

26.24 **ARTICLE 3**
26.25 **FORFEITURE**

26.26 Section 1. Minnesota Statutes 2014, section 6.74, is amended to read:

26.27 **6.74 INFORMATION COLLECTED FROM LOCAL GOVERNMENTS.**

26.28 Subdivision 1. **General reporting requirements.** The state auditor, or a designated
26.29 agent, shall collect annually from all city, county, and other local units of government,
26.30 information as to the assessment of property, collection of taxes, receipts from licenses
26.31 and other sources including administrative fines assessed and collected pursuant to section
27.1 169.999, the expenditure of public funds for all purposes, borrowing, debts, principal and
27.2 interest payments on debts, and such other information as may be useful.

27.3 Subd. 2. **Annual forfeiture expenditures reporting.** Each appropriate agency
27.4 and prosecuting authority required to report to the state auditor under section 609.5315,
27.5 subdivision 6, shall annually report the total dollar amount of expenditures in each of the
27.6 following four categories that were made using forfeiture funds during the reporting period:

27.7 (1) substance abuse prevention programs, gang programs, informant fees, buy
27.8 money, witness protection, and victim reparation;

27.9 (2) travel, meals, entertainment, training, and conferences;

27.10 (3) vehicles, canines, firearms, police equipment, furniture, computers, office
27.11 equipment, and other capital equipment; and

27.12 (4) other uses.

27.13 Subd. 3. **Forms; state auditor examinations.** The data shall be supplied upon
27.14 forms prescribed by the state auditor, and all public officials so called upon shall fill out
27.15 properly and return promptly all forms so transmitted. The state auditor or assistants, may
27.16 examine local records in order to complete or verify the information.

27.17 **EFFECTIVE DATE.** This section applies to reporting of financial information for
27.18 years ending on or after December 31, 2016.

27.19 Sec. 2. Minnesota Statutes 2014, section 84.7741, subdivision 10, is amended to read:

27.20 Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively
27.21 forfeited under subdivision 8, or if the court finds under subdivision 9 that the vehicle is
27.22 subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

27.23 (1) sell the vehicle and distribute the proceeds under paragraph (b); or

27.24 (2) keep the vehicle for official use. If the agency keeps a forfeited off-highway
27.25 vehicle for official use, the agency shall make reasonable efforts to ensure that the
27.26 off-highway vehicle is available for use by the agency's officers who participate in
27.27 off-highway vehicle enforcement or education programs.

27.28 (b) The proceeds from the sale of forfeited vehicles, after payment of seizure,
27.29 towing, storage, forfeiture, and sale expenses and satisfaction of valid liens against the
27.30 property, must be distributed as follows:

27.31 (1) 70 percent of the proceeds must be forwarded to the appropriate agency for
27.32 deposit as a supplement to the state or local agency's operating fund or similar fund for use
27.33 in purchasing equipment for off-highway vehicle enforcement, training, and education; and

28.1 (2) 30 percent of the money or proceeds must be forwarded to the prosecuting
28.2 authority that handled the forfeiture for deposit as a supplement to its operating fund or
28.3 similar fund for prosecutorial purposes.

28.4 (c) If a vehicle is sold under paragraph (a), the appropriate agency shall not sell
28.5 the vehicle to: (1) an officer or employee of the agency that seized the property or to a
28.6 person related to the officer or employee by blood or marriage; or (2) the prosecuting
28.7 authority or any individual working in the same office or a person related to the authority
28.8 or individual by blood or marriage.

28.9 (d) Sales of forfeited vehicles under this section must be conducted in a
28.10 commercially reasonable manner.

28.11 (e) If a vehicle is forfeited administratively under this section and no demand for
28.12 judicial determination is made, the appropriate agency shall provide the prosecuting
28.13 authority with a copy of the forfeiture or evidence receipt, the notice of seizure and intent
28.14 to forfeit, a statement of probable cause for forfeiture of the property, and a description of
28.15 the property and its estimated value. Upon review and certification by the prosecuting
28.16 authority that (1) the appropriate agency provided a receipt in accordance with subdivision
28.17 2, paragraph (c), (2) the appropriate agency served notice in accordance with subdivision 8,
28.18 and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate
28.19 agency may dispose of the property in any of the ways listed in this subdivision.

28.20 (f) The appropriate agency or prosecuting authority may not use the proceeds
28.21 from the sale of forfeited vehicles to pay base salaries, benefits, overtime, or bonuses to
28.22 personnel, or to pay a private attorney for services related to forfeiture litigation.

28.23 Sec. 3. Minnesota Statutes 2014, section 169A.60, subdivision 1, is amended to read:

28.24 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
28.25 meanings given in this subdivision.

28.26 (b) "Family or household member" ~~has the meaning given in section 169A.63,~~
28.27 ~~subdivision 1~~ means:

28.28 (1) a parent, stepparent, or guardian;

28.29 (2) any of the following persons related by blood, marriage, or adoption: brother,

28.30 sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent,

28.31 great-grandparent, great-uncle, great-aunt; or

28.32 (3) persons residing together or persons who regularly associate and communicate

28.33 with one another outside of a workplace setting.

28.34 (c) "Motor vehicle" means a self-propelled motor vehicle other than a motorboat in

28.35 operation or an off-road recreational vehicle.

29.1 (d) "Plate impoundment violation" includes:

29.2 (1) a violation of section 169A.20 (driving while impaired) or 169A.52 (license

29.3 revocation for test failure or refusal), or an ordinance from this state or a statute or

29.4 ordinance from another state in conformity with either of those sections, that results in

29.5 the revocation of a person's driver's license or driving privileges, within ten years of a

29.6 qualified prior impaired driving incident;

29.7 (2) a license disqualification under section 171.165 (commercial driver's license

29.8 disqualification) resulting from a violation of section 169A.52 within ten years of a

29.9 qualified prior impaired driving incident;

29.10 (3) a violation of section 169A.20 or 169A.52 while having an alcohol concentration

29.11 of twice the legal limit or more as measured at the time, or within two hours of the time,

29.12 of the offense;

29.13 (4) a violation of section 169A.20 or 169A.52 while having a child under the age of

29.14 16 in the vehicle if the child is more than 36 months younger than the offender; or

29.15 (5) a violation of section 171.24 (driving without valid license) by a person whose

29.16 driver's license or driving privileges have been canceled or denied under section 171.04,

29.17 subdivision 1, clause (10) (persons not eligible for driver's license, inimical to public

29.18 safety).

29.19 (e) "Violator" means a person who was driving, operating, or in physical control of

29.20 the motor vehicle when the plate impoundment violation occurred.

29.21 Sec. 4. Minnesota Statutes 2014, section 169A.63, subdivision 1, is amended to read:

29.22 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have

29.23 the meanings given them.

29.24 (b) "Appropriate agency" means a law enforcement agency that has the authority to

29.25 make an arrest for a violation of a designated offense or to require a test under section

29.26 169A.51 (chemical tests for intoxication).

29.27 (c) "Claimant" means an owner of a motor vehicle or a person claiming a leasehold
29.28 or security interest in a motor vehicle.

29.29 (d) "Designated license revocation" includes a license revocation under section
29.30 169A.52 (license revocation for test failure or refusal) or a license disqualification under
29.31 section 171.165 (commercial driver's license disqualification) resulting from a violation
29.32 of section 169A.52; within ten years of the first of two or more qualified prior impaired
29.33 driving incidents.

29.34 (e) "Designated offense" includes:

30.1 (1) a violation of section 169A.20 (driving while impaired) under the circumstances
30.2 described in section 169A.24 (first-degree driving while impaired), or 169A.25
30.3 (second-degree driving while impaired); or

30.4 (2) a violation of section 169A.20 or an ordinance in conformity with it:

30.5 (i) by a person whose driver's license or driving privileges have been canceled
30.6 as inimical to public safety under section 171.04, subdivision 1, clause (10), and not
30.7 reinstated; or

30.8 (ii) by a person who is subject to a restriction on the person's driver's license under
30.9 section 171.09 (commissioner's license restrictions), which provides that the person may
30.10 not use or consume any amount of alcohol or a controlled substance.

30.11 (f) "~~Family or household member~~" means:

30.12 ~~(1) a parent, stepparent, or guardian;~~

30.13 ~~(2) any of the following persons related by blood, marriage, or adoption: brother,~~

30.14 ~~sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent,~~

30.15 ~~great-grandparent, great-uncle, great-aunt; or~~

30.16 ~~(3) persons residing together or persons who regularly associate and communicate~~

30.17 ~~with one another outside of a workplace setting.~~

30.18 ~~(g)~~ "Motor vehicle" and "vehicle" do not include a vehicle which is stolen or taken

30.19 in violation of the law.

30.20 ~~(h)~~ (g) "Owner" means a person legally entitled to possession, use, and control of

30.21 a motor vehicle, including a lessee of a motor vehicle if the lease agreement has a term

30.22 of 180 days or more. There is a rebuttable presumption that a person registered as the

30.23 owner of a motor vehicle according to the records of the Department of Public Safety

30.24 is the legal owner. For purposes of this section, if a motor vehicle is owned jointly by

30.25 two or more people, each owner's interest extends to the whole of the vehicle and is not

30.26 subject to apportionment.

30.27 ~~(j)~~ (h) "Prosecuting authority" means the attorney in the jurisdiction in which the
30.28 designated offense occurred who is responsible for prosecuting violations of a designated
30.29 offense or a designee. If a state agency initiated the forfeiture, and the attorney responsible
30.30 for prosecuting the designated offense declines to pursue forfeiture, the Attorney General's
30.31 Office or its designee may initiate forfeiture under this section.

30.32 ~~(j)~~ (i) "Security interest" means a bona fide security interest perfected according to
30.33 section 168A.17, subdivision 2, based on a loan or other financing that, if a vehicle is
30.34 required to be registered under chapter 168, is listed on the vehicle's title.

30.35 Sec. 5. Minnesota Statutes 2014, section 169A.63, subdivision 7, is amended to read:

31.1 Subd. 7. **Limitations on vehicle forfeiture.** (a) A vehicle is presumed subject to
31.2 forfeiture under this section if:

31.3 (1) the driver is convicted of the designated offense upon which the forfeiture is based;

31.4 (2) the driver fails to appear for a scheduled court appearance with respect to the
31.5 designated offense charged and fails to voluntarily surrender within 48 hours after the
31.6 time required for appearance; or

31.7 (3) the driver's conduct results in a designated license revocation and the driver
31.8 fails to seek judicial review of the revocation in a timely manner as required by section
31.9 169A.53, subdivision 2, (petition for judicial review), or the license revocation is judicially
31.10 reviewed and sustained under section 169A.53, subdivision 2.

31.11 ~~(b) A vehicle encumbered by a security interest perfected according to section~~
31.12 ~~168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more, is subject~~
31.13 ~~to the interest of the secured party or lessor unless the party or lessor had knowledge of~~
31.14 ~~or consented to the act upon which the forfeiture is based. However, when the proceeds~~
31.15 ~~of the sale of a seized vehicle do not equal or exceed the outstanding loan balance, the~~
31.16 ~~appropriate agency shall remit all proceeds of the sale to the secured party after deducting~~
31.17 ~~the agency's costs for the seizure, tow, storage, forfeiture, and sale of the vehicle. If the~~
31.18 ~~sale of the vehicle is conducted in a commercially reasonable manner consistent with the~~
31.19 ~~provisions of section 336.9-610, the agency is not liable to the secured party for any~~
31.20 ~~amount owed on the loan in excess of the sale proceeds. The validity and amount of a~~
31.21 ~~nonperfected security interest must be established by its holder by clear and convincing~~
31.22 ~~evidence. The limitations and defenses in section 609.531, subdivisions 9 and 10, apply~~
31.23 ~~to forfeitures under this section.~~

31.24 (c) Notwithstanding paragraph (b), the secured party's or lessor's interest in a vehicle
31.25 is not subject to forfeiture based solely on the secured party's or lessor's knowledge of
31.26 the act or omission upon which the forfeiture is based if the secured party or lessor
31.27 demonstrates by clear and convincing evidence that the party or lessor took reasonable
31.28 steps to terminate use of the vehicle by the offender.

~~31.29 (d) A motor vehicle is not subject to forfeiture under this section if its owner can
31.30 demonstrate by clear and convincing evidence that the owner did not have actual or
31.31 constructive knowledge that the vehicle would be used or operated in any manner contrary
31.32 to law or that the owner took reasonable steps to prevent use of the vehicle by the offender.
31.33 If the offender is a family or household member of the owner and has three or more prior
31.34 impaired driving convictions, the owner is presumed to know of any vehicle use by the
31.35 offender that is contrary to law. "Vehicle use contrary to law" includes, but is not limited
31.36 to, violations of the following statutes:~~

~~32.1 (1) section 171.24 (violations; driving without valid license);~~

~~32.2 (2) section 169.791 (criminal penalty for failure to produce proof of insurance);~~

~~32.3 (3) section 171.09 (driving restrictions; authority; violations);~~

~~32.4 (4) section 169A.20 (driving while impaired);~~

~~32.5 (5) section 169A.33 (underage drinking and driving); and~~

~~32.6 (6) section 169A.35 (open bottle law).~~

~~32.7 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
32.8 offenses committed on or after that date.~~

~~32.9 Sec. 6. Minnesota Statutes 2014, section 169A.63, subdivision 9, is amended to read:~~

~~32.10 Subd. 9. **Judicial forfeiture procedure.** (a) This subdivision governs judicial
32.11 determinations of the forfeiture of a motor vehicle used to commit a designated offense or
32.12 used in conduct resulting in a designated license revocation. An action for forfeiture is a
32.13 civil in rem action and is independent of any criminal prosecution. All proceedings are
32.14 governed by the Rules of Civil Procedure.~~

~~32.15 (b) If no demand for judicial determination of the forfeiture is pending, the
32.16 prosecuting authority may, in the name of the jurisdiction pursuing the forfeiture, file a
32.17 separate complaint against the vehicle, describing it, specifying that it was used in the
32.18 commission of a designated offense or was used in conduct resulting in a designated
32.19 license revocation, and specifying the time and place of its unlawful use.~~

~~32.20 (c) The prosecuting authority may file an answer to a properly served demand
32.21 for judicial determination, including an affirmative counterclaim for forfeiture. The
32.22 prosecuting authority is not required to file an answer.~~

32.23 (d) A judicial determination under this subdivision must be held at the earliest
32.24 practicable date, and in any event no later than 180 days following the filing of the
32.25 demand by the claimant. If a related criminal proceeding is pending, the hearing shall not
32.26 be held until the conclusion of the criminal proceedings. The district court administrator
32.27 shall schedule the hearing as soon as practicable after the conclusion of the criminal
32.28 prosecution. The district court administrator shall establish procedures to ensure efficient
32.29 compliance with this subdivision. The hearing is to the court without a jury.

32.30 (e) ~~There is a presumption that a vehicle seized under this section is subject~~
32.31 ~~to forfeiture if the prosecuting authority establishes that the vehicle was used in the~~
32.32 ~~commission of a designated offense or designated license revocation. A claimant bears the~~
32.33 ~~burden of proving any affirmative defense raised~~ The prosecuting authority has the burden
32.34 of proof to show by a preponderance of the evidence that the vehicle was used in the
33.1 commission of a designated offense or designated license revocation. The limitations and
33.2 defenses in section 609.531, subdivisions 9 and 10, apply to forfeitures under this section.

33.3 (f) If the forfeiture is based on the commission of a designated offense and the person
33.4 charged with the designated offense appears in court as required and is not convicted of
33.5 the offense, the court shall order the property returned to the person legally entitled to it
33.6 upon that person's compliance with the redemption requirements of section 169A.42. If
33.7 the forfeiture is based on a designated license revocation, and the license revocation is
33.8 rescinded under section 169A.53, subdivision 3 (judicial review hearing, issues, order,
33.9 appeal), the court shall order the property returned to the person legally entitled to it upon
33.10 that person's compliance with the redemption requirements of section 169A.42.

33.11 (g) ~~If the lawful ownership of the vehicle used in the commission of a designated~~
33.12 ~~offense or used in conduct resulting in a designated license revocation can be determined~~
33.13 ~~and the owner makes the demonstration required under subdivision 7, paragraph (d) If the~~
33.14 ~~prosecuting authority fails to establish by a preponderance of the evidence that the vehicle~~
33.15 ~~was used in the commission of a designated offense or designated license revocation, the~~
33.16 ~~vehicle must be returned immediately upon the owner's compliance with the redemption~~
33.17 ~~requirements of section 169A.42.~~

33.18 (h) If the court orders the return of a seized vehicle under this subdivision it must
33.19 order that filing fees be reimbursed to the person who filed the demand for judicial
33.20 determination. In addition, the court may order sanctions under section 549.211 (sanctions
33.21 in civil actions). Any reimbursement fees or sanctions must be paid from other forfeiture
33.22 proceeds of the law enforcement agency and prosecuting authority involved and in the
33.23 same proportion as distributed under subdivision 10, paragraph (b).

33.24 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
33.25 offenses committed on or after that date.

33.26 Sec. 7. Minnesota Statutes 2014, section 169A.63, subdivision 10, is amended to read:

33.27 Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively
33.28 forfeited under subdivision 8, or if the court finds under subdivision 9 that the vehicle is
33.29 subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

33.30 (1) sell the vehicle and distribute the proceeds under paragraph (b); or

33.31 (2) keep the vehicle for official use. If the agency keeps a forfeited motor vehicle for
33.32 official use, it shall make reasonable efforts to ensure that the motor vehicle is available for
33.33 use by the agency's officers who participate in the drug abuse resistance education program.

34.1 (b) The proceeds from the sale of forfeited vehicles, after payment of seizure,
34.2 towing, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the
34.3 property, must be distributed as follows:

34.4 (1) 70 percent of the proceeds must be forwarded to the appropriate agency for
34.5 deposit as a supplement to the state or local agency's operating fund or similar fund for use
34.6 in DWI-related enforcement, training, and education; and

34.7 (2) 30 percent of the money or proceeds must be forwarded to the prosecuting
34.8 authority that handled the forfeiture for deposit as a supplement to its operating fund or
34.9 similar fund for prosecutorial purposes.

34.10 (c) If a vehicle is sold under paragraph (a), the appropriate agency shall not sell
34.11 the vehicle to: (1) an officer or employee of the agency that seized the property or to a
34.12 person related to the officer or employee by blood or marriage; or (2) the prosecuting
34.13 authority or any individual working in the same office or a person related to the authority
34.14 or individual by blood or marriage.

34.15 (d) Sales of forfeited vehicles under this section must be conducted in a
34.16 commercially reasonable manner.

34.17 (e) If a vehicle is forfeited administratively under this section and no demand for
34.18 judicial determination is made, the appropriate agency shall provide the prosecuting
34.19 authority with a copy of the forfeiture or evidence receipt, the notice of seizure and intent
34.20 to forfeit, a statement of probable cause for forfeiture of the property, and a description of
34.21 the property and its estimated value. Upon review and certification by the prosecuting
34.22 authority that (1) the appropriate agency provided a receipt in accordance with subdivision
34.23 2, paragraph (c), (2) the appropriate agency served notice in accordance with subdivision 8,
34.24 and (3) probable cause for forfeiture exists based on the officer's statement, the appropriate
34.25 agency may dispose of the property in any of the ways listed in this subdivision.

34.26 (f) The appropriate agency or prosecuting authority may not use the proceeds
34.27 from the sale of forfeited vehicles to pay base salaries, benefits, overtime, or bonuses to
34.28 personnel, or to pay a private attorney for services related to forfeiture litigation.

34.29 Sec. 8. Minnesota Statutes 2014, section 609.531, subdivision 1, is amended to read:

34.30 Subdivision 1. **Definitions.** For the purpose of sections 609.531 to 609.5318, the
34.31 following terms have the meanings given them.

34.32 (a) "Actual knowledge" means direct and clear awareness of information, a fact,
34.33 or a condition.

34.34 (b) "Conveyance device" means a device used for transportation and includes, but
34.35 is not limited to, a motor vehicle, trailer, snowmobile, airplane, and vessel and any
35.1 equipment attached to it. The term "conveyance device" does not include property which
35.2 is, in fact, itself stolen or taken in violation of the law.

35.3 ~~(b)~~ (c) "Weapon used" means a dangerous weapon as defined under section 609.02,
35.4 subdivision 6, that the actor used or had in possession in furtherance of a crime.

35.5 ~~(e)~~ (d) "Property" means property as defined in section 609.52, subdivision 1,
35.6 clause (1).

35.7 (e) "Constructive knowledge" means knowledge that is imputed to family or
35.8 household members of the owner, as defined in section 169A.60, subdivision 1, paragraph
35.9 (b), if the owner has been adjudicated guilty three or more times for the same or a specified
35.10 similar violation in the last ten years.

35.11 ~~(d)~~ (f) "Contraband" means property which is illegal to possess under Minnesota law.

35.12 ~~(e)~~ (g) "Appropriate agency" means the Bureau of Criminal Apprehension, the
35.13 Department of Commerce Fraud Bureau, the Minnesota Division of Driver and Vehicle
35.14 Services, the Minnesota State Patrol, a county sheriff's department, the Three Rivers Park
35.15 District park rangers, the Department of Natural Resources Division of Enforcement, the
35.16 University of Minnesota Police Department, the Department of Corrections Fugitive
35.17 Apprehension Unit, a city, metropolitan transit, or airport police department; or a
35.18 multijurisdictional entity established under section 299A.642 or 299A.681.

35.19 ~~(f)~~ (h) "Designated offense" includes:

35.20 (1) for weapons used: any violation of this chapter, chapter 152 or 624;

35.21 (2) for driver's license or identification card transactions: any violation of section
35.22 171.22; and

35.23 (3) for all other purposes: a felony violation of, or a felony-level attempt or
 35.24 conspiracy to violate, section 325E.17; 325E.18; 609.185; 609.19; 609.195; 609.21;
 35.25 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.282;
 35.26 609.283; 609.322; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1,
 35.27 clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345,
 35.28 subdivision 1, clauses (a) to (e), and (h) to (j); 609.352; 609.42; 609.425; 609.466;
 35.29 609.485; 609.487; 609.52; 609.525; 609.527; 609.528; 609.53; 609.54; 609.551; 609.561;
 35.30 609.562; 609.563; 609.582; 609.59; 609.595; 609.611; 609.631; 609.66, subdivision 1e;
 35.31 609.671, subdivisions 3, 4, 5, 8, and 12; 609.687; 609.821; 609.825; 609.86; 609.88;
 35.32 609.89; 609.893; 609.895; 617.246; 617.247; or a gross misdemeanor or felony violation
 35.33 of section 609.891 or 624.7181; or any violation of section 609.324.

35.34 ~~(g)~~ (i) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

35.35 ~~(h)~~ (j) "Prosecuting authority" means the attorney who is responsible for prosecuting
 35.36 an offense that is the basis for a forfeiture under sections 609.531 to 609.5318.

36.1 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
 36.2 offenses committed on or after that date.

36.3 Sec. 9. Minnesota Statutes 2014, section 609.531, subdivision 8, is amended to read:

36.4 Subd. 8. **Forfeiture policies; statewide model policy required.** (a) By December
 36.5 1, 2010, the Peace Officer Standards and Training Board, after consulting with the
 36.6 Minnesota County Attorneys Association, the Minnesota Sheriffs' Association, the
 36.7 Minnesota Chiefs of Police Association, and the Minnesota Police and Peace Officers
 36.8 Association, shall develop a model policy that articulates best practices for forfeiture
 36.9 and is designed to encourage the uniform application of forfeiture laws statewide. At a
 36.10 minimum, the policy shall address the following:

36.11 (1) best practices in pursuing, seizing, and tracking forfeitures;

36.12 (2) type and frequency of training for law enforcement on forfeiture laws; and

36.13 (3) situations in which forfeitures should not be pursued.

36.14 (b) By December 1, 2010, the Minnesota County Attorneys Association, after
 36.15 consulting with the attorney general, the Peace Officer Standards and Training Board,
 36.16 the Minnesota Sheriffs' Association, the Minnesota Chiefs of Police Association, and
 36.17 the Minnesota Police and Peace Officers Association, shall develop a model policy that
 36.18 articulates best practices for forfeiture and is designed to encourage the uniform application
 36.19 of forfeiture laws statewide. At a minimum, the policy shall address the following:

36.20 (1) statutory role of prosecuting authorities in forfeiture procedures;

36.21 (2) best practices for timely and fair resolution of forfeiture cases;

36.22 ~~(3) type and frequency of training for prosecuting authorities on forfeiture laws; and~~

36.23 ~~(4) situations in which forfeitures should not be pursued.~~

36.24 ~~(e) By December 1, 2010, the Minnesota County Attorneys Association and the Peace~~

36.25 ~~Officer Standards and Training Board shall forward an electronic copy of its respective~~

36.26 ~~model policy to the chairs and ranking minority members of the senate and house of~~

36.27 ~~representatives committees having jurisdiction over criminal justice and civil law policy.~~

36.28 ~~(d) By March 1, 2011, The chief law enforcement officer of every state and local law~~

36.29 ~~enforcement agency and every prosecution office in the state shall adopt and implement~~

36.30 ~~maintain a written policy on forfeiture that is identical or substantially similar to the~~

36.31 ~~consistent with the model policies developed under paragraphs (a) and (b) Laws 2010,~~

36.32 ~~chapter 391, section 11. The written policy shall be made available to the public upon~~

36.33 ~~request.~~

37.1 Sec. 10. Minnesota Statutes 2014, section 609.531, is amended by adding a subdivision

37.2 to read:

37.3 **Subd. 9. Limitations and defenses to forfeiture; ownership or interest at time**

37.4 **of the crime.** (a) For purposes of sections 169A.63, 609.5311, 609.5312, 609.5314, and

37.5 609.5318, an innocent owner claimant may file a claim for the return of property that the

37.6 claimant owned or had interest in at the time of the crime by using the process described

37.7 in this subdivision. The innocent owner claimant may file a claim at any time prior to the

37.8 commencement of the underlying criminal trial and request a prompt hearing.

37.9 (b) The prosecuting authority may move to postpone the hearing for a reasonable

37.10 period of time not to exceed five days, unless approved by the court, for the prosecuting

37.11 authority to complete an investigation of the property related to the underlying criminal

37.12 charge.

37.13 (c) The alleged suspect or convicted offender may invoke the right against

37.14 self-incrimination at a civil hearing consistent with state law.

37.15 (d) The innocent owner claimant has the burden of production to show by a

37.16 preponderance of the evidence that the claimant:

37.17 (1) had a full or joint ownership or security interest in the property at the time the

37.18 conduct giving rise to the forfeiture occurred; and

37.19 (2) is not the person accused or convicted of the crime for which the property is

37.20 subject to forfeiture.

37.21 (e) If the claimant meets the burden of production in paragraph (d), the property

37.22 is subject to forfeiture if the prosecuting authority proves by a preponderance of the

37.23 evidence that the claimant:

37.24 (1) had actual or constructive knowledge of the crime giving rise to the forfeiture; or

- 37.25 (2) consented to the act or omission upon which the forfeiture is based.
- 37.26 (f) If the trier-of-fact determines the property is not subject to forfeiture, all claims
37.27 of right, title, and interest to the property that vested in the state are relinquished. The
37.28 court shall order the return of the property within a reasonable period of time.
- 37.29 (g) Notwithstanding paragraph (f), if the property is jointly owned, the court may
37.30 divide and allocate interest in the property among its joint owners and order the return
37.31 of a prorated amount of the property only to the innocent owner claimant. The court
37.32 may divide and allocate the property based on the joint owners' history of payments of
37.33 initial and ongoing costs, or other factors required to realize an equitable division and
37.34 allocation of the property.
- 37.35 (h) At the claimant's option, the court may realize the division of jointly owned
37.36 property in paragraph (g) by ordering:
- 38.1 (1) the sale of property in a commercially reasonable manner and dividing the
38.2 resulting net proceeds after first extinguishing any security interest perfected according to
38.3 section 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more;
- 38.4 (2) the claimant to remit payment for the portion of the net value in the property
38.5 not awarded to the claimant; or
- 38.6 (3) other equitable means.
- 38.7 For purposes of clause (2), the net value is calculated by first establishing the market value
38.8 of the property and then subtracting any security interest perfected according to section
38.9 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more.
- 38.10 (i) Notwithstanding paragraphs (e) to (h), the court may order the return of the
38.11 undivided property to the claimant in a case involving forfeiture under section 169A.63
38.12 if the claimant shows by a preponderance of the evidence either that failing to return
38.13 the vehicle would deprive the claimant of reasonable means to employment or care for
38.14 dependents residing with the claimant, or the innocent owner claimant took reasonable
38.15 steps to prevent the use of the vehicle by the offender.
- 38.16 (j) The claimant is responsible for paying towing and storage fees if the appropriate
38.17 agency returns a seized vehicle within 60 days following seizure. After 60 days following
38.18 seizure, the appropriate agency is responsible for paying towing and storage fees if the
38.19 trier-of-fact determines the claims are valid.
- 38.20 (k) Except as provided in paragraph (h), a motor vehicle encumbered by a security
38.21 interest perfected according to section 168A.17, subdivision 2, or subject to a lease that has
38.22 a term of 180 days or more, is subject to the interest of the secured party or lessor. When
38.23 the proceeds of the sale of a seized motor vehicle encumbered by a perfected security
38.24 interest vehicle do not equal or exceed the outstanding loan balance, the appropriate
38.25 agency shall remit all proceeds of the sale to the secured party after deducting the agency's
38.26 allowed costs for the seizure, towing, storage, forfeiture, and sale of the vehicle.

38.27 (l) If a sale of a vehicle is conducted in a commercially reasonable manner consistent
38.28 with section 336.9-610, the agency is not liable to the secured party for any amount owed
38.29 on the loan in excess of the sale proceeds.

38.30 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
38.31 offenses committed on or after that date.

38.32 Sec. 11. Minnesota Statutes 2014, section 609.531, is amended by adding a subdivision
38.33 to read:

39.1 Subd. 10. **Limitations and defenses to forfeiture; ownership or interest acquired**
39.2 **after crime.** (a) For purposes of sections 169A.63, 609.5311, 609.5312, 609.5314, and
39.3 609.5318, an innocent owner claimant may file a claim for the return of property that the
39.4 claimant acquired an interest in after the time of the crime by using the process described
39.5 in this subdivision. The innocent owner claimant may file a claim at any time prior to the
39.6 commencement of the underlying criminal trial and request a prompt hearing.

39.7 (b) The prosecuting authority may move to postpone the hearing for a reasonable
39.8 period of time not to exceed five days, unless approved by the court, for the prosecuting
39.9 authority to complete an investigation of the property related to the underlying criminal
39.10 charge.

39.11 (c) The alleged suspect or convicted offender may invoke the right against
39.12 self-incrimination at a civil hearing consistent with state law.

39.13 (d) The innocent owner claimant has the burden of production to show by a
39.14 preponderance of the evidence that the claimant:

39.15 (1) acquired a full or joint ownership or security interest in the property after the
39.16 commission of the crime giving rise to the forfeiture; and

39.17 (2) is not the person accused or convicted of the crime for which the property is
39.18 subject to forfeiture.

39.19 (e) Property is subject to forfeiture if the prosecuting authority proves by a
39.20 preponderance of the evidence that, at the time of acquisition of the property, the claimant:

39.21 (1) had actual or constructive knowledge of the crime giving rise to the forfeiture;

39.22 (2) consented to the act or omission upon which the forfeiture is based; or

39.23 (3) was not a bona fide purchaser for valuable consideration and without notice of
39.24 any defect in title.

39.25 (f) If the trier-of-fact determines the property is not subject to forfeiture, all claims
39.26 of right, title, and interest to the property that vested in the state are relinquished. The
39.27 court shall order the return of the property within a reasonable period of time.

39.28 (g) The claimant is responsible for paying towing and storage fees if the appropriate
39.29 agency returns a seized vehicle within 60 days following seizure. After 60 days following
39.30 seizure, the appropriate agency is responsible for paying towing and storage fees if the
39.31 trier-of-fact determines the claims are valid.

39.32 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
39.33 offenses committed on or after that date.

39.34 Sec. 12. Minnesota Statutes 2014, section 609.531, is amended by adding a subdivision
39.35 to read:

40.1 Subd. 11. **Return of filing fees.** If the court orders the return of seized property
40.2 under this section, it must order that filing fees be reimbursed to the person who filed the
40.3 demand for judicial determination or contested the forfeiture. Any reimbursement fees
40.4 must be paid from other forfeiture proceeds of the appropriate agency and prosecuting
40.5 authority involved, in the same proportion as proceeds would be distributed for the sale
40.6 of the property had it been forfeited, and any remaining proportion shall be divided and
40.7 paid evenly from the agencies.

40.8 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
40.9 offenses committed on or after that date.

40.10 Sec. 13. Minnesota Statutes 2014, section 609.531, is amended by adding a subdivision
40.11 to read:

40.12 Subd. 12. **Exemption; homestead property.** Real property that qualifies for the
40.13 homestead exemption as determined in sections 510.01 and 510.02, is not subject to
40.14 forfeiture.

40.15 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
40.16 offenses committed on or after that date.

40.17 Sec. 14. Minnesota Statutes 2014, section 609.5311, subdivision 3, is amended to read:

40.18 Subd. 3. **Limitations on forfeiture of certain property associated with controlled**
40.19 **substances.** (a) A conveyance device is subject to forfeiture under this section only if
40.20 the retail value of the controlled substance is \$75 or more and the conveyance device is
40.21 associated with a felony-level controlled substance crime.

40.22 (b) Real property that does not qualify for the homestead exemption as determined
40.23 in sections 510.01 and 510.02, is subject to forfeiture under this section only if the retail
40.24 value of the controlled substance or contraband is \$2,000 or more.

40.25 (c) ~~Property used by any person as a common carrier in the transaction of business~~
 40.26 ~~as a common carrier is subject to forfeiture under this section only if the owner of the~~
 40.27 ~~property is a consenting party to, or is privy to, the use or intended use of the property as~~
 40.28 ~~described in subdivision 2. The limitations and defenses in section 609.531, subdivisions~~
 40.29 ~~9 and 10, apply to forfeitures under this section.~~

40.30 (d) ~~Property is subject to forfeiture under this section only if its owner was privy to~~
 40.31 ~~the use or intended use described in subdivision 2, or the unlawful use or intended use of~~
 40.32 ~~the property otherwise occurred with the owner's knowledge or consent.~~

41.1 (e) ~~Forfeiture under this section of a conveyance device or real property encumbered~~
 41.2 ~~by a bona fide security interest is subject to the interest of the secured party unless the~~
 41.3 ~~secured party had knowledge of or consented to the act or omission upon which the~~
 41.4 ~~forfeiture is based. A person claiming a security interest bears the burden of establishing~~
 41.5 ~~that interest by clear and convincing evidence.~~

41.6 (f) ~~Forfeiture under this section of real property is subject to the interests of a good~~
 41.7 ~~faith purchaser for value unless the purchaser had knowledge of or consented to the act or~~
 41.8 ~~omission upon which the forfeiture is based.~~

41.9 (g) ~~Notwithstanding paragraphs (d), (e), and (f), property is not subject to forfeiture based~~
 41.10 ~~solely on the owner's or secured party's knowledge of the unlawful use or intended use of~~
 41.11 ~~the property if: (1) the owner or secured party took reasonable steps to terminate use of~~
 41.12 ~~the property by the offender; or (2) the property is real property owned by the parent of the~~
 41.13 ~~offender, unless the parent actively participated in, or knowingly acquiesced to, a violation~~
 41.14 ~~of chapter 152, or the real property constitutes proceeds derived from or traceable to a~~
 41.15 ~~use described in subdivision 2.~~

41.16 (h) ~~(d)~~ (d) ~~The Department of Corrections Fugitive Apprehension Unit shall not seize a~~
 41.17 ~~conveyance device or real property, for the purposes of forfeiture under paragraphs (a)~~
 41.18 ~~to (g) and (b).~~

41.19 **EFFECTIVE DATE.** ~~This section is effective August 1, 2015, and applies to crimes~~
 41.20 ~~committed on or after that date.~~

41.21 Sec. 15. Minnesota Statutes 2014, section 609.5312, subdivision 2, is amended to read:

41.22 Subd. 2. **Limitations on forfeiture of property associated with designated**
 41.23 **offenses.** (a) ~~Property used by a person as a common carrier in the transaction of business~~
 41.24 ~~as a common carrier is subject to forfeiture under this section only if the owner of the~~
 41.25 ~~property is a consenting party to, or is privy to, the commission of a designated offense.~~
 41.26 ~~The limitations and defenses in section 609.531, subdivisions 9 and 10, apply to forfeitures~~
 41.27 ~~under subdivisions 1 and 1a.~~

~~41.28 (b) Property is subject to forfeiture under this section only if the owner was privy to
41.29 the act or omission upon which the forfeiture is based, or the act or omission occurred
41.30 with the owner's knowledge or consent.~~

~~41.31 (c) Property encumbered by a bona fide security interest is subject to the interest of
41.32 the secured party unless the party had knowledge of or consented to the act or omission
41.33 upon which the forfeiture is based. A person claiming a security interest bears the burden
41.34 of establishing that interest by clear and convincing evidence.~~

~~42.1 (d) Notwithstanding paragraphs (b) and (c), property is not subject to forfeiture
42.2 based solely on the owner's or secured party's knowledge of the act or omission upon
42.3 which the forfeiture is based if the owner or secured party took reasonable steps to
42.4 terminate use of the property by the offender.~~

~~42.5 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to crimes
42.6 committed on or after that date.~~

~~42.7 Sec. 16. Minnesota Statutes 2014, section 609.5312, subdivision 3, is amended to read:~~

~~42.8 Subd. 3. **Vehicle forfeiture for prostitution offenses.** (a) A motor vehicle is subject
42.9 to forfeiture under this subdivision if it was used to commit or facilitate, or used during
42.10 the commission of, a violation of section 609.324 or a violation of a local ordinance
42.11 substantially similar to section 609.324. A motor vehicle is subject to forfeiture under
42.12 this subdivision only if the offense is established by proof of a criminal conviction for
42.13 the offense. Except as otherwise provided in this subdivision, a forfeiture under this
42.14 subdivision is governed by sections 609.531, 609.5312, and 609.5313.~~

~~42.15 (b) When a motor vehicle subject to forfeiture under this subdivision is seized in
42.16 advance of a judicial forfeiture order, a hearing before a judge or referee must be held
42.17 within 96 hours of the seizure. Notice of the hearing must be given to the registered owner
42.18 within 48 hours of the seizure. The prosecuting authority shall certify to the court, at or
42.19 in advance of the hearing, that it has filed or intends to file charges against the alleged
42.20 violator for violating section 609.324 or a local ordinance substantially similar to section
42.21 609.324. After conducting the hearing, the court shall order that the motor vehicle be
42.22 returned to the owner if:~~

~~42.23 (1) the prosecuting authority has failed to make the certification required by
42.24 paragraph (b);~~

~~42.25 (2) the owner of the motor vehicle has demonstrated to the court's satisfaction
42.26 that the owner has a defense to the forfeiture, including but not limited to the defenses
42.27 contained in subdivision 2 the court finds that the motor vehicle is not subject to forfeiture
42.28 under section 609.531, subdivision 9 or 10; or~~

42.29 (3) the court determines that seizure of the vehicle creates or would create an undue
42.30 hardship for members of the owner's family.

42.31 (c) If the defendant is acquitted or prostitution charges against the defendant are
42.32 dismissed, neither the owner nor the defendant is responsible for paying any costs
42.33 associated with the seizure or storage of the vehicle.

42.34 (d) A vehicle leased or rented under section 168.27, subdivision 4, for a period of
42.35 180 days or less is not subject to forfeiture under this subdivision.

43.1 (e) For purposes of this subdivision, seizure occurs either:

43.2 (1) at the date at which personal service of process upon the registered owner is
43.3 made; or

43.4 (2) at the date when the registered owner has been notified by certified mail at the
43.5 address listed in the Minnesota Department of Public Safety computerized motor vehicle
43.6 registration records.

43.7 (f) The Department of Corrections Fugitive Apprehension Unit shall not participate
43.8 in paragraphs (a) to (e).

43.9 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to crimes
43.10 committed on or after that date.

43.11 Sec. 17. Minnesota Statutes 2014, section 609.5312, subdivision 4, is amended to read:

43.12 Subd. 4. **Vehicle forfeiture for fleeing peace officer.** (a) A motor vehicle is subject
43.13 to forfeiture under this subdivision if it was used to commit a violation of section 609.487
43.14 and endanger life or property. A motor vehicle is subject to forfeiture under this subdivision
43.15 only if the offense is established by proof of a criminal conviction for the offense. Except
43.16 as otherwise provided in this subdivision, a forfeiture under this subdivision is governed
43.17 by sections 609.531, 609.5312, 609.5313, and 609.5315, subdivision 6.

43.18 (b) When a motor vehicle subject to forfeiture under this subdivision is seized in
43.19 advance of a judicial forfeiture order, a hearing before a judge or referee must be held
43.20 within 96 hours of the seizure. Notice of the hearing must be given to the registered owner
43.21 within 48 hours of the seizure. The prosecuting authority shall certify to the court, at or
43.22 in advance of the hearing, that it has filed or intends to file charges against the alleged
43.23 violator for violating section 609.487. After conducting the hearing, the court shall order
43.24 that the motor vehicle be returned to the owner if:

43.25 (1) the prosecuting authority has failed to make the certification required by this
43.26 paragraph;

43.27 ~~(2) the owner of the motor vehicle has demonstrated to the court's satisfaction~~
43.28 ~~that the owner has a defense to the forfeiture, including but not limited to the defenses~~
43.29 ~~contained in subdivision 2 the court finds that the motor vehicle is not subject to forfeiture~~
43.30 ~~under section 609.531, subdivision 9 or 10; or~~

43.31 (3) the court determines that seizure of the vehicle creates or would create an undue
43.32 hardship for members of the owner's family.

43.33 (c) If the defendant is acquitted or the charges against the defendant are dismissed,
43.34 neither the owner nor the defendant is responsible for paying any costs associated with the
43.35 seizure or storage of the vehicle.

44.1 (d) A vehicle leased or rented under section 168.27, subdivision 4, for a period of
44.2 180 days or less is not subject to forfeiture under this subdivision.

44.3 (e) A motor vehicle that is an off-road recreational vehicle as defined in section
44.4 169A.03, subdivision 16, or a motorboat as defined in section 169A.03, subdivision 13,
44.5 is not subject to paragraph (b).

44.6 (f) For purposes of this subdivision, seizure occurs either:

44.7 (1) at the date at which personal service of process upon the registered owner is
44.8 made; or

44.9 (2) at the date when the registered owner has been notified by certified mail at the
44.10 address listed in the Minnesota Department of Public Safety computerized motor vehicle
44.11 registration records.

44.12 (g) The Department of Corrections Fugitive Apprehension Unit shall not seize a
44.13 motor vehicle for the purposes of forfeiture under paragraphs (a) to (f).

44.14 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to crimes
44.15 committed on or after that date.

44.16 Sec. 18. Minnesota Statutes 2014, section 609.5315, subdivision 1, is amended to read:

44.17 Subdivision 1. **Disposition.** (a) Subject to paragraph (b), if the court finds under
44.18 section 609.5313, 609.5314, or 609.5318 that the property is subject to forfeiture, it shall
44.19 order the appropriate agency to do one of the following:

44.20 (1) unless a different disposition is provided under clause (3) or (4), either destroy
44.21 firearms, ammunition, and firearm accessories that the agency decides not to use for
44.22 law enforcement purposes under clause (8), or sell them to federally licensed firearms
44.23 dealers, as defined in section 624.7161, subdivision 1, and distribute the proceeds under
44.24 subdivision 5 or 5b;

44.25 (2) sell property that is not required to be destroyed by law and is not harmful to the
44.26 public and distribute the proceeds under subdivision 5 or 5b;

44.27 (3) sell antique firearms, as defined in section 624.712, subdivision 3, to the public
44.28 and distribute the proceeds under subdivision 5 or 5b;

44.29 (4) destroy or use for law enforcement purposes semiautomatic military-style assault
44.30 weapons, as defined in section 624.712, subdivision 7;

44.31 (5) take custody of the property and remove it for disposition in accordance with law;

44.32 (6) forward the property to the federal drug enforcement administration;

44.33 (7) disburse money as provided under subdivision 5, 5b, or 5c; or

44.34 (8) keep property other than money for official use by the agency and the prosecuting
44.35 agency.

45.1 (b) Notwithstanding paragraph (a), the Hennepin or Ramsey County sheriff may
45.2 not sell firearms, ammunition, or firearms accessories if the policy is disapproved by the
45.3 applicable county board.

45.4 (c) If property is sold under paragraph (a), the appropriate agency shall not sell
45.5 property to: (1) an officer or employee of the agency that seized the property or to a
45.6 person related to the officer or employee by blood or marriage; or (2) the prosecuting
45.7 authority or any individual working in the same office or a person related to the authority
45.8 or individual by blood or marriage.

45.9 (d) Sales of forfeited property under this section must be conducted in a
45.10 commercially reasonable manner.

45.11 (e) The appropriate agency or prosecuting authority may not use the proceeds
45.12 from the sale of forfeited property to pay base salaries, benefits, overtime, or bonuses to
45.13 personnel, or to pay a private attorney for services related to forfeiture litigation.

45.14 Sec. 19. Minnesota Statutes 2014, section 609.5315, subdivision 6, is amended to read:

45.15 Subd. 6. **Reporting requirement.** (a) For each forfeiture occurring in the state
45.16 regardless of the authority for it, the appropriate agency and the prosecuting authority
45.17 shall provide a written record of the forfeiture incident to the state auditor. The record
45.18 shall include the amount forfeited, the statutory authority for the forfeiture, its date, a brief
45.19 description of the circumstances involved, and whether the forfeiture was contested.

45.20 For controlled substance and driving while impaired forfeitures, the record shall indicate
45.21 whether the forfeiture was initiated as an administrative or a judicial forfeiture. The
45.22 record shall also list the number of firearms forfeited and the make, model, and serial
45.23 number of each firearm forfeited. The record shall indicate how the property was or is
45.24 to be disposed of.

45.25 (b) An appropriate agency or the prosecuting authority shall report to the state
45.26 auditor all instances in which property seized for forfeiture is returned to its owner either
45.27 because forfeiture is not pursued or for any other reason.

45.28 (c) Reports shall be made on a monthly basis in a manner prescribed by the state
45.29 auditor. The state auditor shall report annually to the legislature on the nature and extent
45.30 of forfeitures.

45.31 (d) For forfeitures resulting from the activities of multijurisdictional law enforcement
45.32 entities, the entity on its own behalf shall report the information required in this subdivision.

45.33 (e) The prosecuting authority is not required to report information required by this
45.34 subdivision unless the prosecuting authority has been notified by the state auditor that
45.35 the appropriate agency has not reported it.

46.1 (f) Annually, an appropriate agency or the prosecuting authority shall report
46.2 forfeiture expenditures as required by section 6.74.

46.3 **EFFECTIVE DATE.** This section applies to reporting of financial information for
46.4 years ending on or after December 31, 2016.

46.5 Sec. 20. Minnesota Statutes 2014, section 609.5318, subdivision 5, is amended to read:

46.6 Subd. 5. **Limitations.** ~~(a) A vehicle used by a person as a common carrier in the~~
46.7 ~~transaction of business as a common carrier is subject to forfeiture under this section only~~
46.8 ~~if the owner is a consenting party to, or is privy to, the commission of the act giving rise~~
46.9 ~~to the forfeiture. The limitations and defenses in section 609.531, subdivisions 9 and~~
46.10 10, apply to forfeitures under this section.

46.11 ~~(b) A vehicle is subject to forfeiture under this section only if the registered owner~~
46.12 ~~was privy to the act upon which the forfeiture is based, the act occurred with the owner's~~
46.13 ~~knowledge or consent, or the act occurred due to the owner's gross negligence in allowing~~
46.14 ~~another to use the vehicle.~~

46.15 ~~(c) A vehicle encumbered by a bona fide security interest is subject to the interest of~~
46.16 ~~the secured party unless the party had knowledge of or consented to the act upon which the~~
46.17 ~~forfeiture is based. A person claiming a security interest bears the burden of establishing~~
46.18 ~~that interest by clear and convincing evidence.~~

46.19 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to crimes
46.20 committed on or after that date.