding for health care facilities. Policy in the law includes:
  - a dementia service program is established to coordinate policies and programs, share data and incorporate detection and risk-reduction strategies into Health Department programs;
  - except in certain circumstances, prior consent must be given before physicians or students perform sensitive exams, such as pelvic or prostate exams;
  - pediatricians will have to inform parents about the signs of abuse in infants and how to report suspected physical abuse;
  - a fifth level of violations is created at home care or assisted living facilities, with a Level 5 violation being a violation that results in serious injury or death;
  - an African American Child and Family Well-Being Advisory Council will be established in the Department of Children, Youth, and Families;
  - a Spoken Language Health Care Interpreter work group is created to improve access to critical health care interpreting services across the state; and
  - a dental access working group is established to make recommendations to the Department of Human Services on a dental payment rate structure for Medical Assistance and MinnesotaCare.

The scope of practice for optometrists will expand, letting them perform some procedures previously limited to ophthalmologists; establish a limited license for graduates of foreign medical schools; and establish a new certified midwife licensure process, available to those with a graduate-level degree in midwifery.

The Department of Human Services will be permitted to exchange information, including claims data, with state or federal agencies, professional boards, departments, or programs for the purpose of investigating or prosecuting a criminal, civil, or administrative proceedings related to suspected fraud or exclusion from any program administered by a state or federal agency.

The department may temporarily suspend a license if the license holder or controlling individual is the subject of a pending administrative, civil, or criminal investigation or subject to an administrative or civil action related to fraud against a program administered by a state or federal agency.

2025 Special Session: SSHF2\*/SSSF6/CH3

# **HIGHER EDUCATION**

### Higher education bill appropriates \$4 billion, addresses grant program deficit

The higher education budget and policy law appropriates \$4.01 billion for the 2026-27 biennium to the Office of Higher Education, Minnesota State and University of Minnesota.

Sponsored by Rep. Dan Wolgamott (DFL-St. Cloud) and Sen. Omar Fateh (DFL-Mpls), the law contains \$1.76 billion for Minnesota State, \$1.49 billion for the University of Minnesota, and \$760 million for the Office of Higher Education. The Mayo Foundation's \$3.6 million appropriation is eliminated.

Of the Office of Higher Education funding is \$494.6 million targeted to the State Grant Program, a \$44.47 million increase to remedy a program deficit. In addition to the funding increase, the law would use policy changes to attack the deficit including:

- lowering the maximum lifetime credit cap on state grant awards from 180 credits to 120 credits;
- imposing a tuition cap for four-year programs;
- reducing the default living-and-miscellaneous-expense allowance from 115% of federal poverty guidelines to 106% for a one-person household for nine months; and
- changing the deadline for applications for state grant awards for an academic term from the end of the fiscal year following the term to 30 days after the start of that term.

The office will also receive increases of \$8 million for fostering independence higher education grants;

- \$1.25 million for agency administration, and \$500,000 more for child care grants. As for policy, the law:
  - requires Minnesota State and requests the University of Minnesota to maintain a supply of nasal opiate antagonist at each campus residential building;
  - requires Minnesota State and requests University of Minnesota that all North Star Promise eligible students — Minnesota residents with a family Adjusted Gross Income below \$80,000 — receive resident tuition rates;
  - establishes that a student who has completed requirements for their first baccalaureate degree is no longer eligible for North Star Promise, even if the student has not yet graduated with the degree;
  - establishes a working group to develop policy recommendations to prevent fraudulent enrollment in online courses; and
  - establishes within Minnesota State, a temporary pilot program to provide last-dollar, full tuition and fee grants for Minnesota law enforcement officers and their dependents attending state colleges and universities.

2025 Special Session: SSHF6/SSSF1\*/CH5

# MILITARY AND VETERANS AFFAIRS

# Omnibus veterans and military affairs law includes new funding, policy changes

A new law will provide a \$50.5 million increase over base for veterans and military affairs funding and make a handful of policy changes.

Sponsored by Rep. Matt Bliss (R-Pennington) and Sen. Aric Putnam (DFL-St. Cloud), the law, effective July 1, 2025, will spend \$365.23 million from the General Fund in the 2026-27 biennium.

Of the increased funding, \$40.9 million is to the Department of Veterans Affairs, with \$39.17 million to support operations at the state's eight veterans' homes, including staffing increases at the Bemidji,

Montevideo and Preston facilities (each opened early in 2024) to reduce the waitlist of veterans seeking to live there.

Other department increases include a nearly \$1.19 million operating adjustment; \$300,000 to increase suicide prevention; \$300,000 to expand home-delivered meals to veterans, including in Greater Minnesota; \$120,000 to provide technical assistance to county veterans service officers for three areas: women veterans,

suicide prevention and justice-involved veterans; and \$100,000 to Hometown Hero Outdoors to fund outdoor recreational activities and mental health services for currently serving military personnel and veterans.

A fiscal year 2026 allocation of \$118,000 is for a task force to develop eligibility requirements for "Veteran of the Secret War in Laos" status.

Such status will be granted under state law to certain people who served with special guerilla units or other irregular forces in Laos: naturalized under the federal Hmong Veterans' Naturalization Act of 2000 or whom the Department of Veterans Affairs has determined "served honorably with a special guerrilla unit or other irregular forces that operated from a base in Laos in support of the armed forces of the United States at any time during the period beginning Feb. 28, 1961, and ending May 14, 1975, and is a citizen of the United States or an alien lawfully admitted for permanent residence in the United States." An eligibility certificate for the benefits and privileges will be provided to show a veteran's status.

Five spending increases are targeted to the Department of Military Affairs: \$8 million to maintain enlistment and retention bonuses, \$750,000 to sustain the agency's current Cyber Coordination Cell program that provides "sustained support for Cyber operations readiness within the Minnesota National Guard," a \$599,000 operating adjustment, \$242,000 in fiscal year 2026 to operate the Holistic Health and Fitness program for the Army National Guard, and \$4,000 so 5% of service member base pay is a pension offset for those activated for state active duty.

The law also requires placement of a memorial plaque in the Court of Honor on State Capitol grounds to recognize the service and sacrifices of Minnesota's Gold Star and Blue Star families.

HF2444/SF1959\*/CH30

# **PUBLIC SAFETY**

#### Public safety, judiciary law funds - and makes changes to - courts, cops, and corrections

The wide-ranging public safety and judiciary law, effective July 1, 2025, increases penalties for assaulting a firefighter, extends the statute of limitations for first-degree arson from five to 10 years, authorizes county attorneys to use administrative subpoenas in wage theft investigations and makes it a crime to knowingly cause or permit a child to inhale, be exposed to, have contact with, or ingest fentanyl.

Rep. Paul Novotny (R-Elk River) and Sen. Ron Latz (DFL-St. Louis Park) are the sponsors.

District Courts are funded with \$792.8 million, including \$5.4 million to increase the pay of forensic navigators who perform psychiatric or psychological examinations assessing civil commitment proceedings and criminal competency from \$136 per hour to \$165 per hour.

The law includes a \$4 million grant in fiscal year 2026 to the Judicial Branch to make documents and court information assessable electronically. Courts will be permitted to charge a reasonable fee to private attorneys for this improved access and to retain any money collected.

A four-year phased closure of the Stillwater prison is mandated by the law, and \$1 million is appropriated in fiscal year 2026 to fund a study on decommissioning the facility. The incarceration and pre-release services budget includes a \$90.3 million department-wide operating adjustment in the 2026-27 biennium for expenses associated with the closure.

Other judiciary and civil and criminal law policy items in the law include:

- increasing electronic access to judicial court records;
- raising district court civil action filing fees by \$25, with revenue going to fund crime victim services;
- expanding the crime of destruction of public utilities to include streetlights, electric vehicle charging stations, traffic signals and electronic warning signs;
- protecting all correctional employees from the reporting of fictitious crimes, also known as swatting;
- requiring certain criminal fines be deposited into the Minnesota victims of crime account;
- establishing a task force on mandatory minimum sentences;
- expanding police use of unmanned aerial vehicles (drones) without warrants; and

• expanding police use of mobile tracking devices that can be attached to stolen and fleeing vehicles. Additionally, the law modifies the types of parental information that may be made public in student directories distributed by schools; expands to all judicial officials the prohibition on releasing data contained in real property records to the public; and limits the release of data to a patient registry without the individual's informed consent.

HF2432\*/SF1417/CH35

# **STATE GOVERNMENT**

#### Quartet of payments comprise annual claims law

Each year, the joint House-Senate Subcommittee on Claims decides which claims against the state should be funded.

This year's law, effective July 1, 2025, contains nearly \$72,381 in payments in fiscal year 2026, including \$65,000 to the estate of Vincent Beaulieu which sought relief under the Imprisonment and Exoneration Remedies Act that provides a compensation process for cases where a person was exonerated of a felony for which they were wrongfully incarcerated.

Beaulieu spent 246 days in prison after pleading guilty to 5th-degree controlled substance possession. Lab results later determined the substance was not a controlled substance and his conviction was vacated.

The law also contains payments related to personal injury claims against the Department of Corrections: \$6,531.25 to Victor Lynch, who sustained permanent injuries to his left hand while performing assigned duties at the Stillwater prison, and \$849.86 to reimburse the department for claims under \$7,000 and other claims already paid between April 2023 and April 2025 for injuries under the community work service or sentence-to-service programs. There are two such claims.

Rep. Luke Frederick (DFL-Mankato) and Sen. Doron Clark (DFL-Mpls) are the sponsors. HF3247/SF3446\*/CH26

#### State government funding and policy changes

Ensuring the government functions for the people is a key component of the omnibus state and local government and elections law.

The \$1.35 billion spending package for the 2026-27 biennium is a \$46.5 million increase over forecast base and contains a plethora of policy provisions.

Rep. Ginny Klevorn (DFL-Plymouth) and Sen. Tou Xiong (DFL-Maplewood) sponsor the law.

Most state agencies and departments will get an operating increase, in many cases to maintain current levels of service.

To fight fraud, an agency will be permitted to withhold payments to a program participant for up to 60 days if there is a preponderance of evidence the participant has committed fraud to obtain payments, the scope of existing whistleblower protections for state employees is expanded, and state agency staff assigned grant management responsibilities must complete initial training before assuming grants management job duties and must annually complete continuing training.

The list of officers who must notify the legislative auditor's office when they obtain information indicating that public money or other public resources may have been used for an unlawful purpose is expanded to include deputy and assistant chief executive officers, chief administration officers, chief investigative officers, heads of divisions, bureaus, departments, institutes, or other organizational units, and board chairs, where applicable.

Except where a provision of law to the contrary specifically prohibiting data sharing, any government entity can disclose data relating to suspected or confirmed fraud in public programs to any other government entity, federal agency, or law enforcement agency if the access promotes the protection of public resources, promotes the integrity of public programs, or aids the law enforcement process.

Other state government policy in the law includes:

- establishing *Castoroides ohioensis*, commonly known as the giant beaver, or capa in Dakota and amik in Ojibwe, as the state fossil;
- designating Ursa Minor as the state constellation;
- prohibiting state entities from agreeing to certain contract terms, including automatically renewing state funds in subsequent fiscal years;
- requiring state agencies to post an organizational chart online that includes the names and contact information for top officials;
- allow the Department of Administration to accept private funds for replacement of one of Minnesota's two statues in the U.S. Capitol; and
- repealing the Legislative Commission on Minnesota Sports Facilities, Legislative Commission on Housing Affordability, Legislative COVID-19 Response Commission, and Driver and Vehicle Systems Oversight Committee. HF2783/SF3045\*/CH39

# TRANSPORTATION

#### Motorcyclists can go between vehicles

Beginning July 1, 2025, motorcyclists will be allowed to lane split and lane filter.

Per the Office of Traffic Safety, lane splitting occurs when at least two lanes of traffic are traveling in the same direction and traffic is moving. A motorcyclist will be permitted to pass another vehicle going in the same direction and in the same traffic lane at no more than 25 mph and no more than 15 mph over the traffic speed in relevant lanes.

Lane filtering will be allowed when at least two lanes of traffic are traveling in the same direction and traffic is not moving. A motorcyclist can move through stopped traffic, such as at a traffic light or traffic jam, at no more than 15 mph over the speed of traffic in the relevant traffic lanes.

Drivers cannot "intentionally impede or attempt to prevent the operation of a motorcycle" when filtering.

A 2025 law clarifies that a traffic lane does not include: the approach, drive-through, or exit of a roundabout; a school zone; a work zone where only a single travel lane is available for use; or a freeway or expressway on-ramp with or without an active control device where moving or stationary vehicles are queued in one or more traffic lanes.

2024 Session: HF5247\*/SF5234/CH127 2025 Special Session: SSHF14\*/SSSF18/CH8

#### Medical exceptions to vehicle window tinting restrictions can be made permanent

While Minnesota has restrictions on the level of window tinting on vehicles, exceptions are made when a physician determines that a driver's light sensitivity requires deeper tinting. But such allowances have been required to expire after two years, necessitating renewals.

Effective July 1, 2025, the medical exception to tinting restrictions will not have an expiration date if a doctor determines that the driver's condition is permanent.

Rep. Jim Joy (R-Hawley) and Sen. Jeff Howe (R-Rockville) sponsor the new law. HF1243/SF1075\*/CH5

#### Transportation law funds new State Patrol headquarters

The transportation finance and policy law includes \$9.88 billion in appropriations from six different funds for the 2026-27 biennium. Among the projects it funds are a new State Patrol headquarters and several state road construction projects.

Sponsored by Rep. Erin Koegel (DFL-Spring Lake Park) and Sen. D. Scott Dibble (DFL-Mpls), the law contains upward operating adjustments for several sections of the state's transportation budget, including state roads operations and maintenance, the Trunk Highway Fund and the State Patrol.

Amongst appropriations, the law's largest increases in new funding for the 2026-27 biennium include:

- \$650 million toward the John A. Blatnik Bridge rebuild;
- \$454.09 million in federal fund spending authority for state road construction;
- \$97.03 million to construct a State Patrol metro headquarters building;
- \$66.5 million for priority trunk highway projects;
- \$18 million for state highway improvements;
- \$16.32 million the state roads program delivery;
- \$10 million for a new control tower at the Duluth airport;
- \$9.6 million for airport development and assistance, aviation support and services, and the Civil Air Patrol;
- \$8 million for suicide prevention measures on the Washington Avenue Bridge in Minneapolis;
- \$6.2 million to construct a Rum River Dam Pedestrian Bridge in Anoka;
- \$6 million for state roads corridor planning;
- \$5 million for the University of Minnesota Empowering Small Minnesota Communities program;
- \$4 million for truck station modernization; and
- \$3 million for local road wetland replacement activities. 2025 Special Session: SSHF14\*/SSSF18/CH8