

STATE OF MINNESOTA

EIGHTY-FOURTH SESSION — 2005

FOURTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 10, 2005

The House of Representatives convened at 3:00 p.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by Father Bill Martin, Guardian Angels Church, Oakdale, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dill	Hilstrom	Latz	Paulsen	Smith
Abrams	Dittrich	Hilty	Lenczewski	Paymar	Soderstrom
Anderson, B.	Dorman	Holberg	Lesch	Pelowski	Solberg
Anderson, I.	Dorn	Hoppe	Liebling	Penas	Sykora
Atkins	Eastlund	Hornstein	Lieder	Peppin	Thao
Beard	Eken	Hortman	Lillie	Peterson, A.	Thissen
Bernardy	Ellison	Hosch	Loeffler	Peterson, N.	Tingelstad
Blaine	Emmer	Howes	Magnus	Peterson, S.	Urdahl
Bradley	Entenza	Huntley	Mahoney	Poppe	Vandever
Brod	Erhardt	Jaros	Mariani	Powell	Wagenius
Buesgens	Erickson	Johnson, J.	Marquart	Rukavina	Walker
Carlson	Finstad	Johnson, R.	McNamara	Ruth	Wardlow
Charron	Fritz	Johnson, S.	Moe	Ruud	Walti
Clark	Garofalo	Juhnke	Mullery	Sailer	Westerberg
Cornish	Gazelka	Kahn	Murphy	Samuelson	Westrom
Cox	Goodwin	Kelliher	Nelson, M.	Scalze	Wilkin
Cybart	Greiling	Klinzing	Nelson, P.	Seifert	Zellers
Davids	Gunther	Knoblach	Newman	Sertich	Spk. Sviggum
Davnie	Hackbarth	Koenen	Nornes	Severson	
Dean	Hamilton	Kohls	Olson	Sieben	
DeLaForest	Hansen	Krinkie	Opatz	Simon	
Demmer	Hausman	Lanning	Otremba	Simpson	
Dempsey	Heidgerken	Larson	Ozment	Slawik	

A quorum was present.

Meslow was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Simon moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Wilkin from the Committee on Commerce and Financial Institutions to which was referred:

H. F. No. 9, A bill for an act relating to health; conforming to federal tax changes to encourage consumer-driven health plans; amending Minnesota Statutes 2004, section 290.01, subdivisions 19, 31.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Hackbarth from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 42, A bill for an act relating to firearms; authorizing the use of silencers to muffle discharges of firearms for natural resource wildlife control; amending Minnesota Statutes 2004, section 609.66, subdivisions 1h, 2.

Reported the same back with the following amendments:

Page 1, line 12, delete "and natural resource officers"

Page 1, line 13, after "for" insert "wildlife control operations under subdivision 2 or for"

Page 2, delete line 3 and insert "by a federal, state, local, or tribal government agency for the"

Page 2, line 5, delete "natural resource management" and insert "government"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety Policy and Finance.

The report was adopted.

Tingelstad from the Committee on Governmental Operations and Veterans Affairs to which was referred:

H. F. No. 116, A bill for an act relating to state government; providing that certain rules take effect only upon legislative approval; amending Minnesota Statutes 2004, section 14.19; proposing coding for new law in Minnesota Statutes, chapter 14.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State Government Finance.

The report was adopted.

Johnson, J., from the Committee on Civil Law and Elections to which was referred:

H. F. No. 128, A bill for an act relating to civil actions; authorizing the recovery of attorney fees by funeral providers in actions to recover costs of services; proposing coding for new law in Minnesota Statutes, chapter 149A.

Reported the same back with the following amendments:

Page 1, line 7, delete "COSTS AND"

Page 1, lines 10 and 11, delete "is entitled to costs, disbursements, and" and insert "may be awarded"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wilkin from the Committee on Commerce and Financial Institutions to which was referred:

H. F. No. 135, A bill for an act relating to health; conforming to federal tax changes to encourage consumer-driven health plans; amending Minnesota Statutes 2004, section 290.01, subdivisions 19, 31.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Ozment from the Committee on Agriculture, Environment and Natural Resources Finance to which was referred:

H. F. No. 156, A bill for an act relating to capital improvements; appropriating money for water level control in mine pits; authorizing state bonds.

Reported the same back with the following amendments:

Page 1, lines 7 and 17, delete "\$2,500,000" and insert "\$5,000,000"

Page 1, line 12, delete "and" and insert a comma

Page 1, line 13, before the period, insert ", and for relocation of the railroad in the city of Bovey and western Itasca County"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

Hackbarth from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 215, A bill for an act relating to natural resources; modifying safety training provisions; providing for certain background checks; amending Minnesota Statutes 2004, sections 84.027, by adding a subdivision; 84.9256, subdivision 1; 97B.015, subdivisions 1, 2, 5; 97B.020; 349.12, subdivision 25.

Reported the same back with the following amendments:

Page 1, line 23, delete "If"

Delete page 1, line 24 to page 2, line 4

Page 2, line 12, before the period, insert "expiring one year from date of signature"

Page 2, after line 24, insert:

"Sec. 2. Minnesota Statutes 2004, section 84.91, subdivision 1, is amended to read:

Subdivision 1. [ACTS PROHIBITED.] (a) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall authorize or permit any individual the person knows or has reason to believe is under the influence of alcohol or a controlled substance or other substance to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(b) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall knowingly authorize or permit any person, who by reason of any physical or mental disability is incapable of operating the vehicle, to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(c) A person who operates or is in physical control of a snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state is subject to chapter 169A. In addition to the applicable sanctions under chapter 169A, a person who is convicted of violating section 169A.20 or an ordinance in conformity with it while operating a snowmobile or all-terrain vehicle, or who refuses to comply with a lawful request to submit to testing under sections 169A.50 to 169A.53 or an ordinance in conformity with it, shall be prohibited from operating the snowmobile or all-terrain vehicle for a period of one year. The commissioner shall notify the person of the time period during which the person is prohibited from operating a snowmobile or all-terrain vehicle.

(d) Administrative and judicial review of the operating privileges prohibition is governed by section 97B.066, subdivisions 7 to 9, if the person does not have a prior impaired driving conviction or prior license revocation, as defined in section 169A.03. Otherwise, administrative and judicial review of the prohibition is governed by section 169A.53.

(e) The court shall promptly forward to the commissioner and the Department of Public Safety copies of all convictions and criminal and civil sanctions imposed under this section and ~~chapter~~ chapters 169 and 169A relating to snowmobiles and all-terrain vehicles.

(f) A person who violates paragraph (a) or (b), or an ordinance in conformity with either of them, is guilty of a misdemeanor. A person who operates a snowmobile or all-terrain vehicle during the time period the person is prohibited from operating a vehicle under paragraph (c) is guilty of a misdemeanor."

Page 5, after line 23, insert:

"Sec. 8. Minnesota Statutes 2004, section 169A.63, subdivision 6, is amended to read:

Subd. 6. [VEHICLE SUBJECT TO FORFEITURE.] (a) A motor vehicle is subject to forfeiture under this section if it was used in the commission of a designated offense or was used in conduct resulting in a designated license revocation.

(b) Motorboats subject to seizure and forfeiture under this section also include their trailers."

Page 7, line 23, strike "a wildlife"

Page 7, strike lines 24 to 33 and insert "projects or activities approved by the commissioner of natural resources for:

(i) wildlife management projects that benefit the public at large;

(ii) grant-in-aid trail maintenance and grooming established under sections 84.83 and 84.927 and other trails open to public use, including purchase or lease of equipment for this purpose; or

(iii) supplies and materials for safety training and educational programs coordinated by the Department of Natural Resources, including the Enforcement Division;"

Page 7, line 34, strike "(15)" and insert "(14)"

Page 8, line 1, strike "(16)" and insert "(15)"

Page 8, line 5, strike "(17)" and insert "(16)"

Page 8, line 9, strike "(18)" and insert "(17)"

Page 8, line 16, strike "(19)" and insert "(18)"

Page 8, line 15, reinstate "or"

Page 8, line 18, delete "; or"

Page 8, delete lines 19 and 20

Page 8, line 21, delete everything before the period

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for reporting of certain driving while impaired violations; providing for seizure and forfeiture of boat trailers; providing for certain uses of lawful gambling profits;"

Page 1, line 5, after the semicolon, insert "84.91, subdivision 1;"

Page 1, line 6, after "97B.020;" insert "169A.63, subdivision 6;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety Policy and Finance.

The report was adopted.

Sykora from the Committee on Education Finance to which was referred:

H. F. No. 248, A bill for an act relating to education finance; modifying a school district's percentage of students attending nonpublic school necessary to qualify for an exemption; creating a process to resolve a tuition obligation; converting referendum revenue authority for Common School District No. 815, Prinsburg; authorizing the school district to recertify its school levy for taxes payable in 2005; amending Minnesota Statutes 2004, section 123A.70.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. [AMOUNT OF OBLIGATION.]

The board of Common School District No. 815, Prinsburg, must make tuition payments to Independent School District No. 2180, MACCRAY, in the total amount of \$282,000. The payments must be made in six equal payments on June 30 and December 30 of each year beginning with a payment on June 30, 2005.

[EFFECTIVE DATE.] This section is effective the day following final enactment."

Page 4, lines 9 and 16, delete "1" and insert "3"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 298, A bill for an act relating to motor carriers; exempting household goods movers from fixed compensation requirement when doing certain charitable work; amending Minnesota Statutes 2004, section 221.171, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 20, after the period, insert "A person engaged in the transportation of household goods for a charitable organization may conduct the transportation without restriction to the geographic area the carrier is authorized to serve under section 221.121.

[EFFECTIVE DATE.] This section is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wilkin from the Committee on Commerce and Financial Institutions to which was referred:

H. F. No. 309, A bill for an act relating to taxation; adjusting long-term care insurance credit; amending Minnesota Statutes 2004, section 290.0672, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Johnson, J., from the Committee on Civil Law and Elections to which was referred:

H. F. No. 369, A bill for an act relating to real property; amending the Minnesota Common Interest Ownership Act; amending Minnesota Statutes 2004, sections 515B.1-102; 515B.1-103; 515B.1-106; 515B.1-107; 515B.1-116; 515B.2-101; 515B.2-102; 515B.2-104; 515B.2-106; 515B.2-108; 515B.2-110; 515B.2-111; 515B.2-112; 515B.2-113; 515B.2-118; 515B.2-119; 515B.2-121; 515B.2-123; 515B.2-124; 515B.3-101; 515B.3-102; 515B.3-103; 515B.3-105; 515B.3-106; 515B.3-110; 515B.3-112; 515B.3-113; 515B.3-114; 515B.3-115; 515B.3-116; 515B.3-117; 515B.3-120; 515B.4-101; 515B.4-102; 515B.4-105; 515B.4-106; 515B.4-107; 515B.4-109; 515B.4-111; 515B.4-115.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 515B.1-102, is amended to read:

515B.1-102 [APPLICABILITY.]

(a) Except as provided in this section, this chapter, and not chapters 515 and 515A, applies to all common interest communities created within this state on and after June 1, 1994.

(b) The applicability of this chapter to common interest communities created prior to June 1, 1994, shall be as follows:

(1) This chapter shall apply to condominiums created under chapter 515A with respect to events and circumstances occurring on and after June 1, 1994; provided (i) that this chapter shall not invalidate the declarations, bylaws or condominium plats of those condominiums, and (ii) that chapter 515A, and not this chapter, shall govern all rights and obligations of a declarant of a condominium created under chapter 515A, and the rights and claims of unit owners against that declarant.

(2) The following sections in this chapter apply to condominiums created under chapter 515: 515B.1-104 (Variation by Agreement); 515B.1-105 (Separate Titles and Taxation); 515B.1-106 (Applicability of Local Ordinances, Regulations, and Building Codes); 515B.1-107 (Eminent Domain); 515B.1-108 (Supplemental General Principles of Law Applicable); 515B.1-109 (Construction Against Implicit Repeal); 515B.1-112 (Unconscionable Agreement or Term of Contract); 515B.1-113 (Obligation of Good Faith); 515B.1-114 (Remedies to be Liberally Administered); 515B.1-115 (Notice); 515B.1-116 (Recording); 515B.2-103 (Construction and Validity of Declaration and Bylaws); 515B.2-104 (Description of Units); 515B.2-108(d) (Allocation of Interests); 515B.2-109(c) (Common Elements and Limited Common Elements); 515B.2-112 (Subdivision or Conversion of Units); 515B.2-113 (Alteration of Units); 515B.2-114 (Relocation of Boundaries Between Adjoining Units); 515B.2-115 (Minor Variations in Boundaries); 515B.2-118 (Amendment of Declaration); 515B.2-119 (Termination of Common

Interest Community); 515B.3-102 (Powers of Unit Owners' Association); 515B.3-103(a), (b), and (g) (Board; Directors and Officers; Period of Declarant Control); 515B.3-107 (Upkeep of Common Interest Community); 515B.3-108 (Meetings); 515B.3-109 (Quorums); 515B.3-110 (Voting; Proxies); 515B.3-111 (Tort and Contract Liability); 515B.3-112 (Conveyance or Encumbrance of Common Elements); 515B.3-113 (Insurance); 515B.3-114 (Reserves; Surplus Funds); 515B.3-115 (c), (e), (f), (g), (h), and (i) (Assessments for Common Expenses); 515B.3-116 (Lien for Assessments); 515B.3-117 (Other Liens); 515B.3-118 (Association Records); 515B.3-119 (Association as Trustee); 515B.3-121 (Accounting Controls); 515B.4-107 (Resale of Units); 515B.4-108 (Purchaser's Right to Cancel Resale); and 515B.4-116 (Rights of Action; Attorney's Fees). Section 515B.1-103 (Definitions) shall apply to the extent necessary in construing any of the sections referenced in this section. Sections 515B.1-105, 515B.1-106, 515B.1-107, 515B.1-116, 515B.2-103, 515B.2-104, 515B.2-118, 515B.3-102, 515B.3-110, 515B.3-111, 515B.3-113, 515B.3-116, 515B.3-117, 515B.3-118, 515B.3-121, 515B.4-107, 515B.4-108, and 515B.4-116 apply only with respect to events and circumstances occurring on and after June 1, 1994. All other sections referenced in this section apply only with respect to events and circumstances occurring after July 31, 1999. A section referenced in this section does not invalidate the declarations, bylaws or condominium plats of condominiums created before August 1, 1999. But all sections referenced in this section prevail over the declarations, bylaws, CIC plats, rules and regulations under them, of condominiums created before August 1, 1999, except to the extent that this chapter defers to the declarations, bylaws, CIC plats, or rules and regulations issued under them.

(3) This chapter shall not apply to cooperatives and planned communities created prior to June 1, 1994; except by election pursuant to subsection (d), and except that sections 515B.1-116, subsections (a), (c), (d), (e), (f), and (h), 515B.4-107, and 515B.4-108, apply to all planned communities and cooperatives regardless of when they are created, unless they are exempt under subsection (e).

(c) This chapter shall not invalidate any amendment to the declaration, bylaws or condominium plat of any condominium created under chapter 515 or 515A if the amendment was recorded before June 1, 1994. Any amendment recorded on or after June 1, 1994, shall be adopted in conformity with the procedures and requirements specified by those instruments and by this chapter. If the amendment grants to any person any rights, powers or privileges permitted by this chapter, all correlative obligations, liabilities and restrictions contained in this chapter shall also apply to that person.

(d) Any condominium created under chapter 515, any planned community or cooperative which would be exempt from this chapter under subsection (e), or any planned community or cooperative created prior to June 1, 1994, may elect to be subject to this chapter, as follows:

(1) The election shall be accomplished by recording a declaration or amended declaration, and a new or amended CIC plat where required, and by approving bylaws or amended bylaws, which conform to the requirements of this chapter, and which, in the case of amendments, are adopted in conformity with the procedures and requirements specified by the existing declaration and bylaws of the common interest community, and by any applicable statutes.

(2) In a condominium, the preexisting condominium plat shall be the CIC plat and an amended CIC plat shall be required only if the amended declaration or bylaws contain provisions inconsistent with the preexisting condominium plat. The condominium's CIC number shall be the apartment ownership number or condominium number originally assigned to it by the recording officer. In a cooperative in which the unit owners' interests are characterized as real estate, a CIC plat shall be required. In a planned community, the preexisting plat recorded pursuant to chapter 505, 508, or 508A, or the part of the plat upon which the common interest community is located, shall be the CIC plat.

(3) The amendment shall ~~conform to the requirements of~~ comply with section 515B.2-118(d)(a)(3).

(4) Except as permitted by paragraph (3), no declarant, affiliate of declarant, association, master association nor unit owner may acquire, increase, waive, reduce or revoke any previously existing warranty rights or causes of action that one of said persons has against any other of said persons by reason of exercising the right of election under this subsection.

(5) A common interest community which elects to be subject to this chapter may, as a part of the election process, change its form of ownership by complying with ~~the requirements of~~ section 515B.2-123.

(e) Except as otherwise provided in this subsection, this chapter shall not apply, except by election pursuant to subsection (d), to the following:

(1) a planned community ~~or cooperative~~ which consists of ~~12 or fewer~~ two units ~~subject to the same declaration, which utilizes a common interest community plat complying with section 515B.2-110(d)(1) and (2),~~ which is not subject to any rights to subdivide or convert units or to add additional real estate, and which ~~will~~ is not be subject to a master association;

(2) a common interest community where the units consist solely of separate parcels of real estate designed or utilized for detached single family dwellings or agricultural purposes, and where the association or a master association has no obligation to maintain any building containing a dwelling or any agricultural building;

(3) a cooperative where, at the time of creation of the cooperative, the unit owners' interests in the dwellings as described in the declaration consist solely of proprietary leases having an unexpired term of fewer than 20 years, including renewal options;

(4) planned communities utilizing a common interest community plat complying with section 515B.2-110(d)(1) and (2) and cooperatives, which are limited by the declaration to nonresidential use; or

(5) real estate subject only to an instrument or instruments filed primarily for the purpose of creating or modifying rights with respect to access, utilities, parking, ditches, drainage, or irrigation.

(f) Section 515B.1-106 shall apply to all common interest communities.

Sec. 2. Minnesota Statutes 2004, section 515B.1-103, is amended to read:

515B.1-103 [DEFINITIONS.]

In the declaration and bylaws, unless specifically provided otherwise or the context otherwise requires, and in this chapter:

(1) "Additional real estate" means real estate that may be added to a flexible common interest community.

(2) "Affiliate of a declarant" means any person who controls, is controlled by, or is under common control with a declarant.

(A) A person "controls" a declarant if the person (i) is a general partner, officer, director, or employer of the declarant, (ii) directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than 20 percent of the voting interest in the declarant, (iii) controls in any manner the election of a majority of the directors of the declarant, or (iv) has contributed more than 20 percent of the capital of the declarant.

(B) A person "is controlled by" a declarant if the declarant (i) is a general partner, officer, director, or employer of the person, (ii) directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than 20 percent of the voting interest in the person, (iii) controls in any manner the election of a majority of the directors of the person, or (iv) has contributed more than 20 percent of the capital of the person.

(C) Control does not exist if the powers described in this subsection are held solely as a security interest and have not been exercised.

(3) "Allocated interests" means the following interests allocated to each unit: (i) in a condominium, the undivided interest in the common elements, the common expense liability, and votes in the association; (ii) in a cooperative, the common expense liability and the ownership interest and votes in the association; and (iii) in a planned community, the common expense liability and votes in the association.

(4) "Association" means the unit owners' association organized under section 515B.3-101.

(5) "Board" means the body, regardless of name, designated in the articles of incorporation, bylaws or declaration to act on behalf of the association, or on behalf of a master association when so identified.

(6) "CIC plat" means a common interest community plat described in section 515B.2-110.

(7) "Common elements" means all portions of the common interest community other than the units.

(8) "Common expenses" means expenditures made or liabilities incurred by or on behalf of the association, or master association when so identified, together with any allocations to reserves.

(9) "Common expense liability" means the liability for common expenses allocated to each unit pursuant to section 515B.2-108.

(10) "Common interest community" or "CIC" means contiguous or noncontiguous real estate within Minnesota that is subject to an instrument which obligates persons owning a separately described parcel of the real estate, or occupying a part of the real estate pursuant to a proprietary lease, by reason of their ownership or occupancy, to pay for (i) real estate taxes levied against; (ii) insurance premiums payable with respect to; (iii) maintenance of; or (iv) construction, maintenance, repair or replacement of improvements located on, one or more parcels or parts of the real estate other than the parcel or part that the person owns or occupies. Real estate which satisfies the definition of a common interest community is a common interest community whether or not it is subject to this chapter. Real estate subject to a master association, regardless of when the master association was formed, shall not collectively constitute a separate common interest community unless so stated in the master declaration recorded against the real estate pursuant to section 515B.2-121, subsection (f)(1).

(11) "Condominium" means a common interest community in which (i) portions of the real estate are designated as units, (ii) the remainder of the real estate is designated for common ownership solely by the owners of the units, and (iii) undivided interests in the common elements are vested in the unit owners.

(12) "Conversion property" means real estate on which is located a building that at any time within two years before creation of the common interest community was occupied ~~as a residence~~ for residential use wholly or partially by persons other than purchasers and persons who occupy with the consent of purchasers.

(13) "Cooperative" means a common interest community in which the real estate is owned by an association, each of whose members is entitled by virtue of the member's ownership interest in the association to a proprietary lease.

(14) "Dealer" means a person in the business of selling units for the person's own account.

(15) "Declarant" means:

(i) if the common interest community has been created, (A) any person who has executed a declaration, or an amendment to a declaration to add additional real estate, except secured parties, persons whose interests in the real estate will not be transferred to unit owners, or, in the case of a leasehold common interest community, a lessor who possesses no special declarant rights and who is not an affiliate of a declarant who possesses special declarant rights, or (B) any person who reserves, or succeeds under section 515B.3-104 to any special declarant rights; or

(ii) any person or persons acting in concert who have offered prior to creation of the common interest community to transfer their interest in a unit to be created and not previously transferred.

(16) "Declaration" means any instrument, however denominated, ~~including any amendment to the instrument,~~ that creates a common interest community.

(17) "Dispose" or "disposition" means a voluntary transfer to a purchaser of any legal or equitable interest in the common interest community, but the term does not include the transfer or release of a security interest.

(18) "Flexible common interest community" means a common interest community to which additional real estate may be added.

(19) "Leasehold common interest community" means a common interest community in which all or a portion of the real estate is subject to a lease the expiration or termination of which will terminate the common interest community or reduce its size.

(20) "Limited common element" means a portion of the common elements allocated by the declaration or by operation of section 515B.2-102(d) or (f) for the exclusive use of one or more but fewer than all of the units.

(21) "Master association" means an entity created on or after June 1, 1994, that directly or indirectly exercises any of the powers set forth in section 515B.3-102 on behalf of one or more members described in section 515B.2-121(b), (i), (ii) or (iii), whether or not it also exercises those powers on behalf of one or more property ~~owners~~ owner's associations described in section 515B.2-121(b)(iv). A person (i) hired by an association to perform maintenance, repair, accounting, bookkeeping or management services, or (ii) granted authority under an instrument recorded primarily for the purpose of creating rights or obligations with respect to utilities, access, drainage, or recreational amenities, is not, solely by reason of that relationship, a master association.

(22) "Master declaration" means a written instrument, however named, (i) recorded on or after June 1, 1994, against property subject to powers exercised by a master association and (ii) ~~satisfying the requirements of~~ complying with section 515B.2-121, subsection (f)(1).

(23) "Period of declarant control" means the time period provided for in section 515B.3-103(c) during which the declarant may appoint and remove officers and directors of the association.

(24) "Person" means an individual, corporation, limited liability company, partnership, trustee under a trust, personal representative, guardian, conservator, government, governmental subdivision or agency, or other legal or commercial entity capable of holding title to real estate.

(25) "Planned community" means a common interest community that is not a condominium or a cooperative. A condominium or cooperative may be a part of a planned community.

(26) "Proprietary lease" means an agreement with a cooperative association whereby a member of the association is entitled to exclusive possession of a unit in the cooperative.

(27) "Purchaser" means a person, other than a declarant, who by means of a voluntary transfer acquires a legal or equitable interest in a unit other than (i) a leasehold interest of less than 20 years, including renewal options, or (ii) a security interest.

(28) "Real estate" means any fee simple, leasehold or other estate or interest in, over, or under land, including structures, fixtures, and other improvements and interests that by custom, usage, or law pass with a conveyance of land though not described in the contract of sale or instrument of conveyance. "Real estate" may include spaces with or without upper or lower boundaries, or spaces without physical boundaries.

(29) "Residential use" means use as a dwelling, whether primary, secondary or seasonal, but not transient use such as hotels or motels.

(30) "Secured party" means the person owning a security interest as defined in paragraph (31).

(31) "Security interest" means a perfected interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a mortgagee's interest in a mortgage, a vendor's interest in a contract for deed, a lessor's interest in a lease intended as security, a holder's interest in a sheriff's certificate of sale during the period of redemption, an assignee's interest in an assignment of leases or rents intended as security, a lender's interest in a cooperative share loan, a pledgee's interest in the pledge of an ownership interest, or any other interest intended as security for an obligation under a written agreement.

(32) "Special declarant rights" means rights reserved in the declaration for the benefit of a declarant to:

(i) complete improvements indicated on the CIC plat, planned by the declarant consistent with the disclosure statement or authorized by the municipality in which the CIC is located;

(ii) add additional real estate to a common interest community;

(iii) subdivide or combine units, or convert units into common elements, limited common elements and/or units;

(iv) maintain sales offices, management offices, signs advertising the common interest community, and models;

(v) use easements through the common elements for the purpose of making improvements within the common interest community or any additional real estate;

(vi) create a master association and provide for the exercise of authority by the master association over the common interest community or its unit owners;

(vii) merge or consolidate a common interest community with another common interest community of the same form of ownership; or

(viii) appoint or remove any officer or director of the association, or the master association where applicable, during any period of declarant control.

(33) "Time share" means a right to occupy a unit or any of several units during three or more separate time periods over a period of at least three years, including renewal options, whether or not coupled with an estate or interest in a common interest community or a specified portion thereof.

(34) "Unit" means a physical portion of a common interest community the boundaries of which are described in the common interest community's declaration and which is intended for separate ownership or separate occupancy pursuant to a proprietary lease.

(35) "Unit identifier" means English letters or Arabic numerals, or a combination thereof, which identify only one unit in a common interest community and which meet the requirements of section 515B.2-104.

(36) "Unit owner" means a declarant or other person who owns a unit, a lessee under a proprietary lease, or a lessee of a unit in a leasehold common interest community whose lease expires simultaneously with any lease the expiration or termination of which will remove the unit from the common interest community, but does not include a secured party. In a common interest community, the declarant is the unit owner of a unit until that unit has been conveyed to another person.

Sec. 3. Minnesota Statutes 2004, section 515B.1-106, is amended to read:

515B.1-106 [APPLICABILITY OF LOCAL REQUIREMENTS.]

(a) Except as provided in subsections (b) and (c), a zoning, subdivision, building code, or other real estate use law, ordinance, charter provision, or regulation may not directly or indirectly prohibit the common interest community form of ownership or impose any requirement upon a common interest community, upon the creation or disposition of a common interest community or upon any part of the common interest community conversion process which it would not impose upon a physically similar development under a different form of ownership. Otherwise, no provision of this chapter invalidates or modifies any provision of any zoning, subdivision, building code, or other real estate use law, ordinance, charter provision, or regulation.

(b) Subsection (a) shall not apply to any ordinance, rule, regulation, charter provision or contract provision relating to the financing of housing construction, rehabilitation, or purchases provided by or through a housing finance program established and operated pursuant to state or federal law by a state or local agency or local unit of government.

(c) A statutory or home rule charter city, pursuant to an ordinance or charter provision establishing standards to be applied uniformly within its jurisdiction, may prohibit or impose reasonable conditions upon the conversion of buildings occupied wholly or partially for residential use to the common interest community form of ownership only if there exists within the city a significant shortage of suitable rental dwellings available to low and moderate income individuals or families or to establish or maintain the city's eligibility for any federal or state program providing direct or indirect financial assistance for housing to the city. Prior to the adoption of an ordinance pursuant to the authority granted in this subsection, the city shall conduct a public hearing. Any ordinance or charter provision adopted pursuant to this subsection shall not apply to any existing or proposed conversion common interest community (i) for which a bona fide loan commitment for a consideration has been issued by a lender and is in effect on the date of adoption of the ordinance or charter provision, or (ii) for which a notice of conversion or intent to convert required by section 515B.4-111, containing a termination of tenancy, has been given to at least 75 percent of the tenants and subtenants in possession prior to the date of adoption of the ordinance or charter provision.

(d) For purposes of providing marketable title, a statement in the declaration that the common interest community is not subject to an ordinance or that any conditions required under an ordinance have been complied with shall be prima facie evidence that the common interest community was not created in violation of the ordinance.

(e) A violation of an ordinance or charter provision adopted pursuant to the provisions of subsection (b) or (c) shall not affect the validity of a common interest community. This subsection shall not be construed to in any way limit the power of a city to enforce the provisions of an ordinance or charter provision adopted pursuant to subsection (b) or (c).

(f) Any ordinance or charter provision enacted hereunder shall not be effective for a period exceeding 18 months.

Sec. 4. Minnesota Statutes 2004, section 515B.1-107, is amended to read:

515B.1-107 [EMINENT DOMAIN.]

(a) If a unit is acquired by eminent domain, or if part of a unit is acquired by eminent domain leaving the unit owner with a remnant which may not practically or lawfully be used for any material purpose permitted by the declaration, the award shall compensate the unit owner and secured party in the unit as their interests may appear, whether or not any common element interest is acquired. Upon acquisition, unless the order or final certificate otherwise provides, that unit's allocated interests are automatically reallocated among the remaining units in proportion to their respective allocated interests prior to the taking, and the association shall promptly prepare, execute, and record an amendment to the declaration reflecting the allocations. Any remnant of a unit remaining after part of a unit is taken under this subsection is thereafter a common element.

(b) Except as provided in subsection (a), if part of a unit is acquired by eminent domain, the award shall compensate the unit owner and secured party for the reduction in value of the unit and its interest in the common elements, whether or not any common elements are acquired. Upon acquisition, unless the order or final certificate otherwise provides, (i) that unit's allocated interests are reduced in proportion to the reduction in the size of the unit, or on any other basis specified in the declaration and (ii) the portion of the allocated interests divested from the partially acquired unit are automatically reallocated to that unit and to the remaining units in proportion to the respective allocated interests of those units before the taking, with the partially acquired unit participating in the reallocation on the basis of its reduced allocated interests.

(c) If part of the common elements is acquired by eminent domain, the portion of the award attributable to the common elements taken shall be paid to the association. In an eminent domain proceeding which seeks to acquire a part of the common elements, jurisdiction may be acquired by service of process upon the association. Unless the declaration provides otherwise, any portion of the award attributable to the acquisition of a limited common element shall be equally divided among the owners of the units to which that limited common element was allocated at the time of acquisition and their secured parties, as their interests may appear or as provided by the declaration.

(d) In any eminent domain proceeding the units shall be treated as separate parcels of real estate for valuation purposes, regardless of the number of units subject to the proceeding.

(e) Any distribution to a unit owner from the proceeds of an eminent domain award shall be subject to any limitations imposed by the declaration or bylaws.

(f) The court order or final certificate containing the final awards shall be recorded in every county in which any portion of the common interest community is located.

Sec. 5. Minnesota Statutes 2004, section 515B.1-116, is amended to read:

515B.1-116 [RECORDING.]

(a) A declaration, bylaws, any amendment to a declaration or bylaws, and any other instrument affecting a common interest community shall be entitled to be recorded. In those counties which have a tract index, the county recorder shall enter the declaration in the tract index for each unit or other tract affected. The county recorder shall not enter the declaration in the tract index for lands described as additional real estate, unless such lands are added to the common interest community pursuant to section 515B.2-111. The registrar of titles shall file the declaration in accordance with section 508.351 or 508A.351. The registrar of titles shall not file the declaration upon certificates of title for lands described as additional real estate, unless such lands are added to the common interest community pursuant to section 515B.2-111.

(b) The recording officer shall upon request promptly assign a number (CIC number) to a common interest community to be formed or to a common interest community resulting from the merger of two or more common interest communities.

(c) Documents recorded pursuant to this chapter shall in the case of registered land be filed, and references to the recording of documents shall mean filed in the case of registered land.

(d) Subject to any specific requirements of this chapter, if a recorded document relating to a common interest community or a master association purports to require a certain vote or signatures approving any restatement or amendment of the document by a certain number or percentage of unit owners or secured parties, and if the amendment or restatement is to be recorded ~~pursuant to this chapter~~, an affidavit of the president or secretary of the association stating that the required vote or signatures have been obtained shall be attached to the document to be recorded and shall constitute prima facie evidence of the representations contained therein.

(e) If a common interest community is located on registered land, the recording fee for any document affecting two or more units shall be the then-current fee for registering the document on the certificates of title for the first ten affected certificates and one-third of the then-current fee for each additional affected certificate. This provision shall not apply to recording fees for deeds of conveyance, with the exception of deeds given pursuant to sections 515B.2-119 and 515B.3-112. The same fees shall apply to recording any document affecting two or more units or other parcels of real estate subject to a master declaration.

(f) Except as permitted under this subsection, a recording officer shall not file or record a declaration creating a new common interest community, unless the county treasurer has certified that the property taxes payable in the current year for the real estate included in the proposed common interest community have been paid. This certification is in addition to the certification for delinquent taxes required by section 272.12. In the case of preexisting common interest communities, the recording officer shall accept, file, and record the following instruments, without requiring a certification as to the current or delinquent taxes on any of the units in the common interest community: (i) a declaration subjecting the common interest community to this chapter; (ii) a declaration changing the form of a common interest community pursuant to section 515B.2-123; or (iii) an amendment to or restatement of the declaration, bylaws, or CIC plat. In order for an instrument to be accepted and recorded under the preceding sentence, the instrument must not create or change unit or common area boundaries.

Sec. 6. Minnesota Statutes 2004, section 515B.2-101, is amended to read:

515B.2-101 [CREATION OF COMMON INTEREST COMMUNITIES.]

(a) On and after June 1, 1994, a common interest community may be created only as follows:

(1) A condominium may be created only by recording a declaration.

(2) A cooperative may be created only by recording a declaration and by recording a conveyance of the real estate subject to that declaration to the association.

(3) A planned community which includes common elements may be created only by simultaneously recording a declaration and a conveyance of the common elements subject to that declaration to the association.

(4) A planned community without common elements may be created only by recording a declaration.

(b) Except as otherwise expressly provided in this chapter, the declaration shall be executed by all persons whose interests in the real estate will be conveyed to unit owners or to the association, except vendors under contracts for deed, and by every lessor of a lease the expiration or termination of which will terminate the common interest community. The declaration shall be recorded in every county in which any portion of the common interest community is located. Failure of any party not required to execute a declaration, but having a recorded interest in the common interest community, to join in the declaration shall have no effect on the validity of the common interest community; provided that the party is not bound by the declaration until that party acknowledges the existence of the common interest community in a recorded instrument.

(c) In a condominium, a planned community utilizing a CIC plat complying with section 515B.2-110(c), or ~~real estate~~ a cooperative where the unit boundaries are delineated by a ~~physical~~ structure, a declaration, or an amendment to a declaration adding units, shall not be recorded unless ~~all the structural components of the structures containing the units and the mechanical systems serving more than one unit in all buildings containing the units thereby created,~~ but not the units, are substantially completed, as evidenced by a recorded certificate executed by a registered engineer or architect.

(d) A project which (i) meets the definition of a "common interest community" in section 515B.1-103(10), (ii) is created after May 31, 1994, and (iii) is not exempt under section 515B.1-102(e), is subject to this chapter even if this or other sections of the chapter have not been complied with, and the declarant and all unit owners are bound by all requirements and obligations of this chapter.

(e) The association shall be incorporated pursuant to section 515B.3-101 and the CIC plat shall be recorded as and if required by section 515B.2-110.

Sec. 7. Minnesota Statutes 2004, section 515B.2-102, is amended to read:

515B.2-102 [UNIT BOUNDARIES.]

(a) The declaration shall describe the boundaries of the units as provided in section 515B.2-105(5). The boundaries need not be delineated by a physical structure. The unit may consist of noncontiguous portions of the common interest community.

(b) In a condominium ~~or~~, a cooperative, or a planned community utilizing a CIC plat complying with section 515B.2-110(c), except as the declaration otherwise provides, if the walls, floors, or ceilings of a unit are designated as its boundaries, then the boundaries shall be the interior, unfinished surfaces of the perimeter walls, floors ~~and~~, ceilings, doors, windows, and door and window frames of the unit. All paneling, tiles, wallpaper, paint, floor covering, and any other finishing materials applied to the interior surfaces of the perimeter walls, floors or ceilings, are a part of the unit, and all other portions of the perimeter walls, floors, or ceilings, including perimeter doors and windows, and their door and window frames, are a part of the common elements.

(c) In a planned community, ~~except as the declaration otherwise provides~~ utilizing a CIC plat complying with section 515B.2-110(d)(1) and (2), the unit boundaries shall be the ~~boundary lines as designated on a plat recorded pursuant to chapter 505 or on a registered land survey filed~~ lot lines designated on a plat recorded pursuant to chapter 508 or 508A 505.

(d) If any chute, flue, duct, wire, pipe, conduit, bearing wall, bearing column, or any other fixture servicing fewer than all units lies partially within and partially outside of the ~~designated~~ boundaries of ~~a the unit or units served~~, any portion thereof serving only that unit or units is a limited common element allocated solely to that unit or units, and any portion thereof serving ~~more than one unit or~~ any portion of the common elements is a part of the common elements.

(e) Subject to subsection (d), all spaces, interior partitions, and other fixtures and improvements within the boundaries of a unit are a part of the unit.

(f) Improvements such as shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, decks, patios, perimeter doors and windows, and their frames, constructed as part of the original construction to serve a single unit, and authorized replacements and modifications thereof, if located wholly or partially outside the unit's boundaries, are limited common elements allocated exclusively to that unit.

Sec. 8. Minnesota Statutes 2004, section 515B.2-104, is amended to read:

515B.2-104 [DESCRIPTION OF UNITS.]

(a) A description of a unit is legally sufficient if it sets forth (i) the unit identifier of the unit, (ii) the number assigned to the common interest community by the recording officer, and (iii) the county in which the unit is located.

(b) If the CIC plat for a planned community complies with chapter 505, 508, or 508A, then a description of a unit in the planned community is legally sufficient if it is stated in terms of a plat or registered land survey. In planned communities whose CIC plats comply with section 515B.2-110(c), and in all condominiums and cooperatives created under this chapter, a unit identifier shall contain no more than six characters, only one of which may be a letter.

(c) A description which ~~conforms to the requirements of~~ complies with this section shall be deemed to include all rights, obligations, and interests appurtenant to the unit which were created by the declaration or bylaws, by a master declaration, or by this chapter, whether or not those rights, obligations, or interests are expressly described.

(d) If the CIC plat for a planned community complies with section 515B.2-110(c) a description of the common elements is legally sufficient if it sets forth (i) the words "common elements," (ii) the number assigned to the common interest community by the recording officer, and (iii) the county in which the common elements are located. The common elements may consist of separate parcels of real estate, in which case each parcel shall be separately identified on the CIC plat and in any recorded instrument referencing a separate parcel of the common elements.

Sec. 9. Minnesota Statutes 2004, section 515B.2-106, is amended to read:

515B.2-106 [DECLARATION OF FLEXIBLE COMMON INTEREST COMMUNITIES.]

(a) The declaration for a flexible common interest community shall include, in addition to the matters specified in section 515B.2-105:

(1) a reservation of any rights to add additional real estate;

(2) a statement of any time limit, not exceeding ten years after the recording of the declaration, upon which any right reserved under paragraph (1) will lapse, together with a statement of any circumstances that will terminate the option before the expiration of the time limit. If no time limit is set forth in the declaration, the time limit shall be ten years after the recording of the declaration; provided, that the time limit may be extended by an amendment to the declaration approved in writing by the declarant, and by the vote or written agreement of unit owners, other than the declarant or an affiliate of the declarant, to whose units are allocated at least 67 percent of the votes in the association;

(3) a statement of any limitations on any rights reserved under paragraph (1), other than limitations created by or imposed pursuant to law;

(4) a legally sufficient description of the additional real estate;

(5) a statement as to whether portions of any additional real estate may be added at different times;

(6) a statement of (i) the maximum number of units, based upon the declarant's good faith estimate, that may be created within any additional real estate, and (ii) how many of those units will be restricted to residential use;

(7) a statement that any buildings and units erected upon the additional real estate, when and if added, will be compatible with the other buildings and units in the common interest community in terms of architectural style, quality of construction, principal materials employed in construction, and size, or a statement of any differences with respect to the buildings or units, or a statement that no assurances are made in those regards;

(8) a statement that all restrictions in the declaration affecting use, occupancy, and alienation of units will apply to units created in the additional real estate, when and if added, or a statement of any differences with respect to the additional units;

(9) a statement as to whether any assurances made in the declaration regarding additional real estate pursuant to paragraphs (5) through (8) will apply if the real estate is not added to the common interest community.

(b) A declarant need not have an interest in the additional real estate in order to identify it as such in the declaration, and the recording officer shall index the declaration as provided in section 515B.1-116(a). Identification of additional real estate in the declaration does not encumber or otherwise affect the title to the additional real estate.

Sec. 10. Minnesota Statutes 2004, section 515B.2-108, is amended to read:

515B.2-108 [ALLOCATION OF INTERESTS.]

(a) The declaration shall allocate to each unit:

(1) in a condominium, a fraction or percentage of undivided interests in the common elements and in the common expenses of the association and a portion of the votes in the association;

(2) in a cooperative, an ownership interest in the association, a fraction or percentage of the common expenses of the association and a portion of the votes in the association; and

(3) in a planned community, a fraction or percentage of the common expenses of the association and a portion of the votes in the association.

(b) The declaration shall state the formulas used to establish allocations of interests. If the fractions or percentages are all equal the declaration may so state in lieu of stating the fractions or percentages. ~~If equality is designated by The declaration as the formula for the allocation of votes, need not allocate votes do not attach~~ to units that are auxiliary to other units, such as garage units or storage units. The allocations shall not discriminate in favor of units owned by the declarant or an affiliate of the declarant, except as provided in sections 515B.2-121 and 515B.3-115.

(c) If units may be added to the common interest community, ~~the declaration shall state the formulas to be used to reallocate the allocated interests among all units included in the common interest community after the addition shall be the formulas stated in the declaration.~~

(d) The declaration may authorize special allocations: (i) of unit owner votes among certain units or classes of units on particular matters specified in the declaration, or (ii) of common expenses among certain units or classes of units on particular matters specified in the declaration. Special allocations may only be used to address operational, physical or administrative differences within the common interest community. A declarant may not utilize special allocations for the purpose of evading any limitation or obligation imposed on declarants by this chapter nor may units constitute a class because they are owned by a declarant.

(e) The sum of each category of allocated interests allocated at any time to all the units must equal one if stated as a fraction or 100 percent if stated as a percentage. In the event of a discrepancy between an allocated interest and the result derived from application of the pertinent formula, the allocated interest prevails.

(f) In a condominium or planned community, the common elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the common elements made without the unit to which that interest is allocated is void. The granting of easements, licenses or leases pursuant to section 515B.3-102 shall not constitute a partition.

(g) In a cooperative, any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an ownership interest in the association made without the possessory interest in the unit to which that interest is related is void.

Sec. 11. Minnesota Statutes 2004, section 515B.2-110, is amended to read:

515B.2-110 [COMMON INTEREST COMMUNITY PLAT (CIC PLAT).]

(a) A CIC plat is required for condominiums and planned communities, and cooperatives in which the unit owners' interests are characterized as real estate. The CIC plat is a part of the declaration in condominiums, in planned communities utilizing a CIC plat complying with subsection (c), and in cooperatives in which the unit owners' interests are characterized as real estate, but need not be physically attached to the declaration.

(1) In a condominium, or a cooperative in which the unit owners' interests are characterized as real estate, the CIC plat shall comply with subsection (c).

(2) In a planned community, a CIC plat which does not comply with subsection (c) shall consist of all or part of a subdivision plat or plats complying with subsections (d)(1) and (d)(2). The CIC plat need not contain the number of the common interest community and may be recorded at any time ~~at or before the time of~~ recording of the declaration; provided, that if the CIC plat ~~for the planned community~~ complies with subsection (c), the number of the common interest community shall be included and the CIC plat shall be recorded at the time of recording of the declaration.

(3) In a cooperative in which the unit owners' interests are characterized as personal property, a CIC plat shall not be required. In lieu of a CIC plat, the declaration or any amendment to it creating, converting, or subdividing units in a personal property cooperative shall include an exhibit containing a scale drawing of each building, identifying the building, and showing the perimeter walls of each unit created or changed by the declaration or any amendment to it, including the unit's unit identifier, and its location within the building if the building contains more than one unit.

(b) The CIC plat, or supplemental or amended CIC plat, for condominiums, for planned communities using a plat complying with subsection (c), and for cooperatives in which the unit owners' interests are characterized as real estate, shall contain certifications by a registered professional land surveyor and registered professional architect, as to the parts of the CIC plat prepared by each, that (i) the CIC plat accurately depicts all information required by this section, and (ii) the work was undertaken by, or reviewed and approved by, the certifying land surveyor or architect. The portions of the CIC plat depicting the dimensions of the portions of the common interest community described in subsections (c)(8), (9), (10), and (12), may be prepared by either a land surveyor or an architect. The other portions of the CIC plat shall be prepared only by a land surveyor. A certification of the CIC plat or an amendment to it under this subsection by an architect is not required if all parts of the CIC plat or amendment are prepared by a land surveyor. Certification by the land surveyor or architect does not constitute a guaranty or warranty of the nature, suitability, or quality of construction of any improvements located or to be located in the common interest community.

(c) A CIC plat for a condominium, or a cooperative in which the unit owners' interests are characterized as real estate, shall show:

(1) the number of the common interest community, and the boundaries, dimensions and a legally sufficient description of the land included therein;

(2) the dimensions and location of all existing, material structural improvements and roadways;

(3) the intended location and dimensions of any contemplated common element improvements to be constructed within the common interest community after the filing of the CIC plat, labeled either "MUST BE BUILT" or "NEED NOT BE BUILT";

(4) the location and dimensions of any additional real estate, labeled as such, and a legally sufficient description of the additional real estate;

(5) the extent of any encroachments by or upon any portion of the common interest community;

(6) the location and dimensions of all recorded easements within the land included in the common interest community ~~servicing or burdening any portion of the common interest community~~ land;

(7) the distance and direction between noncontiguous parcels of real estate;

(8) the location and dimensions of limited common elements, except that with respect to limited common elements described in section 515B.2-102, subsections (d) and (f), only such material limited common elements as porches, balconies, decks, patios, and garages shall be shown;

(9) the location and dimensions of the front, rear, and side boundaries of each unit and that unit's unit identifier;

(10) the location and dimensions of the upper and lower boundaries of each unit with reference to an established or assumed datum and that unit's unit identifier;

(11) a legally sufficient description of any real estate in which the unit owners will own only an estate for years, labeled as "leasehold real estate";

(12) any units which may be converted by the declarant to create additional units or common elements identified separately.

(d) A CIC plat for a planned community either shall comply with subsection (c), or it shall:

(1) ~~satisfy the requirements of~~ comply with chapter 505, ~~508, or 508A, as applicable;~~ and

(2) ~~satisfy~~ comply with the platting requirements of any governmental authority within whose jurisdiction the planned community is located, subject to the limitations set forth in section 515B.1-106.

(e) If a declarant adds additional real estate, the declarant shall record a supplemental CIC plat or plats for the real estate being added, conforming to the requirements of this section which apply to the type of common interest community in question. If less than all additional real estate is being added, the supplemental CIC plat for a condominium, a planned community whose CIC plat complies with subsection (c), or a cooperative in which the unit owners' interests are characterized as real estate, shall also show the location and dimensions of the remaining portion.

(f) If, pursuant to section 515B.2-112, a declarant subdivides or converts any unit into two or more units, common elements or limited common elements, or combines two or more units, the declarant shall record an amendment to the CIC plat showing the location and dimensions of any new units, common elements ~~and~~ or limited common elements thus created.

(g) A CIC plat which complies with subsection (c) is not subject to chapter 505.

Sec. 12. Minnesota Statutes 2004, section 515B.2-111, is amended to read:

515B.2-111 [EXPANSION OF FLEXIBLE COMMON INTEREST COMMUNITY.]

(a) To add additional real estate pursuant to a right reserved under section ~~515B.2-106(1)~~ 515B.2-106(a)(1), the declarant and all persons whose interests in the additional real estate will be conveyed to unit owners or the association, except vendors under a contract for deed, shall execute and record ~~an amendment to the~~ a supplemental declaration as provided in this section. The amendment to the supplemental declaration shall be titled a "supplemental declaration," shall be limited to matters authorized by this section, and shall include:

(1) ~~assign a unit identifier to each unit formed in the additional~~ a legally sufficient description of the real estate added by the supplemental declaration;

(2) ~~reallocate a description of the boundaries of each unit created by the supplemental declaration, consistent with the declaration, and the unit's unit identifier;~~

(3) in a planned community containing common elements, a legally sufficient description of the common elements;

(4) a reallocation of the common element interests, votes in the association, and common expense liabilities as applicable, in compliance with the declaration and section 515B.2-108;

~~(3) describe~~ (5) a description of any limited common elements formed out of the additional real estate, designating the unit to which each is allocated to the extent required by section 515B.2-109;

(6) a statement as to whether or not the period of declarant control has terminated, regardless of the reason for such termination; and

~~(4) (7) contain such other provisions as may be reasonably an attached affidavit attesting to the giving of the notice required by the association; and subsection (b), if such notice is required.~~

~~(5) conform to the applicable requirements of the declaration and the act.~~

(b) If the period of declarant control has terminated, a declarant shall give notice of its intention to add additional real estate as follows: to the association (Attention: president of the association) by a notice given in the manner provided in section 515B.1-115 not less than 15 days prior to recording the supplemental declaration which adds the additional real estate. A copy of the supplemental declaration shall be attached to the notice. The supplemental declaration may be in proposed form; however, following notice, the supplemental declaration shall not be changed so as to materially and adversely affect the rights of unit owners or the association unless a new 15-day notice is given in accordance with this section.

~~(1) If the period of declarant control has expired, to the association in the same manner as service of summons in a civil action in district court at least 15 days prior to recording the amendment. A copy of the amendment shall be attached to the notice.~~

~~(2) If the period of declarant control has not expired, to the unit owners by notice (one notice per unit) given in the manner provided in section 515B.1-115, not less than 15 days prior to recording the amendment, addressed to "Unit Owner Entitled to Legal Notice" at each unit or to the unit owner at such other address as may be designated by notice from the unit owner. The declarant shall provide a copy of the amendment at no cost to any unit owner within five business days of the unit owner's request, and the notice shall include a statement to that effect.~~

~~(3) Proof of notice to the association or the unit owners, as the case may be, shall be attached to the recorded amendment. Following service of notice, the amendment shall not be changed so as to materially and adversely affect the rights of unit owners or the association.~~

(c) A lien upon the additional real estate that is not also upon the existing common interest community is a lien only upon the units, and their respective interest in the common elements (if any), that are created from the additional real estate. Units within the common interest community as it existed prior to expansion are transferred free of liens that existed only upon the additional real estate, notwithstanding the fact that the interest in the common elements is a portion of the entire common interest community, including the additional real estate.

(d) If a supplemental declaration in a planned community creates common elements, then a conveyance of the common elements to the association shall be recorded simultaneously with the supplemental declaration. If a supplemental declaration adds additional real estate to a cooperative, then a conveyance of the additional real estate to the association shall be recorded simultaneously with the supplemental declaration.

Sec. 13. Minnesota Statutes 2004, section 515B.2-112, is amended to read:

515B.2-112 [SUBDIVISION, COMBINATION, OR CONVERSION OF UNITS.]

(a) If the declaration so provides, (i) ~~a unit owned by a person other than a declarant~~ one or more units may be subdivided into two or more units or combined into a lesser number of units, or (ii) a unit or units owned exclusively by a declarant may be subdivided, combined, or converted into ~~two one~~ one or more units, limited common elements, common elements, or a combination of units, limited common elements or common elements, ~~subject to subsections (b) and (c).~~

(b) If ~~a the unit is or units are not~~ owned exclusively by a ~~unit owner other than a~~ declarant, the unit ~~owner~~ owners of the units to be combined or subdivided shall ~~prepare cause to be prepared and submit~~ submit to the association for approval an application for an amendment to the declaration and amended CIC plat, for the purpose of subdividing or combining the unit or units. The application shall contain, at a minimum, a general description of the proposed subdivision or combination, and shall specify in detail the matters required by ~~paragraphs (2) subsection (c)(2) and (3). The basis for disapproval of the application by the association shall be limited to (i) health or safety considerations, (ii) liability considerations for the association and other unit owners, (iii) aesthetic changes to the common elements or another unit, (iv) any material and adverse impact on the common elements or another unit, or (v) a failure to comply with the declaration, this chapter, or governmental laws, ordinances, or regulations. The association shall give written notice of its decision and required changes to the unit owner or owners who made the application.~~ paragraphs (2) subsection (c)(2) and (3). The basis for disapproval of the application by the association shall be limited to (i) health or safety considerations, (ii) liability considerations for the association and other unit owners, (iii) aesthetic changes to the common elements or another unit, (iv) any material and adverse impact on the common elements or another unit, or (v) a failure to comply with the declaration, this chapter, or governmental laws, ordinances, or regulations. The association shall give written notice of its decision and required changes to the unit owner or owners who made the application. The association shall establish fair and reasonable procedures and time frames for the submission and prompt processing of the applications.

(c) If ~~the an~~ application under subsection (b) is approved, the unit owner shall cause an amendment and amended CIC plat to be prepared based upon the approved application. The amendment shall:

(1) be executed by the association and by each unit owner and any secured party with respect to ~~the each~~ each unit to be combined or subdivided;

(2) assign a unit identifier to each unit ~~created~~ resulting from the subdivision or combination;

(3) reallocate the common element interest, votes in the association, and common expense liability as applicable, formerly allocated to the unit or units to be combined or subdivided among the unit or units created resulting from the subdivision or combination on the basis of the formula described in the declaration; and

(4) ~~contain such other provisions as may be reasonably required by the association; and~~

(5) ~~conform to the requirements of the declaration and this chapter. The basis for disapproval shall be limited to (i) structural or safety considerations, (ii) liability considerations for the association and other unit owners, (iii) aesthetic considerations if the changes affect exterior portions of a structure, or (iv) a failure to comply with the declaration, this chapter, or governmental laws, ordinances or regulations. The association shall give written notice of its decision and/or required changes to the unit owner.~~

(d) If the association determines that the amendment conforms and amended CIC plat conform to the approved application, the declaration, and this chapter, the association shall ~~be obligated to~~ execute the amendment and cooperate in its recording cause the amendment and the amended CIC plat to be recorded. ~~The unit owner shall record the amendment and the amended CIC plat and deliver a copy of the recorded amendment and amended CIC plat to the association.~~ The association may require the unit owners executing the amendment to pay all fees and costs for reviewing, preparing, and recording the amendment and the amended CIC plat, and any other fees or costs incurred by the association in connection therewith.

(e) (e) If ~~a the unit is or units are~~ owned exclusively by a declarant, the declarant shall have the authority to unilaterally prepare and record, at its expense, an amendment and an amended CIC plat subdividing, combining, or converting the unit or units. The amendment shall comply with ~~the requirements of subsection (b)(1) subsections (c)(1), (2), (3), and (5) (4),~~ and shall be limited to those provisions necessary to accomplish the subdivision, combination, or conversion unless the consent of unit owners required to amend the declaration is obtained.

(d) If (f) A secured party joins in the amendment pursuant to this section, its party's interest and remedies shall be deemed to apply to the unit or units and the common element interests that result from the subdivision or ~~conversion~~ combination of the unit or units in which the secured party held a security interest. If the secured party enforces any remedy, including foreclosure of its lien, against any of the resulting units created, all instruments and notices relating to the foreclosure shall describe the subject property in terms of the amendment and the amended descriptions CIC plat which created the resulting units.

Sec. 14. Minnesota Statutes 2004, section 515B.2-113, is amended to read:

515B.2-113 [ALTERATIONS OF UNITS.]

(a) Subject to the provisions of the declaration and applicable law, a unit owner may, at the unit owner's expense, make any improvements or alterations to the unit, provided: (i) that they do not impair the structural integrity or mechanical systems, affect the common elements, or impair the support of any portion of the common interest community; (ii) that prior arrangements are made with the association to ensure that other unit owners are not disturbed; (iii) that the common elements are not damaged; and (iv) that the common elements and other units are protected against mechanics' liens.

(b) Subject to the provisions of applicable law, a unit owner of a unit in residential use may, at the unit owner's expense, make improvements or alterations to the unit as necessary for the full enjoyment of the unit by any person residing in the unit who has a handicap or disability, as provided in the Fair Housing Amendments Act, United States Code, title 42, section 3601, et seq., and the Minnesota Human Rights Act, chapter 363A, and any amendments to those acts.

(c) The declaration, bylaws, rules, and regulations, or agreements with the association may not prohibit the improvements or alterations referred to in subsection (b), but may reasonably regulate the type, style, and quality of the improvements or alterations, as they relate to health, safety, and architectural standards. In addition, improvements or alterations made pursuant to subsection (b) must ~~satisfy the requirements of~~ comply with subsection (a)(i), (ii), (iii), and (iv).

(d) Notwithstanding any contrary provision of section 515B.1-102, subsection (b) applies to all common interest communities subject to this chapter, chapter 515, or 515A. The unit owner's rights under this section may not be waived.

(e) Subsection (b) does not apply to restrictions on improvements or alterations imposed by statute, rule, or ordinance.

(f) Subject to the provisions of the declaration and applicable law, a unit owner may, at the unit owner's expense, after acquiring title to an adjoining unit or an adjoining part of an adjoining unit, with the prior written approval of the association and first mortgagees of the affected units, remove or alter any intervening partition or create apertures therein, even if the partition is part of the common elements, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the common interest community. The adjoining unit owners shall have the exclusive license to use the space occupied by the removed partition, but the use shall not create an easement or vested right. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries. The association may require that the owner or owners of units affected replace or restore any removed partition, that the unit owner comply with subsection (a)(i), (ii) and (iii), and that the unit owner pay all fees and costs incurred by the association in connection with the alteration.

Sec. 15. Minnesota Statutes 2004, section 515B.2-118, is amended to read:

515B.2-118 [AMENDMENT OF DECLARATION.]

(a) The declaration, including any CIC plat, may be amended only by vote or written agreement of unit owners of units to which at least 67 percent of the votes in the association are allocated, or any greater or other requirement the declaration specifies, subject to the following qualifications:

(1) A declarant may execute supplemental declarations or amendments under section 515B.2-111 or 515B.2-112.

(2) The association and certain unit owners, as applicable, may execute amendments under section 515B.2-107, 515B.2-109, 515B.2-112, 515B.2-113, 515B.2-114, 515B.2-119, 515B.2-122, 515B.2-123, or 515B.2-124.

(3) The unanimous written consent of the unit owners is required for any amendment which (i) creates or increases special declarant rights, (ii) increases the number of units, (iii) changes the boundaries of any unit, (iv) changes the allocated interests of a unit, (v) changes common elements to limited common elements or units, (vi) changes the authorized use of a unit from residential to nonresidential, or conversely, or (vii) changes the characterization of the unit owner's interest in a cooperative from real estate to personal property, or conversely; unless the amendment is expressly permitted or required by other provisions of this chapter. Where the amendment involves the conversion of common elements into a unit or units, the title to the unit or units created shall, upon recording of the amendment, vest in the association free and clear of the interests of the unit owners.

(4) The declaration may specify less than 67 percent for approval of an amendment, but only if all of the units are restricted to nonresidential use.

(b) No action to challenge the validity of an amendment adopted by the association pursuant to this section may be brought more than two years after the amendment is recorded.

(c) Every amendment to the declaration shall be recorded in every county in which any portion of the common interest community is located and is effective only when recorded. If an amendment (i) changes the number of units, (ii) changes the boundary of a unit, (iii) changes common elements to limited common elements, or conversely, or (iv) makes any other change that affects the CIC plat, then an amendment to the CIC plat reflecting the change shall be recorded.

Sec. 16. Minnesota Statutes 2004, section 515B.2-119, is amended to read:

515B.2-119 [TERMINATION OF COMMON INTEREST COMMUNITY.]

(a) Except as otherwise provided in this chapter, a common interest community may be terminated only by agreement of unit owners of units to which at least 80 percent of the votes in the association are allocated, and 80 percent of the first mortgagees of units (each mortgagee having one vote per unit financed), or any larger percentage the declaration specifies. The declaration may specify a smaller percentage only if all of the units are restricted to nonresidential use.

(b) An agreement to terminate shall be evidenced by a written agreement, executed in the same manner as a deed by the number of unit owners and first mortgagees of units required by subsection (a). The agreement shall specify a date after which the agreement shall be void unless recorded before that date. The agreement shall also specify a date by which the termination of the common interest community and the winding up of its affairs must be accomplished. A certificate of termination executed by the association evidencing the termination shall be recorded on or before the termination date, or the agreement to terminate shall be revoked. The agreement to terminate, or a memorandum thereof, and the certificate of termination shall be recorded in every county in which a portion of the common interest community is situated and is effective only upon recording.

(c) In the case of a condominium or planned community containing only units having upper and lower boundaries, a termination agreement may provide that all of the common elements and units of the common interest community must be sold following termination. If, pursuant to the agreement, any real estate in the common interest community is to be sold following termination, the termination agreement shall set forth the minimum terms of sale acceptable to the association.

(d) In the case of a condominium or planned community containing any units not having upper and lower boundaries, a termination agreement may provide for sale of the common elements, but it may not require that the units be sold following termination, unless the original declaration provided otherwise or all unit owners whose units are to be sold consent to the sale.

(e) The association, on behalf of the unit owners, shall have authority to contract for the sale of real estate in a common interest community pursuant to this section, subject to the required approval. The agreement to terminate shall be deemed to grant to the association a power of attorney coupled with an interest to effect the conveyance of the real estate on behalf of the holders of all interests in the units, including without limitation the power to execute all instruments of conveyance and related instruments. Until the sale has been completed, all instruments in connection with the sale have been executed and the sale proceeds distributed, the association shall continue in existence with all powers it had before termination.

(1) The instrument conveying or creating the interest in the common interest community shall include as exhibits (i) an affidavit of the secretary of the association certifying that the approval required by this section has been obtained and (ii) a schedule of the names of all unit owners in the common interest community as of the date of the approval.

(2) Proceeds of the sale shall be distributed to unit owners and secured parties as their interests may appear, in accordance with subsections (h), (i), (j), and (k).

(3) Unless otherwise specified in the agreement of termination, until the association has conveyed title to the real estate, each unit owner and the unit owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the unit. During the period of that occupancy, each unit owner and the unit owner's successors in interest remain liable for all assessments and other obligations imposed on unit owners by this chapter, the declaration or the bylaws.

(f) The legal description of the real estate constituting the common interest community shall, upon the date of recording of the certificate of termination referred to in subsection (b), be as follows:

(1) In a planned community utilizing a CIC plat complying with section 515B.2-110(d)(1) and (2), the lot and block description contained in the CIC plat, and any amendments thereto, subject to any subsequent conveyance or taking of a fee interest in any part of the property.

(2) In a condominium or cooperative, or a planned community utilizing a CIC plat complying with section 515B.2-110(c), the underlying legal description of the real estate as set forth in the declaration creating the common interest community, and any amendments thereto, subject to any subsequent conveyance or taking of a fee interest in any part of the property.

(3) The legal description referred to in this subsection shall apply upon the recording of the certificate of termination. The recording officer for each county in which the common interest community is located shall index the property located in that county in its records under the legal description required by this subsection from and after the date of recording of the certificate of termination. In the case of registered property, the registrar of titles shall cancel the existing certificates of title with respect to the property and issue one or more certificates of title for the property utilizing the legal description required by this subsection.

(g) In a condominium or planned community, if the agreement to terminate provides that the real estate constituting the common interest community is not to be sold following termination, title to the common elements and, in a common interest community containing only units having upper and lower boundaries described in the declaration, title to all the real estate in the common interest community, vests in the unit owners upon termination as tenants in common in proportion to their respective interest as provided in subsection (k), and liens on the units shift accordingly. While the tenancy in common exists, each unit owner and the unit owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the unit.

(h) The proceeds of any sale of real estate pursuant to subsection (e), together with the assets of the association, shall be held by the association as trustee for unit owners, secured parties and other holders of liens on the units as their interests may appear. Before distributing any proceeds, the association shall have authority to deduct from the

proceeds of sale due with respect to the unit (i) unpaid assessments levied by the association with respect to the unit, (ii) unpaid real estate taxes or special assessments due with respect to the unit, and (iii) the share of expenses of sale and winding up of the association's affairs with respect to the unit.

(i) Following termination of a condominium or planned community, creditors of the association holding liens on the units perfected before termination may enforce those liens in the same manner as any lien holder, in order of priority based upon their times of perfection. All other creditors of the association are to be treated as if they had perfected liens on the units immediately before termination.

(j) In a cooperative, the declaration may provide that all creditors of the association have priority over any interests of unit owners and creditors of unit owners. In that event, following termination, creditors of the association holding liens on the cooperative which were perfected before termination may enforce their liens in the same manner as any lien holder, in order of priority based upon their times of perfection. All other creditors of the association shall be treated as if they had perfected a lien against the cooperative immediately before termination. Unless the declaration provides that all creditors of the association have that priority:

(1) the lien of each creditor of the association which was perfected against the association before termination becomes, upon termination, a lien against each unit owner's interest in the unit as of the date the lien was perfected;

(2) any other creditor of the association is to be treated upon termination as if the creditor had perfected a lien against each unit owner's interest immediately before termination;

(3) the amount of the lien of an association's creditor described in paragraphs (1) and (2) against each of the unit owners' interest shall be proportionate to the ratio which each unit's common expense liability bears to the common expense liability of all of the units;

(4) the lien of each creditor of each unit owner which was perfected before termination continues as a lien against that unit owner's interest in the unit as of the date the lien was perfected; and

(5) the assets of the association shall be distributed to all unit owners and all lien holders as their interests may appear in the order described in this section. Creditors of the association are not entitled to payment from any unit owner in excess of the amount of the creditor's lien against that unit owner's interest.

(k) The respective interest of unit owners referred to in subsections (e), (f), (g), (h) and (i) are as follows:

(1) Except as provided in paragraph (2), the respective interests of unit owners are the fair market values of their units, allocated interests, and any limited common elements immediately before the termination, as determined by one or more independent appraisers selected by the association. The decision of the independent appraisers must be distributed to the unit owners and becomes final unless disapproved within 30 days after distribution by unit owners of units to which 25 percent of the votes in the association are allocated. The proportion of any unit's interest to that of all units is determined by dividing the fair market value of that unit by the total fair market values of all the units.

(2) If any unit or any limited common element is destroyed to the extent that an appraisal of the fair market value thereof before destruction cannot be made, the interests of all unit owners ~~are~~ shall be measured by: (i) in a condominium, their ~~respective allocations of~~ respective allocations of common element interests immediately before the termination, (ii) in a cooperative, their respective ownership interests immediately before the termination, and (iii) in a planned community, their respective ~~allocations of~~ allocations of common ~~expense liabilities~~ expenses immediately before the termination.

(l) In a condominium or planned community, except as provided in subsection (m), foreclosure or enforcement of a lien or encumbrance against the entire common interest community does not terminate, of itself, the common interest community, and foreclosure or enforcement of a lien or encumbrance against a portion of the common interest community does not withdraw that portion from the common interest community.

(m) In a condominium or planned community, if a lien or encumbrance against a portion of the real estate comprising the common interest community has priority over the declaration and the lien or encumbrance has not been partially released, the parties foreclosing the lien or encumbrance, upon foreclosure, may record an instrument excluding the real estate subject to that lien or encumbrance from the common interest community.

(n) Following the termination of a common interest community in accordance with this section, the board of directors of the association shall cause the association to be dissolved in accordance with law.

Sec. 17. Minnesota Statutes 2004, section 515B.2-121, is amended to read:

515B.2-121 [MASTER ASSOCIATIONS.]

(a) A master association formed after June 1, 1994, shall be organized as a Minnesota profit, nonprofit or cooperative corporation. A master association shall be incorporated prior to the delegation to it of any powers under this chapter.

(b) The members of the master association shall be any combination of (i) unit owners of one or more common interest communities, (ii) one or more associations, (iii) one or more master associations, or (iv) owners of real estate or property ~~owners~~ owner's associations not subject to this chapter in combination with any other category of member. An association or its members may be members of an entity created before June 1, 1994, which performs functions similar to those performed by a master association regardless of whether the entity is subject to this chapter.

(c) A master association shall be governed by a board of directors. Except as expressly prohibited by the master declaration, the master association's articles of incorporation or bylaws, or other provisions of this chapter, the master association board may act in all instances on behalf of the master association. The directors of a master association shall be elected or, if a nonprofit corporation, elected or appointed, in a manner consistent with the requirements of the statute under which the master association is formed and of the master association's articles of incorporation and bylaws, and subject to the following requirements:

(1) Except as set forth in subsections (2) and (3), the members of the master association shall elect the board of directors. A majority of the directors shall be members of the master association or members of a member of the master association, and shall be persons other than a declarant or affiliate of a declarant. If the member is not a natural person, it may designate a natural person to act on its behalf.

(2) The articles of incorporation or bylaws of the master association may authorize a any person other than, whether or not the person is a member of, or otherwise subject to, the master association ~~or a unit owner~~, including a declarant, to appoint or elect one director.

(3) A master association's articles of incorporation may suspend the members' right to elect or, in the case of a nonprofit corporation, elect or appoint, the master association's board of directors for a specified time period. During this period, the person or persons who execute the master declaration under subsection (f)(1), or their successors or assigns, may appoint the directors. The period during which the person or persons may appoint the directors begins when the master declaration is recorded and terminates upon the earliest of:

- (i) the voluntary surrender of the right to appoint directors;
- (ii) the date ten years after the date the master declaration is recorded;
- (iii) the date, if any, in the articles of incorporation; or

(iv) ~~the date when at least 75 percent of the associations that are members of the master association or whose members are members of the master association are controlled by their members. An association's members control the association when they have the right to elect or appoint a majority of the association's voting directors units and other parcels of real estate which are referred to in subsection (f)(1)(vii) have been conveyed to such persons for occupancy by the persons or their tenants.~~

(4) The term of any director appointed under subsection (3) expires 60 days after the right to appoint directors terminates. The master association's board of directors shall call an annual or special meeting of the master association's members to elect or appoint successor directors within the 60-day period.

(5) The system for the election of directors shall be fair and equitable and shall take into account the number of members of each association any of whose powers are delegated to the master association, the needs of the members of the master association, the allocation of liability for master association common expenses, and the types of common interest communities and other real estate subject to the master association.

(d) The articles of incorporation or bylaws of the master association may authorize special classes of directors and allocations of director voting rights, as follows: (i) classes of directors that are elected by different classes of members, to address operational, physical, or administrative differences within the master association, or (ii) class voting by the classes of directors on specific issues affecting only a certain class or classes of members ~~or~~ units or other parcels of real estate, or to otherwise protect the legitimate interests of such class or classes. No person may utilize such special classes or allocations for the purpose of evading any limitation imposed on declarants by this chapter.

(e) The officers of a master association shall be elected, appointed, or designated in a manner consistent with the statute under which the master association is formed and consistent with the master association articles of incorporation and bylaws.

(f) The creation and authority of a master association shall be governed by the following requirements:

(1) A master declaration shall be recorded in connection with the creation of a master association. The master declaration shall be executed by the owners of the real estate subjected to the master declaration. The master declaration shall contain, at a minimum:

(i) the name of the master association;

(ii) a legally sufficient description of the real estate which is subject to the master declaration and a legally sufficient description of any other real estate which may be subjected to the master declaration pursuant to subsection (g);

(iii) a statement as to whether the real estate subject to, and which may be subjected to, the master declaration collectively is or collectively will be a separate common interest community;

(iv) a description of the members of the master association;

(v) a description of the master association's powers. ~~To be exercised by the master association on behalf of its members and on behalf of the members of its members in the case of members that are common interest communities. The provisions of the master declaration with respect to the grant and exercise of powers for common interest communities subject to the master association shall be consistent with the declarations of the common interest communities that delegate powers to the master association~~ the extent described in the master declaration, a master association has the powers with respect to the master association's members and the property subject to the master declaration that section 515B.3-102 grants to an association with respect to the association's members and the

property subject to the declaration. A master association also has the powers delegated to it by an association pursuant to subsection (f)(2) or by a property owner's association not subject to the chapter; provided (i) that the master declaration identifies the powers and authorizes the delegation either expressly or by a grant of authority to the board of the association or property owner's association and (ii) that the master association board has not refused the delegation pursuant to subsection (f)(4). The provisions of the declarations of the common interest communities, or the provisions of recorded instruments governing other property subject to the master declaration, that delegate powers to the master association shall be consistent with the provisions of the master declaration that govern the delegation of the powers;

(vi) a description of the ~~formula~~ formulas governing the allocation of assessments and member voting rights, including any special classes or allocations referred to in subsection (d); ~~and~~

(vii) a statement of the total number of units and other parcels of real estate intended for residential use by a person or the person's tenants that are (i) subject to the master declaration as initially recorded and (ii) intended to be created by the addition of real estate or by the subdivision of units or other parcels of real estate; and

(viii) the requirements for amendment of the master declaration, other than an amendment under subsection (g).

~~(2) The declaration of a common interest community subject to the master association shall contain provisions delegating, or authorizing the delegation of, powers to the master association in accordance with subsection (f)(3). The provisions of the declarations relating to the delegation shall be consistent with the provisions of the master declaration granting or reserving those powers to the master association.~~

~~(3)~~ The declaration of a common interest community located on property subject to a master declaration may:

(i) delegate any of the powers described in section 515B.3-102 to a the master association-; provided, that a delegation of the powers described in section 515B.3-102(a)(2) is effective only if expressly stated in the declaration; and

(ii) authorize the board to delegate any of the powers described in section 515B.3-102, except for the powers described in section 515B.3-102(a)(2), to a the master association.

~~(4)~~ (3) With respect to any other property subject to a master association, there need not be an instrument other than the master declaration recorded against the property to empower the master association to exercise powers with respect to the property.

~~(5)~~ (4) If a declaration or other recorded instrument authorizes ~~a the board or owner~~ the board of a property owner's association to delegate powers to a master association, the master association board may refuse any delegation of powers that does not comply with (i) this chapter, (ii) the declaration or other recorded instrument, or (iii) the organizational documents of the master association.

~~(6)~~ (5) The failure of a declaration, a board or an owner of property subject to a master association to properly delegate some or all of the powers to the master association does not affect the authority of the master association to exercise those and other powers with respect to other common interest communities or owners of properties that are subject to the master association.

(g) The master declaration may authorize other real estate to be subjected to the master declaration. The other real estate shall be subjected to the master declaration by an amendment executed by the owner of the other real estate and ~~approved in writing by the person who executed~~ any other person or persons required by the master declaration, ~~if other than the owner of the other real estate and recorded.~~

(h) Sections 515B.3-103(a), (b), and (g), 515B.3-108, 515B.3-109, 515B.3-110, and 515B.3-112 shall apply in the conduct of the affairs of a master association. But the rights of voting, notice, and other rights enumerated in those sections apply ~~only~~ to persons who elect or appoint the board of a master association, whether or not those persons are otherwise unit owners within the meaning of this chapter.

(i) If so provided in the master declaration, a master association may levy assessments for common expenses of the master association against the property subject to the master declaration, and have and foreclose liens securing the assessments. The liens shall have the same priority against secured parties, shall include the same fees and charges, and may be foreclosed in the same manner, as assessment liens under section 515B.3-116. The master association's lien shall have priority as against the lien of an association or property owner's association subject to the master association, regardless of when the lien arose or was perfected.

(1) Master association common expenses shall be allocated among the members of the master association in a fair and equitable manner. If the members ~~are~~ include associations or property ~~owners'~~ owner's associations, then the master assessments may be allocated among and levied against the associations or property owner's associations, or allocated among and levied ~~directly~~ against the units or other parcels of real estate owned by the members of the association or property owner's association. If so provided in the master declaration, master assessments levied against a member association or property owner's association are allocated among and levied against the units or other parcels of real estate owned by the members of the association or property owner's association. If applicable and appropriate, the formulas and principles described in section 515B.2-108, subsections (b), (c), (d), and (e), shall be used in making the allocations. The assessment formulas and procedures described in the declarations of any common interest communities or any instruments governing other real estate subject to the master association shall not conflict with the formulas and procedures described in the master declaration.

(2) The master declaration may exempt from liability for all or a portion of master association assessments any person authorized by subsection (c)(3) to appoint the members of the master association board ~~for master association common expenses, or any other person,~~ and exempt any unit or other parcel of real estate owned by the person from a lien for such ~~common expenses assessments,~~ until a dwelling building constituting or located within the unit or other parcel of real estate is substantially completed. Substantial completion shall be evidenced by a certificate of occupancy in a jurisdiction that issues that certificate.

(j) A master association shall not be used, directly or indirectly, to avoid or nullify any warranties or other obligations for which a declarant of a common interest community subject to the master association is responsible, or to otherwise avoid the requirements of this chapter.

Sec. 18. Minnesota Statutes 2004, section 515B.2-123, is amended to read:

515B.2-123 [CHANGE OF FORM OF COMMON INTEREST COMMUNITY.]

(a) The legal form of a condominium, planned community or cooperative subject to this chapter may be changed to a condominium or planned community, subject to any requirements contained in the declaration or bylaws of the common interest community, and the following requirements:

(1) Subject to paragraphs (2) and (3), the change of form shall be approved in writing by the unit owners of units to which at least 80 percent of the votes in the association are allocated, and 80 percent of the first mortgagees of record of the units (each mortgagee having one vote per unit financed). The declaration or bylaws may specify a smaller percentage only if all of the units are restricted to nonresidential use. ~~The approval shall include the approval of~~ A declaration and bylaws ~~satisfying the requirements of~~ complying with this chapter shall be approved, subject to the foregoing approval standards, with respect to the new common interest community.

(2) If the period of declarant control has not expired, the change of form shall also be approved in writing by the declarant.

(3) If the existing common interest community is a cooperative, the change of form shall also be approved in writing by (i) each holder of a blanket mortgage of record and (ii) 80 percent of the secured parties holding interests in share loans encumbering the cooperative units or memberships (each secured party having one vote per share loan owned).

(b) Upon approval as provided in subsection (a), the association in the existing common interest community shall have authority to execute the declaration of the new common interest community on behalf of the unit owners of, and all other persons holding an interest in, the units or other property which is a part of the existing common interest community, and to do all other acts necessary to create the new common interest community.

(c) Upon approval as provided in subsection (a), the association in the existing common interest community shall have a power of attorney coupled with an interest to effect the conveyance of the units or any other real estate owned by the unit owners or the association, which is a part of the existing common interest community, on behalf of the unit owners and all other holders of interests in the common interest community, including without limitation the power to execute all instruments of conveyance and related instruments.

(d) In a change of legal form under this section, the offer, conveyance or exchange of a unit in the new common interest community to or with the person owning the unit in the existing common interest community shall not be subject to article 4 of this chapter.

(e) A change of legal form under this section shall not affect any preexisting obligations or liabilities of a declarant under any statute, or under the disclosure statement, declaration or bylaws of the existing common interest community. The declarant of the existing common interest community shall continue to have the rights and obligations of a declarant with respect to the offer and sale of units owned by it or its affiliates in the new common interest community.

Sec. 19. Minnesota Statutes 2004, section 515B.2-124, is amended to read:

515B.2-124 [SEVERANCE OF COMMON INTEREST COMMUNITY.]

(a) Unless the declaration provides otherwise, a part of a common interest community containing one or more units, with or without common elements, may be severed from the common interest community, subject to the requirements of this section. Subject to any additional requirements contained in the declaration, the severance shall be approved in a written severance agreement ~~satisfying the requirements of~~ complying with this section, executed by:

(1) unit owners entitled to cast at least 67 percent of the votes in the association, which approval shall include the approval of unit owners entitled to cast a majority of the votes allocated to units in the remaining common interest community and the approval of unit owners entitled to cast a majority of the votes allocated to units in the part of the common interest community being severed;

(2) declarant until the earlier of five years after the recording of the declaration or the time at which declarant no longer owns an unsold unit; and

(3) in the case of a cooperative, all holders of mortgages or contracts for deed on the entire real estate constituting the cooperative.

(b) The declaration may specify a smaller percentage for unit owner approval only if all of the units are restricted to nonresidential use.

(c) The severance agreement shall specify a severance date by which the severance of the common interest community shall be accomplished, after which the severance agreement is void. The severance agreement shall be deemed to grant to the association a power of attorney coupled with an interest to effect the severance of the common interest community on behalf of the unit owners and the holders of all other interests in the units, including without limit the power to execute the amendment to the declaration, any instruments of conveyance, and all related instruments.

(d) The severance agreement shall:

(1) Approve an amendment to the declaration complying with this chapter, in substantially the same form to be recorded, which, at a minimum (i) legally describes the real estate constituting the remaining common interest community and the real estate being severed, (ii) restates the number of units in the remaining common interest community, (iii) reallocates the interests of the unit owners in the remaining common interest community among the remaining units in accordance with the allocation formula set forth in the declaration, and (iv) recites any easements to which the severed portion of the common interest community remains subject.

(2) Approve an amendment to the articles of incorporation and bylaws of the remaining common interest community, if necessary.

(3) Authorize the association to execute and record the amended declaration, articles of incorporation or bylaws on behalf of the unit owners and all other persons holding an interest in the remaining common interest community, and to take other actions necessary to accomplish the severance of the common interest community.

(4) Allocate the assets and liabilities of the association between the association and (i) a new association formed pursuant to subsection (g), or (ii) the owners of the units being severed, subject to a lien against their interest in the severed real estate or their share in the assets of the association in favor of any person that held a security interest in their unit.

(5) If the units that are being severed from the common interest community will not be included in a new common interest community that is (i) formed simultaneously with the severance of the common interest community, and (ii) includes all of the units and substantially all of the common elements being severed, then the agreement shall contain the written consent of holders of first mortgages on all units that are being severed, and shall describe in detail the proposed disposition of all real estate to be severed and all assets of the association allocated to the severed units, and the distribution of the proceeds of the disposition, if any.

(e) The severance agreement or a memorandum of it shall be recorded in every county in which a part of the common interest community is located. The recording of the severance agreement or memorandum of it shall, from the date of recording, constitute notice to all persons subsequently acquiring an interest in the common interest community that the common interest community is being severed, and that those persons acquire their interests subject to the terms and conditions contained in the severance agreement and the amendment to the declaration.

(f) The amendment to the declaration of the remaining common interest community shall be recorded on or before the severance date or the severance agreement and the amendment to the declaration is void as of the day after the severance date. The recording of the amendment to the declaration shall complete the severance of the common interest community and release the severed part of the common interest community from the declaration without further action by any person.

(g) If the unit owners whose units are being severed from the common interest community intend to form a new common interest community, then said unit owners shall ~~unanimously, by at least 80 percent of the votes allocated by the existing declaration to said units,~~ approve a new declaration, articles of incorporation and bylaws to govern the new common interest community no later than 60 days before the effective date of the severance. The new declaration ~~creating the new common interest community~~ shall be recorded simultaneously with the amendment to the existing declaration. No later than 30 days ~~before~~ after the ~~effective~~ date of the severance agreement, the ~~unit owners shall cause~~ articles of incorporation creating the association governing intended to govern the new common interest community ~~to be created by filing the articles of incorporation of the association shall be filed~~ with the secretary of state and promptly thereafter the unit owners whose units are being severed shall elect a board of directors to act on behalf of the new association. The board of directors of the new association shall ~~coordinate the completion of the severance~~ cooperate with the board of directors of the existing association to complete the severance. The existing association shall retain all authority to act on behalf of the common interest community until the amendment to the existing declaration ~~is~~ and the new declaration are recorded.

(h) The legal descriptions of the real estate constituting (i) the remaining common interest community, and (ii) the severed portion of the common interest community shall, at the time of recording of the amendment to the declaration referred to in subsection (e), be as follows:

(1) In a planned community using a CIC plat that complies with section 515B.2-110, subsection (d), the lot and block descriptions contained in the CIC plat, and any amendments to it, with respect to (i) the remaining common interest community, and (ii) the severed portion of the common interest community.

(2) In a condominium, or cooperative or planned community using a CIC plat that complies with section 515B.2-110, subsection (c), (i) the CIC plat description relating to the remaining common interest community, and (ii) the part of the underlying legal description of the real estate in the declaration creating the common interest community, and any amendments to it, relating to the severed part of the common interest community.

(3) The recording officer for each county in which the common interest community is located shall index the property located in that county in its records under the legal descriptions required by this subsection as of the date of recording of the amendment to the declaration. In the case of registered property, the registrar of titles shall cancel the existing certificates of title for the severed part of the common interest community and issue certificates of title for the property using the legal descriptions required by this subsection.

(i) In a condominium or planned community, if the severed part of the common interest community is not to be reconstituted as a new common interest community following severance, title to the common elements and, in a common interest community in which all units have upper and lower boundaries described in the declaration title to all the real estate in the severed part of the common interest community, vests in the unit owners of the units being severed, upon severance, as tenants in common in proportion to their respective allocated interests in the declaration, and liens on the units shift accordingly. While the tenancy in common exists, each unit owner and the unit owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the unit, and a nonexclusive easement across, over and under any common elements contained in the severed portion of the common interest community for enjoyment, access, utilities, communication services, and other essential services, as applicable.

(j) No common interest community shall be severed in such a manner as to materially impair access, utility services, communication services, or other essential services with respect to either the remaining common interest community or the severed part of the common interest community.

Sec. 20. Minnesota Statutes 2004, section 515B.3-101, is amended to read:

515B.3-101 [ORGANIZATION OF UNIT OWNERS' ASSOCIATION.]

A common interest community shall be administered by ~~a unit owners'~~ an association. The ~~unit owners'~~ association shall be incorporated no later than the date the common interest community is created. The membership of the association at all times consists exclusively of all unit owners or, following termination of the common interest community, of all former unit owners entitled to distributions of proceeds under section 515B.2-119 or their heirs, successors, or assigns. The association shall be organized as a Minnesota profit or nonprofit corporation, or may, in the case of a cooperative, be organized under chapter 308A. In the event of a conflict between this chapter and any other chapter under which the association is incorporated, this chapter shall control.

Sec. 21. Minnesota Statutes 2004, section 515B.3-102, is amended to read:

515B.3-102 [POWERS OF UNIT OWNERS' ASSOCIATION.]

(a) Except as provided in subsection (b), and subject to the provisions of the declaration or bylaws, the association shall have the power to:

(1) adopt, amend and revoke rules and regulations not inconsistent with the articles of incorporation, bylaws and declaration, as follows: (i) regulating the use of the common elements; (ii) regulating the use of the units, and conduct of unit occupants, which may jeopardize the health, safety or welfare of other occupants, which involves noise or other disturbing activity, or which may damage the common elements or other units; (iii) regulating or prohibiting animals; (iv) regulating changes in the appearance of the common elements and conduct which may damage the common interest community; (v) regulating the exterior appearance of the common interest community, including, for example, balconies and patios, window treatments, and signs and other displays, regardless of whether inside a unit; (vi) implementing the articles of incorporation, declaration and bylaws, and exercising the powers granted by this section; and (vii) otherwise facilitating the operation of the common interest community;

(2) adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments for common expenses from unit owners;

(3) hire and discharge managing agents and other employees, agents, and independent contractors;

(4) institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more unit owners on matters affecting the common elements or other matters affecting the common interest community or, (ii) with the consent of the owners of the affected units on matters affecting only those units;

(5) make contracts and incur liabilities;

(6) regulate the use, maintenance, repair, replacement, and modification of the common elements and the units;

(7) cause improvements to be made as a part of the common elements, and, in the case of a cooperative, the units;

(8) acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, but (i) common elements in a condominium or planned community may be conveyed or subjected to a security interest only pursuant to section 515B.3-112, or (ii) part of a cooperative may be conveyed, or all or part of a cooperative may be subjected to a security interest, only pursuant to section 515B.3-112;

(9) ~~grant easements for public utility easements utilities, public rights-of-way or other public purposes, and cable television or other communications, through, over or under the common elements;~~ grant easements, leases, or licenses to unit owners for purposes authorized by the declaration; and, subject to approval by resolution of unit owners other than declarant or its affiliates ~~at a meeting duly called,~~ grant other ~~public or private~~ easements, leases, and licenses through, over or under the common elements;

(10) impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements, other than limited common elements, and for services provided to unit owners;

(11) impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws, and rules and regulations of the association;

(12) impose reasonable charges for the review, preparation and recordation of amendments to the declaration, resale certificates required by section 515B.4-107, statements of unpaid assessments, or furnishing copies of association records;

(13) provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;

(14) provide for reasonable procedures governing the conduct of meetings and election of directors;

(15) exercise any other powers conferred by law, or by the declaration, articles of incorporation or bylaws; and

(16) exercise any other powers necessary and proper for the governance and operation of the association.

(b) Notwithstanding subsection (a) the declaration or bylaws may not impose limitations on the power of the association to deal with the declarant which are more restrictive than the limitations imposed on the power of the association to deal with other persons.

Sec. 22. Minnesota Statutes 2004, section 515B.3-103, is amended to read:

515B.3-103 [~~DUTY OF BOARD OF DIRECTORS, OFFICERS DURING, AFTER AND~~ DECLARANT CONTROL.]

(a) An association shall be governed by a board of directors. Except as expressly prohibited by the declaration, the articles of incorporation, bylaws, subsection (b), or other provisions of this chapter, the board may act in all instances on behalf of the association. In the performance of their duties, the officers and directors are required to exercise (i) if appointed by the declarant, the care required of fiduciaries of the unit owners and (ii) if elected by the unit owners, the care required of a director by section 302A.251 or 317A.251, as applicable.

(b) The board may not act unilaterally to amend the declaration, to terminate the common interest community, to elect directors to the board, or to determine the qualifications, powers and duties, or terms of office of directors, but the board may fill vacancies in its membership created other than by removal by the vote of the association members for the unexpired portion of any term.

(c) ~~Subject to subsection (d),~~ The declaration may provide for a period of declarant control of the association, during which a declarant, or persons designated by the declarant, may appoint and remove the officers and directors of the association. The ~~maximum~~ period of declarant control ~~may extend from~~ begins on the date of ~~the first conveyance of a unit to a unit owner other than a declarant for a period not exceeding~~ creation of the common interest community and terminates upon the earliest of the following events: (i) five years ~~after the date of the first conveyance of a unit to a unit owner other than a declarant~~ in the case of a flexible common interest community or

three years in the case of any other common interest community. ~~Regardless of any longer period provided in the declaration or elsewhere, a period of declarant control shall terminate upon the earlier of (i) surrender of control by the declarant or (ii) 60 days after, (ii) the declarant's voluntary surrender of control by giving written notice to the unit owners pursuant to section 515B.1-115, or (iii) the conveyance of 75 percent of the units to unit owners other than a declarant.~~

(d) ~~Not later than 60 days after conveyance of~~ The board shall cause a meeting of the unit owners to be called, as follows:

(1) If the period of declarant control has terminated pursuant to subsection (c), a meeting of the unit owners shall be called and held within 60 days after said termination, at which the board shall be elected by all unit owners, including declarant, subject to the requirements of subsection (e).

(2) If 50 percent of the units that may be created to unit owners other than a declarant or an affiliate of a declarant, a meeting of the unit owners shall be held a declarant is authorized by the declaration to create have been conveyed prior to the termination of the declarant control period, a meeting of the unit owners shall be called and held within 60 days thereafter, at which not less than 33-1/3 percent of the members of the board shall be elected by unit owners other than a declarant or an affiliate of a declarant.

(e) Following the termination of any period of declarant control, the unit owners shall elect the board. All unit owners, including the declarant and its affiliates, may cast the votes allocated to any units owned by them. The board shall thereafter be subject to the following requirements.

(1) A majority of the directors shall be unit owners other than a declarant or an affiliate of a declarant, or a natural person designated by a unit owner that is not a natural person. The remaining directors need not be unit owners unless required by the articles of incorporation or bylaws.

(2) Subject to the requirements of subsection (1), the articles of incorporation or bylaws may authorize (i) the appointment or election of one director, who need not be a unit owner, by a declarant or by a person or persons other than a unit owner, (ii) classes of directors, and (iii) the election of certain directors by unit owners of a certain class or classes of units. The articles of incorporation or bylaws shall not be amended to change or terminate the authorization described in (i) without the written consent of the declarant or other person possessing the power to appoint or elect.

(3) Subject to the requirements of subsection (1), if separate classes of directors are authorized under subsection (2), the articles of incorporation or bylaws may authorize class voting by classes of directors on specified issues affecting only a certain class of units, or to protect the legitimate interests of the class. A person shall not use special class voting to evade any limit imposed on declarants by this chapter.

(4) The board shall elect the officers. The directors and officers shall take office upon election.

(f) In determining whether the period of declarant control has terminated under subsection (c), or whether unit owners other than a declarant are entitled to elect members of the board of directors under subsection (d), the percentage of the units ~~which has been~~ conveyed shall be calculated ~~based upon the assumption that all units which the declarant has built or reserved the right to build in the declaration are included in the common interest community~~ using as a numerator the number of units conveyed and as a denominator the number of units subject to the declaration plus the number of units which the declarant is authorized by the declaration to create on any additional real estate. The percentages referred to in subsections (c) and (d) shall be calculated without reference to units that are auxiliary to other units, such as garage units or storage units. A person shall not use a master association or other device to evade the requirements of this section.

(g) Except as otherwise provided in this subsection, meetings of the board of directors must be open to the unit owners. To the extent practicable, the board shall give reasonable notice to the unit owners of the date, time, and place of a board meeting. If the date, time, and place of meetings are provided for in the declaration, articles, or bylaws, announced at a previous meeting of the board, posted in a location accessible to the unit owners and designated by the board from time to time, or if an emergency requires immediate consideration of a matter by the board, notice is not required. "Notice" has the meaning given in section 317A.011, subdivision 14. Meetings may be closed to discuss the following:

(1) personnel matters;

(2) pending or potential litigation, arbitration or other potentially adversarial proceedings, between unit owners, between the board or association and unit owners, or other matters in which any unit owner may have an adversarial interest, if the board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the board or association or the privacy of a unit owner or occupant of a unit; or

(3) criminal activity arising within the common interest community if the board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity.

Nothing in this subsection imposes a duty on the board to provide special facilities for meetings. The failure to give notice as required by this subsection shall not invalidate the board meeting or any action taken at the meeting. The minutes of any part of a meeting that is closed under this subsection may be kept confidential at the discretion of the board.

Sec. 23. Minnesota Statutes 2004, section 515B.3-105, is amended to read:

515B.3-105 [TERMINATION OF ~~DECLARANT'S~~ CONTRACTS, LEASES.]

(a) If entered into prior to ~~expiration~~ termination of the period of declarant control ~~pursuant to section 515B.3-403,~~ (i) any management contract, employment contract, or lease of recreational facilities, ~~units,~~ or garages or other parking facilities, (ii) any contract, lease, or license binding the association, and to which a declarant or an affiliate of a declarant is a party, or (iii) any contract, lease or license binding the association or any unit owner other than the declarant or an affiliate of the declarant which is not bona fide or which was unconscionable to the unit owners at the time entered into under the circumstances then prevailing, may be terminated without penalty by the association ~~at any time after the expiration of declarant control upon not less than 90 days' notice to the other party under the procedures described in this section.~~

(b) ~~If, during prior to expiration of~~ the suspension period described in section 515B.2-121, subsection (c), paragraph (3), a contract, lease, or license of a type described in ~~this section~~ subsection (a) is entered into by a person having authority to appoint the directors of the master association and is binding upon ~~a~~ the master association, then the master association, and not any association, may terminate the contract, lease, or license under the procedures described in this section.

(c) Termination shall be upon no less than 90 days' notice. Notice of termination shall be given by the association or master association, as applicable, in accordance with section 515B.1-115; provided, that notice shall be effective only if given within two years following the termination of the period of declarant control or the suspension period described in section 515B.2-121, subsection (c), paragraph (3), as applicable.

(d) This section does not apply to ~~(+)~~;

(1) any lease the termination of which would terminate the common interest community, ~~(ii) a proprietary lease, or (iii);~~

(2) in the case of a cooperative, a mortgage or contract for deed encumbering ~~all~~ real estate ~~constituting the common interest community~~, owned by the association, except that if the mortgage or contract for deed contains a contractual obligation involving a type of contract, lease, or license which may be terminated pursuant to subsection (a) or (b), then that contractual obligation may be terminated pursuant to subsection (c); or

(3) an agreement between a declarant or an affiliate of a declarant, or a person having authority pursuant to section 515B.2-121(c)(3) to appoint the directors of the master association, and any governmental entity, if such agreement is necessary to obtain governmental approvals, provide financing under any type of government program, or provide for governmentally required access, conservation, drainage, or utilities.

Sec. 24. Minnesota Statutes 2004, section 515B.3-106, is amended to read:

515B.3-106 [BYLAWS; ANNUAL REPORT.]

(a) A common interest community shall have bylaws which comply with this chapter and ~~the requirements of the statute under which the association is incorporated.~~ The bylaws and any amendments may be recorded, but need not be recorded to be effective unless so provided in the bylaws.

(b) The bylaws shall provide that, in addition to any statutory requirements:

(1) A meeting of the members shall be held at least once each year, and a specified officer of the association shall give notice of the meeting as provided in section 515B.3-108.

(2) An annual report shall be prepared by the association and a copy of the report shall be provided to each unit owner at or prior to the annual meeting.

(c) The annual report shall contain at a minimum:

(1) a statement of any capital expenditures in excess of two percent of the current budget or \$5,000, whichever is greater, approved by the association for the current fiscal year or succeeding two fiscal years;

(2) a statement of the balance in any reserve or replacement fund;

(3) a copy of the statement of revenues and expenses for the association's last fiscal year, and a balance sheet as of the end of said fiscal year;

(4) a statement of the status of any pending litigation or judgments to which the association is a party;

(5) a detailed description of the insurance coverage provided by the association including a statement as to which, if any, of the items referred to in section 515B.3-113, subsection (b), are insured by the association; and

(6) a statement of the total past due assessments on all units, current as of not more than 60 days prior to the date of the meeting.

Sec. 25. Minnesota Statutes 2004, section 515B.3-110, is amended to read:

515B.3-110 [VOTING; PROXIES.]

(a) At any meeting of the association an owner or the holder of the owner's proxy shall be entitled to cast the vote which is allocated to the unit. If there is more than one owner of a unit, only one of the owners may cast the vote. If the owners of a unit fail to agree and notify the association as to who shall cast the vote, the vote shall not be cast. Any provision in the articles of incorporation, bylaws, declaration, or other document restricting a unit owner's right to vote, or affecting quorum requirements, by reason of nonpayment of assessments, or a purported violation of any provision of the documents governing the common interest community, shall be void.

(b) If permitted by the articles or bylaws, votes allocated to a unit may be cast pursuant to a proxy executed by the unit owner entitled to cast the vote for that unit. The board may specify the form of proxy and proxy rules, consistent with law.

(c) The entire vote on any single issue (except the election of directors), may be by mailed ballots, subject to (i) any prohibition or requirement contained in the articles of incorporation, bylaws, or declaration and (ii) any requirements of the statute under which the association is created. Such a vote shall have the force and effect of a vote taken at a meeting; provided, that the total votes cast are at least equal to the votes required for a quorum. The board shall set a voting period within which the ballots must be returned, which period shall be not less than ten nor more than 30 days after the date of mailing or hand delivery of the ballots to the owners. The board of directors shall provide written notice of the results of the vote to the members within 30 days after the expiration of the voting period. All requirements in this chapter, the declaration or the bylaws for a meeting of the members, or being present in person, shall be deemed satisfied by a vote taken by mail in compliance with the requirements of this section.

(d) The articles of incorporation or bylaws may authorize class voting by unit owners for directors or on specified issues affecting the class. Class voting may only be used to address operational, physical, or administrative differences within the common interest community. A declarant shall not use class voting to evade any limit imposed on declarants by this chapter and units shall not constitute a class because they are owned by a declarant.

(e) The declaration or bylaws may provide that votes on specified matters affecting the common interest community be cast by lessees or secured parties rather than unit owners; provided that (i) the provisions of subsections (a), (b), and (c) apply to those persons as if they were unit owners; (ii) unit owners who have so delegated their votes to other persons may not cast votes on those specified matters; (iii) lessees or secured parties are entitled to notice of meetings, access to records, and other rights respecting those matters as if they were unit owners, and (iv) the lessee or secured party has filed satisfactory evidence of its interest with the secretary of the association prior to the meeting. Unit owners must also be given notice, in the manner provided in section 515B.3-108(b), of meetings at which lessees or secured parties are entitled to vote.

(f) No votes allocated to a unit owned by the association may be cast nor counted toward a quorum.

Sec. 26. Minnesota Statutes 2004, section 515B.3-112, is amended to read:

515B.3-112 [~~CONVEYANCE OR ENCUMBRANCE OF,~~ OR CREATION OF SECURITY INTERESTS IN, COMMON ELEMENTS.]

(a) In a condominium or planned community, unless the declaration provides otherwise, portions of the common elements may be conveyed or subjected to a security interest by the association if persons entitled to cast at least 67 percent of the votes in the association, including 67 percent of the votes allocated to units not owned by a declarant,

or any larger percentage the declaration specifies, approve that action in writing or at a meeting; but all unit owners of units to which any limited common element is allocated must agree in order to convey that limited common element or subject it to a security interest. The declaration may specify a smaller percentage only if all of the units are restricted to nonresidential use.

(b) In a cooperative, unless the declaration provides otherwise, part of a cooperative may be conveyed, or all or a part subjected to a security interest, by the association if persons entitled to cast at least 67 percent of the votes in the association, including 67 percent of the votes allocated to units in which the declarant has no interest, or any larger percentage the declaration specifies, approves that action in writing or at a meeting. If fewer than all of the units or limited common elements are to be conveyed or subjected to a security interest, then all unit owners of those units, or the units to which those limited common elements are allocated, must agree in order to convey those units or limited common elements or subject them to a security interest. The declaration may specify a smaller percentage only if all of the units are restricted to nonresidential use. Any purported conveyance or other voluntary transfer of an entire cooperative is void, unless made pursuant to section 515B.2-119.

(c) The association, on behalf of the unit owners, may contract to convey or encumber an interest in the common elements of a common interest community pursuant to this subsection, subject to the required approval. After the approval has been obtained, the association shall have a power of attorney coupled with an interest to effect the conveyance or encumbrance on behalf of all unit owners in the common interest community, including the power to execute deeds, mortgages, or other instruments of conveyance or security. The instrument conveying or creating the interest in the common interest community shall be recorded and shall include as exhibits (i) an affidavit of the secretary of the association certifying that the approval required by this section has been obtained and (ii) a schedule of the names of all unit owners and units in the common interest community as of the date of the approval.

(d) ~~Except as provided in section 515B.3-102(a)(9),~~ Unless made pursuant to this section, any purported conveyance, ~~encumbrance,~~ creation of a security interest in or other voluntary transfer of any interest in the common elements, or of any part of a cooperative, is void. The grant of an easement, lease, or license pursuant to section 515B.3-102(a)(9) is not subject to this section.

(e) In the case of a conveyance involving a condominium, a planned community utilizing a CIC plat complying with section 515B.2-110(c), or a cooperative in which the unit owners' interests are characterized as real estate, the association shall record, simultaneously with the recording of the instrument of conveyance, an amended CIC plat showing the real estate constituting the common interest community exclusive of the real estate conveyed. In all common interest communities, upon recording of the instrument of conveyance, the declaration, and all rights and obligations arising therefrom, shall be deemed released and terminated as to the real estate conveyed.

(f) A conveyance or encumbrance of common elements, or of a cooperative, pursuant to this section shall not deprive any unit of its rights of support, reasonable access or utility services.

(g) Except as provided in subsection (a), or unless the declaration otherwise provides, a conveyance or encumbrance of common elements pursuant to this section does not affect the priority or validity of preexisting encumbrances.

(h) Any proceeds of the conveyance or creation of a security interest under this section are an asset of the association.

(i) This section shall not apply to any conveyance or encumbrance of any interest in a proprietary lease.

Sec. 27. Minnesota Statutes 2004, section 515B.3-113, is amended to read:

515B.3-113 [INSURANCE.]

(a) Commencing not later than the time of the first conveyance of a unit to a unit owner other than a declarant, the association shall maintain, to the extent reasonably available:

(1) subject to subsection (b), property insurance (i) on the common elements and, in a planned community, also on property that must become common elements, (ii) for broad form covered causes of loss, and (iii) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, at the time the insurance is purchased and at each renewal date, exclusive of items normally excluded from property policies; and

(2) commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the property in an amount, if any, specified by the common interest community instruments or otherwise deemed sufficient in the judgment of the board, insuring the board, the association, the management agent, and their respective employees, agents and all persons acting as agents. The declarant shall be included as an additional insured in its capacity as a unit owner or board member. The unit owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use or management of the common elements. The insurance shall cover claims of one or more insured parties against other insured parties.

(b) In the case of a common interest community that contains units, or structures within units, sharing or having contiguous walls, siding or roofs, the insurance maintained under subsection (a)(1) shall include those units, or structures within those units, and the common elements. The insurance need not cover the following items within the units: (i) ceiling or wall finishing materials, (ii) floor coverings, (iii) cabinetry, (iv) finished millwork, (v) electrical or plumbing fixtures serving a single unit, (vi) built-in appliances, or (vii) other improvements and betterments, regardless of when installed. If any improvements and betterments are covered, any increased cost may be assessed by the association against the units affected. The association may, in the case of a claim for damage to a unit or units, (i) pay the deductible amount as a common expense, (ii) assess the deductible amount against the units affected in any reasonable manner, or (iii) require the unit owners of the units affected to pay the deductible amount directly.

(c) If the insurance described in subsections (a) and (b) is not reasonably available, the association shall promptly cause notice of that fact to be hand delivered or sent prepaid by United States mail to all unit owners. The declaration may require the association to carry any other insurance, and the association in any event may carry any other insurance it considers appropriate to protect the association, the unit owners or officers, directors or agents of the association.

(d) Insurance policies carried pursuant to subsections (a) and (b) shall provide that:

(1) each unit owner and secured party is an insured person under the policy with respect to liability arising out of the unit owner's interest in the common elements or membership in the association;

(2) the insurer waives its right to subrogation under the policy against any unit owner of the condominium or members of the unit owner's household and against the association and members of the board of directors;

(3) no act or omission by any unit owner or secured party, unless acting within the scope of authority on behalf of the association, shall void the policy or be a condition to recovery under the policy; and

(4) if at the time of a loss under the policy there is other insurance in the name of a unit owner covering the same property covered by the policy, the association's policy is primary insurance.

(e) Any loss covered by the property policy under subsection (a)(1) shall be adjusted by and with the association. The insurance proceeds for that loss shall be payable to the association, or to an insurance trustee designated by the association for that purpose. The insurance trustee or the association shall hold any insurance proceeds in trust for unit owners and secured parties as their interests may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged common elements and units. ~~Unit owners and secured parties are not entitled to receive any portion of the proceeds unless~~ If there is a surplus of proceeds after the common elements and units have been completely repaired or restored or the common interest community is terminated, the board of directors may retain the surplus for use by the association or distribute the surplus among the owners on an equitable basis as determined by the board.

(f) Unit owners may obtain insurance for personal benefit in addition to insurance carried by the association.

(g) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance, upon request, to any unit owner or secured party. The insurance may not be canceled until 60 days after notice of the proposed cancellation has been mailed to the association, each unit owner and each secured party for an obligation to whom certificates of insurance have been issued.

(h) Any portion of the common interest community which is damaged or destroyed as the result of a loss covered by the association's insurance shall be promptly repaired or replaced by the association unless (i) the common interest community is terminated and the association votes not to repair or replace all or part thereof, (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (iii) 80 percent of the unit owners, including every unit owner and holder of a first mortgage on a unit or assigned limited common element which will not be rebuilt, vote not to rebuild. Subject to subsection (b), the cost of repair or replacement of the common elements in excess of insurance proceeds and reserves shall be paid as a common expense, and the cost of repair of a unit in excess of insurance proceeds shall be paid by the respective unit owner.

(i) If less than the entire common interest community is repaired or replaced, (i) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the common interest community, (ii) the insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units, including units to which the limited common elements were assigned, and the secured parties of those units, as their interests may appear, and (iii) the remainder of the proceeds shall be distributed to all the unit owners and secured parties as their interests may appear in proportion to their common element interest in the case of a condominium or in proportion to their common expense liability in the case of a planned community or cooperative.

(j) If the unit owners and holders of first mortgages vote not to rebuild a unit, that unit's entire common element interest, votes in the association, and common expense liability are automatically reallocated upon the vote as if the unit had been condemned under section 515B.1-107, and the association shall promptly prepare, execute and record an amendment to the declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, if the common interest community is terminated, insurance proceeds not used for repair or replacement shall be distributed in the same manner as sales proceeds pursuant to section 515B.2-119.

(k) The provisions of this section may be varied or waived in the case of a common interest community in which all units are restricted to nonresidential use.

Sec. 28. Minnesota Statutes 2004, section 515B.3-114, is amended to read:

515B.3-114 [RESERVES; SURPLUS FUNDS.]

(a) The annual budgets of the association shall provide from year to year, on a cumulative basis, for adequate reserve funds to cover the replacement of those parts of the common ~~elements and limited common elements interest community~~ which the association is obligated to ~~maintain, repair, or replace~~. These reserve requirements shall not apply to a common interest community which is restricted to nonresidential use.

(b) Unless the declaration provides otherwise, any surplus funds that the association has remaining after payment of or provision for common expenses and reserves shall be (i) credited to the unit owners to reduce their future common expense assessments or (ii) credited to reserves, or any combination thereof, as determined by the board of directors.

Sec. 29. Minnesota Statutes 2004, section 515B.3-115, is amended to read:

515B.3-115 [ASSESSMENTS FOR COMMON EXPENSES.]

(a) The obligation of a unit owner to pay common expense assessments shall be as follows:

(1) If a common expense assessment has not been levied, the declarant shall pay all ~~accrued~~ operating expenses of the common interest community, and shall fund the replacement reserve component of the common expenses as required by subsection (b).

(2) If a common expense assessment has been levied, all unit owners including the declarant shall pay the assessments allocated to their units, subject to ~~subsection (b):~~ the following:

(i) If the declaration so provides, a declarant's liability, and the assessment lien, for the common expense assessments, exclusive of replacement reserves, on any unit owned by the declarant may be limited to 25 percent or more of any assessment, exclusive of replacement reserves, until the unit or any building located in the unit is substantially completed. Substantial completion shall be evidenced by a certificate of occupancy in any jurisdiction that issues the certificate.

(ii) If the declaration provides for a reduced assessment pursuant to paragraph (2)(i), the declarant shall be obligated, within 60 days following the termination of the period of the declarant control, to make up any operating deficit incurred by the association during the period of declarant control.

(3) ~~Notwithstanding subsections (a)(1), (a)(2), and (b), if the association maintains the exteriors of the buildings constituting or contained within the units, that part of any assessment that is allocated to replacement reserves referred to in section 515B.3-114 shall be fully levied against a unit, including any unit owned by a declarant, on the earlier of substantial completion of the exterior of (i) the building containing the unit or (ii) any building located within the unit.~~

(b) ~~Subject to subsection (a)(3), if the declaration so provides, a declarant's liability, and the assessment lien, for assessments, other than replacement reserves, on any unit owned by the declarant may be limited to 25 percent or any greater percentage of any assessment levied, until the unit or any building located in it~~ The replacement reserve component of the common expenses shall be funded for each unit in accordance with the projected annual budget required by section 515B.4-102(23); provided, that the funding of replacement reserves with respect to a unit shall commence no later than the date that the unit or any building located within the unit boundaries is substantially completed. Substantial completion shall be evidenced by a certificate of occupancy in any jurisdiction that issues the certificate.

(c) After an assessment has been levied by the association, assessments shall be levied at least annually, based upon a budget approved at least annually by the association.

(d) Except as modified by subsections (a)(1) and (2), (e), (f), and (g), all common expenses shall be assessed against all the units in accordance with the allocations established by the declaration pursuant to section 515B.2-108.

(e) Unless otherwise required by the declaration:

(1) any common expense associated with the maintenance, repair, or replacement of a limited common element shall be assessed against the units to which that limited common element is assigned, equally, or in any other proportion the declaration provides;

(2) any common expense or portion thereof benefiting fewer than all of the units may be assessed exclusively against the units benefited, equally, or in any other proportion the declaration provides;

(3) the costs of insurance may be assessed in proportion to risk or coverage, and the costs of utilities may be assessed in proportion to usage;

(4) reasonable attorneys fees and costs incurred by the association in connection with (i) the collection of assessments and, (ii) the enforcement of this chapter, the articles, bylaws, declaration, or rules and regulations, against a unit owner, may be assessed against the unit owner's unit; and

(5) fees, charges, late charges, fines and interest may be assessed as provided in section 515B.3-116(a).

(f) Assessments levied under section 515B.3-116 to pay a judgment against the association may be levied only against the units in the common interest community at the time the judgment was entered, in proportion to their common expense liabilities.

(g) If any damage to the common elements or another unit is caused by the act or omission of any unit owner, or occupant of a unit, or their invitees, the association may assess the costs of repairing the damage exclusively against the unit owner's unit to the extent not covered by insurance.

(h) Subject to any shorter period specified by the declaration or bylaws, if any installment of an assessment becomes more than 60 days past due, then the association may, upon ten days' written notice to the unit owner, declare the entire amount of the assessment immediately due and payable in full.

(i) If common expense liabilities are reallocated for any purpose authorized by this chapter, common expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated common expense liabilities.

(j) An assessment against fewer than all of the units must be levied within three years after the event or circumstances forming the basis for the assessment, or shall be barred.

Sec. 30. Minnesota Statutes 2004, section 515B.3-116, is amended to read:

515B.3-116 [LIEN FOR ASSESSMENTS.]

(a) The association has a lien on a unit for any assessment levied against that unit from the time the assessment becomes due. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due. Unless the declaration otherwise provides, fees, charges, late charges, fines and interest charges pursuant to section 515B.3-102(a)(10), (11) and (12) are liens, and are enforceable as assessments, under this section.

(b) A lien under this section is prior to all other liens and encumbrances on a unit except (i) liens and encumbrances recorded before the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes, or takes subject to, (ii) any first mortgage encumbering the fee simple interest in the unit, or, in a cooperative, any first security interest encumbering only the unit owner's interest in the unit, ~~and~~ (iii) liens for real estate taxes and other governmental assessments or charges against the unit, and (iv) a master association lien under clause (h). If a first mortgage on a unit is foreclosed, the first mortgage was recorded after June 1, 1994, and no

owner redeems during the owner's period of redemption provided by chapter 580, 581, or 582, the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the unit subject to a lien in favor of the association for unpaid assessments for common expenses levied pursuant to section 515B.3-115(a), (e)(1) to (3), (f), and (i) which became due, without acceleration, during the six months immediately preceding the first day following the end of the owner's period of redemption. If a first security interest encumbering a unit owner's interest in a cooperative unit which is personal property is foreclosed, the secured party or the purchaser at the sale shall take title to the unit subject to unpaid assessments for common expenses levied pursuant to section 515B.3-115(a), (e)(1) to (3), (f), and (i) which became due, without acceleration, during the six months immediately preceding the first day following either the disposition date pursuant to section 336.9-610 or the date on which the obligation of the unit owner is discharged pursuant to section 336.9-622. This subsection shall not affect the priority of mechanics' liens.

(c) Recording of the declaration constitutes record notice and perfection of any lien under this section, and no further recordation of any notice of or claim for the lien is required.

(d) Proceedings to enforce an assessment lien shall be instituted within three years after the last installment of the assessment becomes payable, or shall be barred.

(e) The unit owner of a unit at the time an assessment is due shall be personally liable to the association for payment of the assessment levied against the unit. If there are multiple owners of the unit, they shall be jointly and severally liable.

(f) This section does not prohibit actions to recover sums for which subsection (a) creates a lien nor prohibit an association from taking a deed in lieu of foreclosure. ~~The commencement of an action to recover the sums is not an election of remedies if it is dismissed before commencement of foreclosure of the lien provided for by this section.~~

(g) The association shall furnish to a unit owner or the owner's authorized agent upon written request of the unit owner or the authorized agent a statement setting forth the amount of unpaid assessments currently levied against the owner's unit. If the unit owner's interest is real estate, the statement shall be in recordable form. The statement shall be furnished within ten business days after receipt of the request and is binding on the association and every unit owner.

(h) The association's lien may be foreclosed as provided in this subsection.

(1) In a condominium or planned community, the association's lien may be foreclosed in a like manner as a mortgage containing a power of sale pursuant to chapter 580, or by action pursuant to chapter 581. The association shall have a power of sale to foreclose the lien pursuant to chapter 580.

(2) In a cooperative whose unit owners' interests are real estate, the association's lien shall be foreclosed in a like manner as a mortgage on real estate as provided in paragraph (1).

(3) In a cooperative whose unit owners' interests in the units are personal property, the association's lien shall be foreclosed in a like manner as a security interest under article 9 of chapter 336. In any disposition pursuant to section 336.9-610 or retention pursuant to sections 336.9-620 to 336.9-622, the rights of the parties shall be the same as those provided by law, except (i) notice of sale, disposition, or retention shall be served on the unit owner 90 days prior to sale, disposition, or retention, (ii) the association shall be entitled to its reasonable costs and attorney fees not exceeding the amount provided by section 582.01, subdivision 1a, (iii) the amount of the association's lien shall be deemed to be adequate consideration for the unit subject to disposition or retention, notwithstanding the value of the unit, and (iv) the notice of sale, disposition, or retention shall contain the following statement in capital letters with the name of the association or secured party filled in:

"THIS IS TO INFORM YOU THAT BY THIS NOTICE (fill in name of association or secured party) HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, CHAPTER 515B, TO FORECLOSE ON YOUR INTEREST IN YOUR UNIT FOR THE REASON SPECIFIED IN THIS NOTICE. YOUR INTEREST IN YOUR UNIT WILL TERMINATE 90 DAYS AFTER SERVICE OF THIS NOTICE ON YOU UNLESS BEFORE THEN:

(a) THE PERSON AUTHORIZED BY (fill in the name of association or secured party) AND DESCRIBED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU:

(1) THE AMOUNT THIS NOTICE SAYS YOU OWE; PLUS

(2) THE COSTS INCURRED TO SERVE THIS NOTICE ON YOU; PLUS

(3) \$500 TO APPLY TO ATTORNEYS FEES ACTUALLY EXPENDED OR INCURRED; PLUS

(4) ANY ADDITIONAL AMOUNTS FOR YOUR UNIT BECOMING DUE TO (fill in name of association or secured party) AFTER THE DATE OF THIS NOTICE; OR

(b) YOU SECURE FROM A DISTRICT COURT AN ORDER THAT THE FORECLOSURE OF YOUR RIGHTS TO YOUR UNIT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING, OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES.

IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR OWNERSHIP RIGHTS IN YOUR UNIT WILL TERMINATE AT THE END OF THE PERIOD, YOU WILL LOSE ALL THE MONEY YOU HAVE PAID FOR YOUR UNIT, YOU WILL LOSE YOUR RIGHT TO POSSESSION OF YOUR UNIT, YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE, AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY."

(4) In any foreclosure pursuant to chapter 580, 581, or 582, the rights of the parties shall be the same as those provided by law, except (i) the period of redemption for unit owners shall be six months from the date of sale or a lesser period authorized by law, (ii) in a foreclosure by advertisement under chapter 580, the foreclosing party shall be entitled to costs and disbursements of foreclosure and attorneys fees authorized by the declaration or bylaws, notwithstanding the provisions of section 582.01, subdivisions 1 and 1a, (iii) in a foreclosure by action under chapter 581, the foreclosing party shall be entitled to costs and disbursements of foreclosure and attorneys fees as the court shall determine, and (iv) the amount of the association's lien shall be deemed to be adequate consideration for the unit subject to foreclosure, notwithstanding the value of the unit.

(i) If a holder of a sheriff's certificate of sale, prior to the expiration of the period of redemption, pays any past due or current assessments, or any other charges lienable as assessments, with respect to the unit described in the sheriff's certificate, then the amount paid shall be a part of the sum required to be paid to redeem under section 582.03.

(j) In a cooperative, ~~following foreclosure if the unit owner fails to redeem before the expiration of the redemption period in a foreclosure of the association's assessment lien~~, the association may bring an action for eviction against the unit owner and any persons in possession of the unit, and in that case section 504B.291 shall not apply.

(k) An association may assign its lien rights in the same manner as any other secured party.

Sec. 31. Minnesota Statutes 2004, section 515B.3-117, is amended to read:

515B.3-117 [OTHER LIENS.]

(a) Except in a cooperative and except as otherwise provided in this chapter or in a security instrument, an individual unit owner may have the unit owner's unit released from a lien if the unit owner pays the lienholder the portion of the amount which the lien secures that is attributable to the unit. Upon the receipt of payment, the lienholder shall promptly deliver to the unit owner a recordable partial satisfaction and release of lien releasing the unit from the lien. The release shall be deemed to include a release of any rights in the common elements appurtenant to the unit. The portion of the amount which a lien secures that is attributable to the unit shall be equal to the total amount which the lien secures multiplied by a percentage calculated by dividing the common expense liability attributable to the unit by the common expense liability attributable to all units against which the lien has been recorded, or in the case of a lien under subsection (b), the units against which the lien is permitted or required to be recorded. At the request of a lien claimant or unit owners, the association shall provide a written statement of the percentage of common expense liability attributable to all units. After a unit owner's payment pursuant to this section, the association may not assess the unit for any common expense incurred thereafter in connection with the satisfaction or defense against the lien.

(b) Labor performed or materials furnished for the improvement of a unit shall be the basis for the recording of a lien against that unit pursuant to the provisions of chapter 514 but shall not be the basis for the recording of a lien against the common elements. Labor performed or materials furnished for the improvement of common elements, for which a lien may be recorded under chapter 514, if duly authorized by the association, shall be deemed to be performed or furnished with the express consent of each unit owner, and shall be perfected by recording a lien against all the units in the common interest community ~~pursuant to the provisions of chapter 514~~, but shall not be the basis for the recording of a lien against the common elements except in the case of a condominium on registered land, in which case a lien must be filed pursuant to section 508.351, subdivision 3, or 508A.351, subdivision 3. Where a lien is recorded against the units for labor performed or material furnished for the improvement of common elements, the association shall be deemed to be the authorized agent of the unit owners for purposes of receiving the notices required under sections 514.011 and 514.08, subdivision 1, clause (2).

(c) A security interest in a cooperative whose unit owners' interests in the units are personal property shall be perfected by recording a financing statement in the UCC filing section of the office of the recording officer for the county in which the unit is located. In any disposition by a secured party pursuant to section 336.9-610 or retention pursuant to sections 336.9-620 to 336.9-622, the rights of the parties shall be the same as those provided by law, subject to the exceptions and requirements set forth in section 515B.3-116(h)(3), and except that the unit owner has the right to reinstate the debt owing to the secured party by paying to the secured party, prior to the effective date of the disposition or retention, the amount which would be required to reinstate the debt under section 580.30 if the unit were wholly real estate.

Sec. 32. Minnesota Statutes 2004, section 515B.3-120, is amended to read:

515B.3-120 [DECLARANT DUTIES; TURNOVER OF RECORDS.]

(a) During any period of declarant control pursuant to section 515B.3-103(c), declarant and any of its representatives who are acting as officers or directors of the association shall:

(1) cause the association to be operated and administered in accordance with its articles of incorporation and bylaws, the declaration and applicable law;

(2) be subject to all fiduciary obligations and obligations of good faith applicable to any persons serving a corporation in that capacity;

(3) cause the association's funds to be maintained in a separate bank account or accounts solely in the association's name, from and after the date of creation of the association; and

(4) cause the association to maintain complete and accurate records in compliance with section 515B.3-118.

(b) At such time as any period of declarant control terminates, declarant shall cause to be delivered to the board elected by the unit owners exclusive control of all funds of the association, all contracts and agreements ~~to which are binding on~~ the association ~~was or is a party~~, all corporate records of the association including financial records, copies of all CIC plats and supplementary CIC plats, personal property owned or represented to be owned by the association, assignments of all declarant's rights and interests under the warranties if not in the name of the association, and, to the extent they are in the control or possession of the declarant, copies of all plans and specifications in its control or possession relating to ~~the common interest community~~ buildings and related improvements which are part of the common elements, and operating manuals and warranty materials relating to any equipment or personal property utilized in the operation of the common interest community. The declarant's obligation to turn over the foregoing items shall continue to include additional new or changed items in its possession or control.

(c) ~~A declarant in control person entitled to appoint the directors~~ of a master association, and the master association's officers and directors, shall be subject to the same duties and obligations with respect to the master association as are described in subsections (a); and (b) and (e), to the extent applicable. ~~The period of declarant control of the master association shall terminate as provided in section 515B.2-121(f).~~ A master association may not be used to circumvent or avoid any obligation or restriction imposed on a declarant or its affiliates by this chapter.

Sec. 33. Minnesota Statutes 2004, section 515B.4-101, is amended to read:

515B.4-101 [APPLICABILITY; DELIVERY OF DISCLOSURE STATEMENT.]

(a) Sections 515B.4-101 through 515B.4-118 apply to all units subject to this chapter, except as provided in subsection (c) or as modified or waived by written agreement of purchasers of a unit which is restricted to nonresidential use.

(b) Subject to subsections (a) and (c), a declarant who offers a unit to a purchaser shall deliver to the purchaser a current disclosure statement which complies with the requirements of section 515B.4-102. The disclosure statement shall include any material amendments to the disclosure statement made prior to the conveyance of the unit to the purchaser. The declarant shall be liable to the purchaser to whom it delivered the disclosure statement for any false or misleading statement set forth therein or for any omission of a material fact therefrom.

(c) Neither a disclosure statement nor a resale disclosure certificate need be prepared or delivered in the case of:

- (1) a gratuitous transfer;
- (2) a transfer pursuant to a court order;
- (3) a transfer to a government or governmental agency;
- (4) a transfer to a secured party by foreclosure or deed in lieu of foreclosure;
- (5) an option to purchase a unit, until exercised;

(6) a transfer to a person who "controls" or is "controlled by," the grantor as those terms are defined with respect to a declarant under section 515B.1-103(2);

(7) a transfer by inheritance;

(8) a transfer of special declarant rights under section 515B.3-104; or

(9) a transfer in connection with a change of form of common interest community under section 515B.2-123.

(d) A purchase agreement for a unit shall contain the following notice: "The following notice is required by Minnesota Statutes. The purchaser is entitled to receive a disclosure statement or resale disclosure certificate, as applicable. The disclosure statement or resale disclosure certificate contains important information regarding the common interest community and the purchaser's cancellation rights."

(e) A purchase agreement for the sale, to the initial occupant, of a platted lot or other parcel of real estate (i) which is subject to a master declaration, (ii) which is intended for residential occupancy, and (iii) which does not and is not intended to constitute a unit, shall contain the following notice: "The following notice is required by Minnesota Statutes: The real estate to be conveyed under this agreement is or will be subject to a master association as defined in Minnesota Statutes, chapter 515B. The master association is obligated to provide to the purchaser, pursuant to Minnesota Statutes, section 515B.4-102(c), upon the purchaser's request, a statement containing the information required by Minnesota Statutes, section 515B.4-102(a)(20), with respect to the master association, prior to the time that the purchaser signs a purchase agreement for the real estate. The statement contains important information regarding the master association and the purchaser's obligations thereunder." A claim by a purchaser based upon a failure to include the foregoing notice in a purchase agreement:

(1) shall be limited to legal, and not equitable, remedies;

(2) shall be barred unless it is commenced within the time period specified in section 515B.4-115(a); or

(3) may be waived by a separate written document signed by the seller and purchaser.

Sec. 34. Minnesota Statutes 2004, section 515B.4-102, is amended to read:

515B.4-102 [DISCLOSURE STATEMENT; GENERAL PROVISIONS.]

(a) A disclosure statement shall fully and accurately disclose:

(1) the name and, if available, the number of the common interest community;

(2) the name and principal address of the declarant;

(3) the number of units which the declarant has the right to include in the common interest community and a statement that the common interest community is either a condominium, cooperative, or planned community;

(4) a general description of the common interest community, including, at a minimum, (i) the number of buildings, (ii) the number of dwellings per building, (iii) the type of construction, (iv) whether the common interest community involves new construction or rehabilitation, (v) whether any building was wholly or partially occupied, for any purpose, before it was added to the common interest community and the nature of the occupancy, and (vi) a general description of any roads, trails, or utilities that are located on the common elements and that the association or a master association will be required to maintain;

(5) declarant's schedule of commencement and completion of construction of any buildings and other improvements that the declarant is obligated to build pursuant to section 515B.4-117;

(6) any expenses or services, not reflected in the budget, that the declarant pays or provides, which may become a common expense; the projected common expense attributable to each of those expenses or services; and an explanation of declarant's limited assessment liability under section 515B.3-115, subsection (b);

(7) any initial or special fee due from the purchaser to the declarant or the association at closing, together with a description of the purpose and method of calculating the fee;

(8) identification of any liens, defects, or encumbrances which will continue to affect the title to a unit or to any real property owned by the association after the contemplated conveyance;

(9) a description of any financing offered or arranged by the declarant;

(10) a statement as to whether application has been made for any project approvals for the common interest community from the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Department of Housing and Urban Development (HUD) or Department of Veterans Affairs (VA), and which, if any, such final approvals have been received;

(11) the terms of any warranties provided by the declarant, including copies of ~~chapter 327A, and~~ sections 515B.4-112 through 515B.4-115, and any other applicable statutory warranties, and a statement of any limitations on the enforcement of the applicable warranties or on damages;

(12) a statement that: (i) within ten days after the receipt of a disclosure statement, a purchaser may cancel any contract for the purchase of a unit from a declarant; provided, that the right to cancel terminates upon the purchaser's voluntary acceptance of a conveyance of the unit from the declarant or by the purchaser agreeing to modify or waive the right to cancel in the manner provided by section 515B.4-106, paragraph (a); (ii) if a purchaser receives a disclosure statement more than ten days before signing a purchase agreement, the purchaser cannot cancel the purchase agreement; and (iii) if a declarant obligated to deliver a disclosure statement fails to deliver a disclosure statement which substantially complies with this chapter to a purchaser to whom a unit is conveyed, the declarant shall be liable to the purchaser as provided in section 515B.4-106(d);

(13) a statement disclosing to the extent of the declarant's or an affiliate of a declarant's actual knowledge, after reasonable inquiry, any unsatisfied judgments or lawsuits to which the association is a party, and the status of those lawsuits which are material to the common interest community or the unit being purchased;

(14) a statement (i) describing the conditions under which earnest money will be held in and disbursed from the escrow account, as set forth in section 515B.4-109, (ii) that the earnest money will be returned to the purchaser if the purchaser cancels the contract pursuant to section 515B.4-106, and (iii) setting forth the name and address of the escrow agent;

(15) a detailed description of the insurance coverage provided by the association for the benefit of unit owners, including a statement as to which, if any, of the items referred to in section 515B.3-113, subsection (b), are insured by the association;

(16) any current or expected fees or charges, other than assessments for common expenses, to be paid by unit owners for the use of the common elements or any other improvements or facilities;

(17) the financial arrangements, including any contingencies, which have been made to provide for completion of all improvements that the declarant is obligated to build pursuant to section 515B.4-118, or a statement that no such arrangements have been made;

(18) in a cooperative: (i) whether the unit owners will be entitled for federal and state tax purposes, to deduct payments made by the association for real estate taxes and interest paid to the holder of a security interest encumbering the cooperative; ~~and~~ (ii) a statement as to the effect on the unit owners if the association fails to pay real estate taxes or payments due the holder of a security interest encumbering the cooperative; ~~and~~ (iii) the principal amount and a general description of the terms of any blanket mortgage, contract for deed, or other blanket security instrument encumbering the cooperative property;

(19) a statement: (i) that real estate taxes for the unit or any real property owned by the association are not delinquent or, if there are delinquent real estate taxes, describing the property for which the taxes are delinquent, stating the amount of the delinquent taxes, interest and penalties, and stating the years for which taxes are delinquent, and (ii) setting forth the amount of real estate taxes, including the amount of any special assessment certified for payment with the real estate taxes, due and payable with respect to the unit in the year in which the disclosure statement is given, if real estate taxes have been separately assessed against the unit;

(20) if the association or the purchaser of the unit will be a member of a master association, a statement to that effect, and all of the following information with respect to the master association: (i) a copy of the master declaration, if any (other than any CIC plat), the articles of incorporation, bylaws, and rules and regulations for the master association, together with any amendments thereto; (ii) the name, address and general description of the master association, including a general description of any other association, unit owners, or other persons which are or may become members; (iii) a description of any nonresidential use permitted on any property subject to the master association; (iv) a statement as to the estimated maximum number of associations, unit owners or other persons which may become members of the master association, and the degree and period of control of the master association by a declarant or other person; (v) a description of any facilities intended for the benefit of the members of the master association and not located on property owned or controlled by a member or the master association; (vi) the financial arrangements, including any contingencies, which have been made to provide for completion of the facilities referred to in subsection (v), or a statement that no arrangements have been made; (vii) any current balance sheet of the master association and a projected or current annual budget, as applicable, which budget shall include with respect to the master association those items in paragraph (23), clauses (i) through ~~(iv)~~ (iii), and the projected monthly common expense assessment for each type of unit, lot, or other parcel of real estate which is or is planned to be subject to assessment; (viii) a description of any expenses or services not reflected in the budget, paid for or provided by a declarant or a person executing the master declaration, which may become an expense of the master association in the future; (ix) a description of any powers delegated to and accepted by the master association pursuant to section 515B.2-121(f)(2); (x) identification of any liens, defects or encumbrances that will continue to affect title to property owned or operated by the master association for the benefit of its members; (xi) the terms of any warranties provided by any person for construction of facilities in which the members of the master association have or may have an interest, and any known defects in the facilities which would violate the standards described in section 515B.4-112(b); (xii) a statement disclosing, ~~to the extent of the declarant's knowledge,~~ after inquiry of the master association, any unsatisfied judgments or lawsuits to which the master association is a party, and the status of those lawsuits which are material to the master association; (xiii) a description of any insurance coverage provided for the benefit of its members by the master association; and (xiv) any current or expected fees or charges, other than assessments by the master association, to be paid by members of the master association for the use of any facilities intended for the benefit of the members;

(21) a statement as to whether the unit will be substantially completed at the time of conveyance to a purchaser, and if not substantially completed, who is responsible to complete and pay for the construction of the unit;

(22) a copy of the declaration and any amendments thereto, (exclusive of the CIC plat), any other recorded covenants, conditions restrictions, and reservations affecting the common interest community; the articles of incorporation, bylaws and any rules or regulations of the association; any agreement excluding or modifying any implied warranties; any agreement reducing the statute of limitations for the enforcement of warranties; any

contracts or leases to be signed by purchaser at closing; and a brief narrative description of any (i) contracts or leases that are or may be subject to cancellation by the association under section 515B.3-105 and (ii) any material agreements entered into between the declarant and a governmental entity that affect the common interest community; and

(23) ~~any current~~ a balance sheet for the association, current within 90 days; a projected annual budget for the association ~~for the year in which the first unit is conveyed to a purchaser, and thereafter the current annual budget of the association~~; and a statement identifying the party responsible for the preparation of the budget. The budget shall assume that all units intended to be included in the common interest community, based upon the declarant's good faith estimate, have been subjected to the declaration; provided, that additional budget portrayals based upon a lesser number of units are permitted. The budget shall include, without limitation: (i) a statement of the amount included in the budget as a reserve for ~~maintenance, repair and~~ replacement; (ii) a statement of any other reserves; (iii) the projected common expense for each category of expenditures for the association; ~~and~~ (iv) the projected monthly common expense assessment for each type of unit; and (v) a footnote or other reference to those components of the common interest community the maintenance, repair, or replacement of which the budget assumes will be funded by assessments under section 515B.3-115(e) rather than by assessments included in the association's annual budget, and a statement referencing section 515B.3-115(e)(1) or (2) as the source of funding. If, based upon the association's then current budget, the monthly common expense assessment for the unit at the time of conveyance to the purchaser is anticipated to exceed the monthly assessment stated in the budget, a statement to such effect shall be included.

(b) A declarant shall promptly amend the disclosure statement to reflect any material change in the information required by this chapter.

(c) The master association, within ten days after a request by a declarant, ~~or any~~ a holder of declarant rights, or a purchaser referred to in section 515B.4-101(e), or the authorized representative of any of them, shall furnish the information required to be provided by subsection (a)(20). A declarant or other person who provides information pursuant to subsection (a)(20) is not liable to the purchaser for any erroneous information if the declarant or other person: (i) is not an affiliate of or related in any way to a person authorized to appoint the master association board pursuant to section 515B.2-121(c)(3), and (ii) has no actual knowledge that the information is incorrect.

Sec. 35. Minnesota Statutes 2004, section 515B.4-105, is amended to read:

515B.4-105 [COMMON INTEREST COMMUNITY WITH BUILDING ONCE OCCUPIED.]

The disclosure statement of a common interest community containing any building that was at any time before the creation of the common interest community wholly or partially occupied, for any purpose, by persons other than purchasers or persons who occupied with the consent of purchasers, shall contain, in addition to the information required by sections 515B.4-102, 515B.4-103 and 515B.4-104:

(1) a professional opinion prepared by a registered professional architect or engineer, licensed in this state, describing the ~~present current~~ condition of all structural components, and mechanical and electrical installations, material to the use and enjoyment of the building, to the extent reasonably ascertainable without disturbing the improvements or dismantling the equipment, which will be in place or be operational at the time of conveyance of the first unit to a person other than a declarant;

(2) a statement by the declarant of the expected useful life of each item reported on in paragraph (1) or a statement that no representations are made in that regard; and

(3) a list of any outstanding notices of uncured violations of building code or other municipal regulations, together with the estimated cost of curing those violations.

Sec. 36. Minnesota Statutes 2004, section 515B.4-106, is amended to read:

515B.4-106 [PURCHASER'S RIGHT TO CANCEL.]

(a) A person required to deliver a disclosure statement pursuant to section 515B.4-101(b) shall provide at least one of the purchasers of the unit with a copy of the disclosure statement and all amendments thereto before conveyance of the unit. If a purchaser is not given a disclosure statement more than ~~five ten~~ days before execution of the purchase agreement, the purchaser may, before conveyance, cancel the purchase agreement within ~~five ten~~ days after first receiving the disclosure statement. If a purchaser is given the disclosure statement more than ~~five ten~~ days before execution of the purchase agreement, the purchaser may not cancel the purchase agreement pursuant to this section. ~~Except as expressly provided in this chapter, The five-day ten-day rescission period cannot be waived may be modified or waived, in writing, by agreement of the purchaser of a unit only after the purchaser has received and had an opportunity to review the disclosure statement. The person required to deliver a disclosure statement may not condition the sale of the unit on the purchaser agreeing to modify or waive the purchaser's ten-day right of rescission, may not contractually obligate the purchaser to modify or waive the purchaser's ten-day right of rescission, and may not include a modification or waiver of the ten-day right of rescission in any purchase agreement for the unit. To be effective, a modification or waiver of a purchaser's ten-day right of rescission must be evidenced by an instrument separate from the purchase agreement signed by the purchaser more than three days after the purchaser signs the purchase agreement.~~

(b) If an amendment to the disclosure statement materially and adversely affects a purchaser, then the purchaser shall have ~~five ten~~ days after delivery of the amendment to cancel the purchase agreement in accordance with this section. ~~The ten-day rescission period may be modified or waived, in writing, by agreement of the purchaser of a unit only after the purchaser has received and had an opportunity to review the disclosure statement. To be effective, a modification or waiver of a purchaser's ten-day right of rescission under this section must be evidenced by a written instrument separate from the purchase agreement signed by the purchaser more than three days after the purchaser receives the amendment.~~

(c) If a purchaser elects to cancel a purchase agreement pursuant to this section, the purchaser may do so by giving notice thereof pursuant to section 515B.1-115. Cancellation is without penalty, and all payments made by the purchaser before cancellation shall be refunded promptly. Notwithstanding anything in this section to the contrary, the purchaser's cancellation rights under this section terminate upon the purchaser's acceptance of a conveyance of the unit.

(d) If a declarant obligated to deliver a disclosure statement fails to deliver to the purchaser a disclosure statement which substantially complies with this chapter, the declarant shall be liable to the purchaser in the amount of \$1,000, in addition to any damages or other amounts recoverable under this chapter or otherwise. Any action brought under this subsection shall be commenced within the time period specified in section 515B.4-115, subsection (a).

Sec. 37. Minnesota Statutes 2004, section 515B.4-107, is amended to read:

515B.4-107 [RESALE OF UNITS.]

(a) In the event of a resale of a unit by a unit owner other than a declarant, unless exempt under section 515B.4-101(c), the unit owner shall furnish to a purchaser, before execution of any purchase agreement for a unit or otherwise before conveyance, the following documents relating to the association or to the master association, if applicable:

(1) copies of the declaration (other than any CIC plat), the articles of incorporation and bylaws, any rules and regulations, and any amendments ~~thereto~~ or supplemental declarations;

(2) the organizational and operating documents relating to the master association, if any; and

(3) a resale disclosure certificate from the association dated not more than 90 days prior to the date of the purchase agreement or the date of conveyance, whichever is earlier, containing the information set forth in subsection (b).

(b) The resale disclosure certificate must be in substantially the following form:

COMMON INTEREST COMMUNITY RESALE DISCLOSURE CERTIFICATE

Name of Common Interest Community:

Name of Association:

Address of Association:

Unit Number(s) (include principal unit and any garage, storage, or other auxiliary unit(s)):

The following information is furnished by the association named above according to Minnesota Statutes, section 515B.4-107.

1. There is no right of first refusal or other restraint on the free alienability of the above unit(s) contained in the declaration, bylaws, rules and regulations, or any amendment to them, except as follows:

.....
.....
.....

2. The following periodic installments of common expense assessments and special assessments are payable with respect to the above unit(s):

a. Annual assessment installments: \$..... Due:

b. Special assessment installments: \$..... Due:

c. Unpaid assessments, fines, or other charges:

(1) Annual \$.....

(2) Special \$.....

(3) Fines \$.....

(4) Other Charges \$.....

d. The association has/has not (strike one) approved a plan for levying certain common expense assessment against fewer than all the units according to Minnesota Statutes, section 515B.3-115, subsection (e). If a plan is approved, a description of the plan is attached to this certificate.

3. In addition to the amounts due under paragraph 2, the following additional fees or charges other than assessments are payable by unit owners (include late payment charges, user fees, etc.):

4. There are no extraordinary expenditures approved by the association, and not yet assessed, for the current and two succeeding fiscal years, except as follows:

5. The association has reserved the following amounts for maintenance, repair, or replacement:

The following portions of these reserves are designated for the following specified projects or uses:

6. The following documents are furnished with this certificate according to statute:

- a. The most recent regularly prepared balance sheet and income and expense statement of the association.
- b. The current budget of the association.

7. There are no unsatisfied judgments against the association, except as follows (identify creditor and amount):

8. There are no pending lawsuits to which the association is a party, except as follows (identify and summarize status):

9. Description of insurance coverages:

a. The association provides the following insurance coverage for the benefit of unit owners: (Reference may be made to applicable sections of the declaration or bylaws; however, any additional coverages should be described in this space)

b. The following described fixtures, decorating items, or construction items within the unit referred to in Minnesota Statutes, section 515B.3-113, subsection (b), are insured by the association (check as applicable):

- ...___ Ceiling or wall finishing materials
- ...___ Floor coverings
- ...___ Cabinetry
- ...___ Finished millwork
- ...___ Electrical or plumbing fixtures serving a single unit

... _____ Built-in appliances

... _____ Improvements and betterments as originally constructed

... _____ Additional improvements and betterments installed by unit owners

10. The board of directors of the association has not notified the unit owner (i) that any alterations or improvements to the unit or to the limited common elements assigned to it violate any provision of the declaration; or (ii) that the unit is in violation of any governmental statute, ordinance, code, or regulation, except as follows:
.....

11. The remaining term of any leasehold estate affecting the common interest community and the premises governing any extension or renewal of it are as follows:
.....

12. In addition to the above, the following matters affecting the unit or the unit owner's obligations with respect to the unit are deemed material.
.....
.....

I hereby certify that the foregoing information and statements are true and correct as of
(Date)

By:

Title:
(Association representative)

Address:

Phone Number:

RECEIPT

In addition to the foregoing information furnished by the association, the unit owner is obligated to furnish to the purchaser before execution of any purchase agreement for a unit or otherwise before conveyance, copies of the following documents relating to the association or to the master association (as applicable): the declaration (other than any common interest community plat), articles of incorporation, bylaws, rules and regulations (if any), and any amendments to these documents. Receipt of the foregoing documents, and the resale disclosure certificate, is acknowledged by the undersigned buyer(s).

Dated:
.....
(Buyer)

.....
(Buyer)

(c) If the association is subject to a master association to which has been delegated the association's powers under section 515B.3-102(a)(2), then the financial information required to be disclosed under subsection (b) may be disclosed on a consolidated basis.

(d) The association, within ten days after a request by a unit owner, or the unit owner's authorized representative, shall furnish the certificate required in subsection (a). The association may charge a reasonable fee for furnishing the certificate and any association documents related thereto. A unit owner providing a certificate pursuant to subsection (a) is not liable to the purchaser for any erroneous information provided by the association and included in the certificate.

(e) A purchaser is not liable for any unpaid common expense assessments, including special assessments, if any, not set forth in the certificate required in subsection (a). A purchaser is not liable for the amount by which the annual or special assessments exceed the amount of annual or special assessments stated in the certificate for assessments payable in the year in which the certificate was given, except to the extent of any increases subsequently approved in accordance with the declaration or bylaws. A unit owner is not liable to a purchaser for the failure of the association to provide the certificate, or a delay by the association in providing the certificate in a timely manner.

Sec. 38. Minnesota Statutes 2004, section 515B.4-108, is amended to read:

515B.4-108 [PURCHASER'S RIGHT TO CANCEL RESALE.]

(a) Unless a purchaser is given the information required to be delivered by section 515B.4-107, by a delivery method described in that section, more than ~~five~~ ten days prior to the execution of the purchase agreement for the unit the purchaser may, prior to the conveyance, cancel the purchase agreement within ~~five~~ ten days after receiving the information. ~~Except as expressly provided in this chapter, the five-day rescission period cannot be waived. The ten-day rescission period may be modified or waived, in writing, by agreement of the purchaser of a unit only after the purchaser has received and had an opportunity to review the information required to be delivered by section 515B.4-107. The person required to deliver the information required to be delivered by section 515B.4-107 may not condition the sale of the unit on the purchaser agreeing to modify or waive the purchaser's ten-day right of rescission, may not contractually obligate the purchaser to modify or waive the purchaser's ten-day right of rescission, and may not include a modification or waiver of the ten-day right of rescission in any purchase agreement for the unit. To be effective, a modification or waiver of a purchaser's ten-day right of rescission must be evidenced by an instrument separate from the purchase agreement signed by the purchaser more than three days after the purchaser signs the purchase agreement.~~

(b) A purchaser who elects to cancel a purchase agreement pursuant to subsection (a), may do so by hand delivering notice thereof or mailing notice by postage prepaid United States mail to the seller or the agent. Cancellation is without penalty and all payments made by the purchaser shall be refunded promptly.

Sec. 39. Minnesota Statutes 2004, section 515B.4-109, is amended to read:

515B.4-109 [ESCROW DEPOSITS.]

All earnest money paid or deposits made in connection with the purchase or reservation of units from or with a declarant shall be deposited in an escrow account controlled jointly by the declarant and the purchaser, or controlled by a licensed title insurance company or agent thereof, an attorney representing either the declarant or the purchaser, a licensed real estate broker ~~or~~, an independent bonded escrow company, or a governmental agency or instrumentality. The escrow account shall be in an institution whose deposits are insured by a governmental agency or instrumentality. The money or deposits shall be held in the escrow account until (i) delivered to the declarant at

closing; (ii) delivered to the declarant because of the purchaser's default under a reservation agreement or a contract to purchase the unit; (iii) delivered to the purchaser pursuant to the provisions of section 515B.4-106 or the provisions of a reservation agreement or a contract to purchase; or (iv) delivered for payment of construction costs pursuant to a written agreement between the declarant and the purchaser.

Sec. 40. Minnesota Statutes 2004, section 515B.4-111, is amended to read:

515B.4-111 [CONVERSION PROPERTY.]

(a) A unit owner of a unit occupied for residential use in a common interest community containing conversion property shall not, for a period of one year following the recording of the declaration creating the common interest community, require any occupant of the unit to vacate the unit unless the unit owner gives notice to the occupant in the manner described in this section. The notice shall be given no later than 120 days before the occupant is required to vacate the unit. The notice shall be sufficient as to all occupants of a unit if it is hand delivered or mailed to the unit to be vacated, addressed to the occupants thereof. If the holder of the lessee's interest in the unit has given the unit owner an address different than that of the unit, then the notice shall also be given to the holder of the lessee's interest at the designated address. The notice shall ~~satisfy~~ comply with the following requirements:

(1) The notice shall set forth generally the rights conferred by this section.

(2) The notice shall have attached to the notice intended for the holder of the lessee's interest a form of purchase agreement setting forth the terms of sale contemplated by subsection (d) and a statement of any significant restrictions on the use and occupancy of the unit to be imposed by the declarant.

(3) The notice shall state that the occupants of the residential unit may demand to be given 60 additional days before being required to vacate, if any of them, or any person residing with them, is (i) 62 years of age or older, (ii) a person with a disability as defined in section 268A.01, or (iii) a minor child on the date the notice is given. This demand must be in writing, contain reasonable proof of qualification, and be given to the declarant within 30 days after the notice of conversion is delivered or mailed.

(4) The notice shall be contained in an envelope upon which the following shall be boldly printed: "Notice of Conversion."

(b) Notwithstanding subsection (a), an occupant may be required to vacate a unit upon less than 120 days' notice by reason of nonpayment of rent, utilities or other monetary obligations, violations of law, waste, or conduct that disturbs other occupants' peaceful enjoyment of the premises. The terms of the tenancy may not be altered during the notice period, except that the holder of the lessee's interest or other party in possession may vacate and terminate the tenancy upon one month's written notice to the declarant. Nothing in this section prevents the unit owner and any occupant from agreeing to a right of occupancy on a month-to-month basis beyond the 120-day notice period, or to an earlier termination of the right of occupancy.

(c) No repair work or remodeling may be commenced or undertaken in the occupied units or common areas of the building during the notice period, unless reasonable precautions are taken to ensure the safety and security of the occupants.

(d) For 60 days after delivery or mailing of the notice described in subsection (a), the holder of the lessee's interest in the unit on the date the notice is mailed or delivered shall have an option to purchase that unit on the terms set forth in the purchase agreement attached to the notice. The purchase agreement shall contain no terms or provisions which violate any state or federal law relating to discrimination in housing. If the holder of the lessee's interest fails to purchase the unit during that 60-day period, the unit owner may not offer to dispose of an interest in

that unit during the following 180 days at a price or on terms more favorable to the offeree than the price or terms offered to the holder. This subsection does not apply to any unit in a conversion building if that unit will be restricted exclusively to nonresidential use or if the boundaries of the converted unit do not substantially conform to the boundaries of the residential unit before conversion.

(e) If a unit owner, in violation of subsection (b), conveys a unit to a purchaser for value who has no knowledge of the violation, the recording of the deed conveying the unit or, in a cooperative, the conveyance of the right to possession of the unit, extinguishes any right a holder of a lessee's interest who is not in possession of the unit may have under subsection (d) to purchase that unit, but the conveyance does not affect the right of the holder to recover damages from the unit owner for a violation of subsection (d).

(f) If a notice of conversion specifies a date by which a unit or proposed unit must be vacated or otherwise complies with the provisions of chapter 504B, the notice also constitutes a notice to vacate specified by that statute.

(g) Nothing in this section permits a unit owner to terminate a lease in violation of its terms.

(h) Failure to give notice as required by this section is a defense to an action for possession until a notice complying with this section is given and the applicable notice period terminates.

Sec. 41. Minnesota Statutes 2004, section 515B.4-115, is amended to read:

515B.4-115 [STATUTE OF LIMITATIONS FOR WARRANTIES.]

(a) A judicial proceeding for breach of an obligation arising under section 515B.4-101(e) or 515B.4-106(d), shall be commenced within six months after the conveyance of the unit or other parcel of real estate.

(b) A judicial proceeding for breach of an obligation arising under section 515B.4-112 or 515B.4-113 shall be commenced within six years after the cause of action accrues, but the parties may agree to reduce the period of limitation to not less than two years. An agreement reducing the period of limitation shall be binding on the purchaser's successor assigns. With respect to a unit that may be occupied for residential use, an agreement to reduce the period of limitation must be evidenced by an instrument separate from the purchase agreement signed by the purchaser.

(c) Subject to subsection (d), a cause of action under section 515B.4-112 or 515B.4-113, regardless of the purchasers lack of knowledge of the breach, accrues:

(1) as to a unit, at the earlier of the time of conveyance of the unit by the declarant to a bona fide purchaser of the unit other than an affiliate of a declarant, or the time the purchaser enters into possession of the unit; and

(2) as to each common element, the latest of (i) the time the common element is completed, (ii) the time the first unit in the common interest community is conveyed to a bona fide purchaser, or if the common element is located on property that is additional real estate at the time the first unit therein is conveyed to a bona fide purchaser, or (iii) the termination of the period of declarant control.

(d) If a warranty explicitly extends to future performance or duration of any improvement or component of the common interest community, the cause of action accrues at the time the breach is discovered or at the end of the period for which the warranty explicitly extends, whichever is earlier."

Amend the title as follows:

Page 1, line 13, after "515B.4-107;" insert "515B.4-108;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Johnson, J., from the Committee on Civil Law and Elections to which was referred:

H. F. No. 378, A bill for an act relating to legislation; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 2004, sections 4.077, subdivision 1; 10A.04, subdivision 6; 13.32, subdivision 3; 13.321, by adding a subdivision; 13.381, by adding a subdivision; 13.46, subdivision 2; 13.47, subdivision 1; 13.4963, subdivision 2; 15.0591, subdivision 2; 15.39, subdivision 2; 16B.31, subdivision 1; 17.43; 18C.60, subdivision 1; 28.15; 32.645; 47.59, subdivision 2; 62I.13, subdivision 3; 62L.17, subdivision 2a; 64B.37, subdivision 2; 82.33, subdivision 4; 84.8712, subdivisions 2, 3, 4, 6; 85.22, subdivision 2a; 89.01, subdivision 5a; 103F.205, subdivision 1; 115B.20, subdivision 2; 116J.871, subdivision 3; 119B.25, subdivision 2; 124D.68, subdivision 2; 127A.10; 137.09; 144.6501, subdivision 1; 145B.04; 152.027, subdivision 4; 155A.03, subdivision 1; 155A.16; 161.1419, subdivision 8; 168.275; 168.33, subdivision 2a; 169.21, subdivision 2; 169.50, subdivision 1; 169.59, subdivision 4; 169A.55, subdivision 3; 171.181, subdivision 1; 177.23, subdivision 7; 181.30; 201.014, subdivision 2; 201.071, subdivision 1; 201.15, subdivision 1; 204B.10, subdivision 6; 216B.61; 219.57, subdivision 6; 234.23; 235.10; 235.13; 237.763; 238.37; 238.38; 238.42; 239.791, subdivision 15; 244.05, subdivisions 4, 5; 245.466, subdivision 1; 245.4875, subdivision 1; 245.75; 246.01; 246B.04, subdivision 2; 252.24, subdivision 5; 252A.03, subdivisions 1, 4; 252A.101, subdivisions 1, 5; 253B.23, subdivision 2; 256.93, subdivision 1; 256B.055, subdivision 12; 256B.0625, subdivision 6a; 256B.0627, subdivisions 1, 5; 256B.0917, subdivisions 4, 5; 256B.0951, subdivision 8; 256B.431, subdivision 14; 256G.01, subdivision 3; 256L.07, subdivision 1; 256L.15, subdivision 2; 256M.10, subdivision 5; 257B.08; 259.21, subdivision 4; 260B.007, subdivision 16; 260C.101, subdivision 2; 276.04, subdivision 2; 290.095, subdivision 1; 299D.07; 299F.051, subdivision 4; 299F.093, subdivision 1; 302A.011, subdivision 16; 303.03; 303.25, subdivision 1; 321.1114; 322B.03, subdivision 27; 325F.40; 325N.15; 329.17; 333.135; 336.4A-105; 343.40, subdivision 3; 345.14; 346.05; 353.01, subdivision 2; 353.34, subdivision 3a; 356.431, subdivision 1; 395.22; 458D.02, subdivision 2; 469.104; 473.845, subdivision 1; 481.05; 501B.18; 501B.19; 514.996, subdivision 3; 515B.4-102; 524.2-114; 525.9212; 525.95, subdivision 1; 527.38; 527.39; 529.12; 540.18, subdivision 1; 580.041, subdivision 2; 624.64; 624.67; 626.84, subdivision 1; 629.11; 631.04; Laws 2003, First Special Session chapter 11, article 2, section 21; Laws 2004, chapter 199, article 12, section 108; Laws 2004, chapter 261, article 6, section 5; repealing Minnesota Statutes 2004, sections 115B.49, subdivision 4a; 306.13; 315.43; 317A.909, subdivision 4; 357.12; 367.40, subdivisions 3, 4; 367.401, subdivision 4; 367.42; 398.35, subdivision 2; Laws 2001, First Special Session chapter 10, article 10, section 1; Laws 2003, chapter 8, section 2; Laws 2004, chapter 219, section 1; Laws 2004, chapter 288, article 3, section 5. Minnesota Rules, parts 6700.0100, subpart 14; 6700.1300; 9055.0125; 9055.0500; 9055.0510; 9055.0520; 9055.0530; 9055.0540; 9055.0550; 9055.0560; 9055.0570; 9055.0580; 9055.0590; 9055.0600; 9055.0610.

Reported the same back with the following amendments:

Page 67, after line 27, insert:

"Sec. 66. Minnesota Statutes 2004, section 321.0210, is amended to read:

321.0210 [ANNUAL REPORT FOR SECRETARY OF STATE.]

(a) Subject to subsection (b):

(1) in each calendar year following the calendar year in which a limited partnership becomes subject to this chapter, the limited partnership must deliver to the secretary of state for filing an annual registration containing the information required by subsection ~~(d)~~ (c); and

(2) in each calendar year following the calendar year in which there is first on file with the secretary of state a certificate of authority under section 321.0904 pertaining to a foreign limited partnership, the foreign limited partnership must deliver to the secretary of state for filing an annual registration containing the information required by subsection ~~(d)~~ (c).

(b) A limited partnership's obligation under subsection (a) ends if the limited partnership delivers to the secretary of state for filing a statement of termination under section 321.0203 and the statement becomes effective under section 321.0206. A foreign limited partnership's obligation under subsection (a) ends if the secretary of state issues and files a certificate of revocation under section 321.0906 or if the foreign limited partnership delivers to the secretary of state for filing a notice of cancellation under section 321.0907(a) and that notice takes effect under section 321.0206. If a foreign limited partnership's obligations under subsection (a) end and later the secretary of state files, pursuant to section 321.0904, a new certificate of authority pertaining to that foreign limited partnership, subsection (a)(2), again applies to the foreign limited partnership and, for the purposes of subsection (a)(2), the calendar year of the new filing is treated as the calendar year in which a certificate of authority is first on file with the secretary of state.

(c) The annual registration must contain:

(1) the name of the limited partnership or foreign limited partnership;

(2) the address of its designated office and the name and street and mailing address of its agent for service of process in Minnesota;

(3) in the case of a limited partnership, the street and mailing address of its principal office; and

(4) in the case of a foreign limited partnership, the name of the state or other jurisdiction under whose law the foreign limited partnership is formed and any alternate name adopted under section 321.0905(a).

(d) The secretary of state shall:

(1) administratively dissolve under section 321.0809 a limited partnership that has failed to file a registration pursuant to subsection (a); and

(2) revoke under section 321.0906 the certificate of authority of a foreign limited partnership that has failed to file a registration pursuant to subsection (a)."

Page 105, line 36, delete "and"

Page 106, line 1, delete "conservator of the estate"

Page 107, lines 26 and 27, delete the new language

Page 107, lines 30 and 31, delete the new language

Page 109, line 36, delete "or conservatorship of the"

Page 110, line 1, delete "person's estate"

Correct the memorandum of explanation as follows:

Page 6, after line 17, insert:

"Sec. 66. Explanation. This amendment corrects an erroneous cross-reference."

ReNUMBER the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 45, after "1;" insert "321.0210;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Johnson, J., from the Committee on Civil Law and Elections to which was referred:

H. F. No. 473, A bill for an act relating to creditors remedies; exempting certain jewelry from attachment, garnishment, or sale; amending Minnesota Statutes 2004, section 550.37, subdivision 4.

Reported the same back with the following amendments:

Page 1, lines 15 to 17, delete the new language and insert:

"(c) the debtor's aggregate interest, not exceeding \$1,225 in value, in wedding rings in the debtor's possession"

Amend the title as follows:

Page 1, line 2, delete "creditors" and insert "creditors"

With the recommendation that when so amended the bill pass.

The report was adopted.

Johnson, J., from the Committee on Civil Law and Elections to which was referred:

H. F. No. 515, A bill for an act relating to the legislature; specifying the size of the legislature; coordinating legislative districts and congressional districts; amending Minnesota Statutes 2004, sections 2.021; 2.031, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Bradley from the Committee on Health Policy and Finance to which was referred:

H. F. No. 563, A bill for an act relating to insurance; permitting service cooperatives to provide group health coverage to private employers; proposing coding for new law in Minnesota Statutes, chapter 123A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Commerce and Financial Institutions.

The report was adopted.

Tingelstad from the Committee on Governmental Operations and Veterans Affairs to which was referred:

H. F. No. 820, A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to article IV to provide for initiative and referendum; providing procedures for initiative and referendum; providing penalties; amending Minnesota Statutes 2004, sections 204C.33, subdivisions 1, 3; 204D.11, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 3B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Civil Law and Elections.

The report was adopted.

Dauids from the Committee on Agriculture and Rural Development to which was referred:

S. F. No. 4, A bill for an act relating to agriculture; increasing minimum ethanol content required for gasoline sold in the state; establishing a petroleum replacement goal; amending Minnesota Statutes 2004, section 239.791, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 239.

Reported the same back with the following amendments:

Page 2, line 17, after "(c)" insert "No motor fuel, as defined under section 296A.01, subdivision 33, shall be deemed to be a defective product, nor any manufacturer of motor fueled engines be liable for warranties or repairs thereto, if the motor fuel has not been prohibited from use by the federal government.

(d)"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Paulsen from the Committee on Rules and Legislative Administration to which was referred:

Senate Concurrent Resolution No. 1, A Senate concurrent resolution relating to the adoption of temporary joint rules.

Reported the same back with the following amendments:

Page 1, line 10, strike the period, and insert:

", subject to the following amendment:

Joint Rule 2.03 is amended to read:

Rule 2.03. [DEADLINES.] The Legislature shall establish by concurrent resolution deadlines for each regular session. The deadlines do not apply to the House committees on Capital Investment, Ways and Means, Taxes, or Rules and Legislative Administration, nor to the Senate committees on Capital Investment, Finance, Taxes, or Rules and Administration.

The first deadline is for committees to act favorably on bills in the house of origin.

The second deadline is for committees to act favorably on bills, or companions of bills, that met the first deadline in the other house.

A committee has until the second deadline to act favorably on a bill, or the companion of a bill, that by the first deadline was referred to a finance committee. The deadline for a committee of either house to act on a bill that has been recommended favorably by the Legislative Commission on Pensions and Retirement is the second committee deadline. The major appropriation bills are exempt from the first two deadlines.

The third deadline is for committees to act favorably on major appropriation and finance bills. When a committee in either house acts favorably on a bill after a deadline established in the concurrent resolution, the bill must be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Either rules committee, when reporting a bill referred to the committee under this rule, may waive application of the rule to subsequent actions on that bill by other committees."

With the recommendation that when so amended the Senate concurrent resolution be adopted.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 128, 298, 369, 378, 473 and 515 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Sykora, Abrams, Carlson, Erhardt, Abeler and Johnson, J., introduced:

H. F. No. 872, A bill for an act relating to education finance; simplifying the operating referendum ballot language; amending Minnesota Statutes 2004, section 126C.17, subdivision 9.

The bill was read for the first time and referred to the Committee on Education Finance.

Emmer introduced:

H. F. No. 873, A bill for an act relating to taxation; authorizing creation of a tax increment financing district in the city of St. Michael subject to certain requirements.

The bill was read for the first time and referred to the Committee on Taxes.

Brod; Howes; Gunther; Marquart; Nelson, P.; Bernardy; Lanning; Koenen; Dill; Lenczewski; Slawik and Westrom introduced:

H. F. No. 874, A bill for an act relating to elections; setting standards for and providing for the acquisition of voting systems; appropriating money from the Help America Vote Act account; amending Minnesota Statutes 2004, section 206.80; proposing coding for new law in Minnesota Statutes, chapter 206.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Abrams and Lenczewski introduced:

H. F. No. 875, A bill for an act relating to health; imposing a cigarette cost mitigation fee; repealing the health care provider tax; amending Minnesota Statutes 2004, sections 13.4963, subdivision 2; 62J.041, subdivision 1; 62Q.095, subdivision 6; 214.16, subdivisions 2, 3; 270B.14, subdivision 1; 325D.32, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 2004, sections 13.4967, subdivision 3; 295.50; 295.51; 295.52; 295.53; 295.54; 295.55; 295.56; 295.57; 295.58; 295.581; 295.582; 295.59.

The bill was read for the first time and referred to the Committee on Taxes.

Greiling, Dorman, Gunther, Abeler and Davnie introduced:

H. F. No. 876, A bill for an act relating to education; requiring state payment of certain excessive special education costs; amending Minnesota Statutes 2004, section 125A.75, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education Finance.

Simpson and Hoppe introduced:

H. F. No. 877, A bill for an act relating to liquor; providing for uniform off-sale hours statewide; regulating Sunday on-sales; amending Minnesota Statutes 2004, section 340A.504, subdivisions 1, 3, 4.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Erickson, Greiling, Charron and Anderson, B., introduced:

H. F. No. 878, A bill for an act relating to education; allowing school districts to determine the school year starting date; proposing coding for new law in Minnesota Statutes, chapter 120A; repealing Minnesota Statutes 2004, section 120A.40.

The bill was read for the first time and referred to the Committee on Education Policy and Reform.

Samuelson, Huntley and Abeler introduced:

H. F. No. 879, A bill for an act relating to health; modifying donated dental services program; modifying covered services for medical assistance; appropriating money; amending Minnesota Statutes 2004, sections 150A.22; 256B.0625, subdivision 9.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Hortman and Kahn introduced:

H. F. No. 880, A bill for an act relating to civil commitment; providing additional time for hearings on commitment of sexual psychopathic personalities and sexually dangerous persons; amending Minnesota Statutes 2004, section 253B.08, subdivision 1.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Urdahl; Johnson, J.; Smith and Rukavina introduced:

H. F. No. 881, A bill for an act relating to traffic regulations; requiring peace officer to make all reasonable efforts to contact parent or guardian of cited minor; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Committee on Transportation.

Thissen introduced:

H. F. No. 882, A bill for an act relating to taxes; providing a credit for employer postsecondary education expenses; amending Minnesota Statutes 2004, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Vandevier, Paymar, Dean, Rukavina, Mariani, Charron and Tingelstad introduced:

H. F. No. 883, A bill for an act relating to motor vehicles; specifying that members of Disabled American Veterans are eligible for special veterans service group license plates; amending Minnesota Statutes 2004, section 168.1235, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Vandevier and Mariani introduced:

H. F. No. 884, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article XIV; prohibiting tolls on highways and new tolls on bridges.

The bill was read for the first time and referred to the Committee on Transportation.

Vandevier introduced:

H. F. No. 885, A resolution memorializing Congress to permanently repeal the death tax.

The bill was read for the first time and referred to the Committee on Taxes.

Vandevveer and Mariani introduced:

H. F. No. 886, A bill for an act relating to highways; repealing authorization for construction of toll roads; repealing authorization for collecting tolls for single-occupant vehicle use of high-occupancy vehicle lanes; prohibiting imposition of tolls on existing roads or construction of new toll roads; proposing coding for new law in Minnesota Statutes, chapter 160; repealing Minnesota Statutes 2004, sections 160.84; 160.85; 160.86; 160.87; 160.88; 160.89; 160.90; 160.91; 160.92; 160.93.

The bill was read for the first time and referred to the Committee on Transportation.

Vandevveer, Dean and Mariani introduced:

H. F. No. 887, A bill for an act relating to taxation; individual income; providing an income tax checkoff to fund benefits for survivors of law enforcement officers and firefighters and providing for maintenance of peace officer and firefighter memorials; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Vandevveer, Mariani and Peppin introduced:

H. F. No. 888, A bill for an act relating to highways; allowing tolls to be collected on toll facilities only until all construction costs of the facility have been paid; amending Minnesota Statutes 2004, section 160.87, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Vandevveer, Mariani and Peppin introduced:

H. F. No. 889, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article XIV; requiring that tolls on public highways be discontinued when original construction costs have been paid.

The bill was read for the first time and referred to the Committee on Transportation.

Vandevveer, Dean, Charron and Paymar introduced:

H. F. No. 890, A bill for an act relating to taxation; property; extending the limited market value provisions to all property; making limited market value permanent; providing a separate limitation to certain property that is sold or transferred; amending Minnesota Statutes 2004, section 273.11, subdivision 1a.

The bill was read for the first time and referred to the Committee on Taxes.

Thissen, Greiling and Abeler introduced:

H. F. No. 891, A bill for an act relating to human services; changing and clarifying provisions for prescription drugs under medical assistance; amending Minnesota Statutes 2004, section 256B.0625, subdivisions 13f, 13g.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

DeLaForest; Sviggum; Seifert; Paulsen; Smith; Johnson, J.; Eastlund; Meslow; Holberg; Emmer; Newman; Finstad; Zellers; Hoppe; Powell; Brod; Dean; Simpson; Westerberg; Kohls; Peppin; Blaine; Severson; Nelson, P.; Charron; Klinzing; Gazelka; Anderson, B.; Wardlow; Krinkie; Erickson; Cybart; Garofalo; Magnus and Hamilton introduced:

H. F. No. 892, A bill for an act relating to elections; prohibiting unauthorized removal of campaign material; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Urdahl, Juhnke, Heidgerken, Newman, Abeler, Lanning, Cox, Opatz and Latz introduced:

H. F. No. 893, A bill for an act relating to higher education; increasing the maximum amount for a child care grant; amending Minnesota Statutes 2004, section 136A.125, subdivision 4.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Cox and Hackbarth introduced:

H. F. No. 894, A bill for an act relating to waters; modifying authority for public waters inventory; modifying public waters work permit and water use permit provisions; modifying enforcement authority; amending Minnesota Statutes 2004, sections 103G.201; 103G.2372, subdivision 1; 103G.245, subdivision 4; 103G.251, subdivision 2; 103G.301, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Anderson, I., introduced:

H. F. No. 895, A bill for an act relating to state employees; requiring health coverage for state employees to permit unrestricted choice of health care provider; amending Minnesota Statutes 2004, section 43A.23, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Buesgens and Dorn introduced:

H. F. No. 896, A bill for an act relating to education; providing for prekindergarten through grade 12 education and early childhood and families, including general education, education excellence, special education, facilities and technology, early childhood family support, and prevention; providing for rulemaking; amending Minnesota Statutes 2004, sections 119A.46, subdivisions 1, 2, 3, 8; 120B.11, subdivisions 1, 2, 3, 4, 5, 8; 121A.06, subdivisions 2, 3; 121A.53; 122A.06, subdivision 4; 122A.09, subdivision 4; 122A.18, subdivision 2a; 123A.05, subdivision 2; 123B.143, subdivision 1; 123B.36, subdivision 1; 123B.49, subdivision 4; 123B.59, subdivisions 3, 3a; 123B.63, subdivision 2; 123B.71, subdivisions 8, 12; 123B.75, by adding a subdivision; 123B.76, subdivision 3; 123B.79, subdivision 6; 123B.81, subdivision 1; 123B.82; 123B.83, subdivision 2; 124D.095, subdivision 8; 124D.10, subdivisions 3, 4, 8; 124D.11, subdivisions 1, 6; 124D.135, subdivision 5; 124D.16, subdivision 3; 124D.68,

subdivision 9; 124D.69, subdivision 1; 124D.74, subdivision 1; 124D.81, subdivision 1; 124D.84, subdivision 1; 125A.24; 125A.28; 126C.01, subdivision 11; 126C.05, by adding a subdivision; 126C.15, subdivisions 1, 2, by adding a subdivision; 126C.21, subdivision 4; 126C.48, subdivisions 2, 8; 127A.49, subdivision 3; 134.31, by adding a subdivision; 275.14; 275.16; 469.177, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 127A; repealing Minnesota Statutes 2004, sections 123B.83, subdivision 1; 126C.42, subdivisions 1, 4.

The bill was read for the first time and referred to the Committee on Education Finance.

Abeler, Huntley, Samuelson and Greiling introduced:

H. F. No. 897, A bill for an act relating to health; directing mental health epidemiological studies; providing for a mental health epidemiologist within the Department of Health; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Sertich and Gunther introduced:

H. F. No. 898, A bill for an act relating to unemployment insurance; conforming various provisions to federal requirements; making technical and housekeeping changes; amending Minnesota Statutes 2004, sections 268.03, subdivision 1; 268.035, subdivisions 9, 13, 14, 20, 21, 26; 268.042, subdivision 1; 268.043; 268.044, subdivisions 2, 3; 268.051, subdivisions 1, 4, 6, 7, by adding a subdivision; 268.052, subdivision 2; 268.053, subdivision 1; 268.065, subdivision 2; 268.069, subdivision 1; 268.07, subdivision 3b; 268.085, subdivisions 1, 2, 3, 5, 12; 268.086, subdivisions 2, 3; 268.095, subdivisions 1, 4, 7, 8, 10, 11; 268.101, subdivisions 1, 3a; 268.103, subdivision 2; 268.105; 268.145, subdivision 1; 268.18, subdivisions 1, 2, 2b; 268.182, subdivision 2; 268.184, subdivisions 1, 2, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 2004, sections 268.045, subdivisions 2, 3, 4; 268.086, subdivision 4; Laws 1997, chapter 66, section 64, subdivision 1; Minnesota Rules, parts 3310.2926; 3310.5000; 3315.0910, subpart 9; 3315.1020; 3315.1301; 3315.1315, subparts 1, 2, 3; 3315.1650; 3315.2210; 3315.3210; 3315.3220.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Buesgens introduced:

H. F. No. 899, A bill for an act relating to local government; authorizing the state auditor to waive certain rules and laws applying to local government units; creating a grants board to fund cooperative efforts in public service delivery; proposing coding for new law in Minnesota Statutes, chapter 6.

The bill was read for the first time and referred to the Committee on Local Government.

Cornish introduced:

H. F. No. 900, A bill for an act relating to state lands; modifying landowner's bill of rights for sales to the state; modifying provisions for sale of internal improvement land; modifying land exchange provisions; appropriating money; amending Minnesota Statutes 2004, sections 84.0274, by adding subdivisions; 84.157; 92.03, subdivision 4;

94.342, subdivisions 1, 3, 4, 5; 94.343, subdivisions 1, 3, 7, 8, 10, by adding subdivisions; 94.344, subdivisions 1, 3, 5, 8, 10, by adding a subdivision; 97A.135, subdivision 2a; 103F.535, subdivision 1; repealing Minnesota Statutes 2004, sections 94.343, subdivision 6; 94.344, subdivision 6; 94.348; 94.349.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Cornish introduced:

H. F. No. 901, A bill for an act relating to natural resources; providing for electronic issuance of burning permits; providing for electronic burning permit fees; creating an account; appropriating money; amending Minnesota Statutes 2004, section 88.17, subdivision 1, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ozment introduced:

H. F. No. 902, A bill for an act relating to natural resources; modifying limit on gifts to the public; modifying state park permit provisions; providing for disposition of certain fees; appropriating money; amending Minnesota Statutes 2004, sections 84.027, subdivision 12; 85.052, subdivision 4; 85.055, subdivision 2, by adding a subdivision; repealing Minnesota Statutes 2004, section 85.054, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sykora, Powell, Meslow, Slawik and Greiling introduced:

H. F. No. 903, A bill for an act relating to education; allowing certain charter schools to limit admission to chemically dependent students; amending Minnesota Statutes 2004, sections 124D.10, subdivision 9; 124D.69, subdivision 3.

The bill was read for the first time and referred to the Committee on Education Policy and Reform.

Blaine introduced:

H. F. No. 904, A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for a recreational center in Bowles.

The bill was read for the first time and referred to the Committee on Agriculture, Environment and Natural Resources Finance.

Rukavina; Sertich; Anderson, I.; Solberg and Dill introduced:

H. F. No. 905, A bill for an act relating to counties; authorizing county boards to contract for the sale of biomass; amending Minnesota Statutes 2004, section 282.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government.

Nelson, P., introduced:

H. F. No. 906, A bill for an act relating to elections; specifying a minimum polling place size and number of voting booths; requiring certain signs at polling places; requiring certain additional election judges; amending Minnesota Statutes 2004, sections 204B.16, subdivision 1; 204B.18, subdivision 1; 204B.22, subdivision 3; 204C.08, subdivision 1; repealing Minnesota Statutes 2004, section 204B.22, subdivision 2.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Nelson, P., introduced:

H. F. No. 907, A bill for an act relating to public officials; providing for duplicate certificates of election for legislators; providing for filing of certain oaths of office; amending Minnesota Statutes 2004, sections 3.02; 358.11.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Eastlund; Nelson, P.; Murphy; Smith and Hilstrom introduced:

H. F. No. 908, A bill for an act relating to public safety; reforming the CriMNet policy group; amending Minnesota Statutes 2004, section 299C.65, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Klinzing, Scalze, Heidgerken and Urdahl introduced:

H. F. No. 909, A bill for an act relating to sales and use tax; amending the definition of prepared food to exclude ice cream cakes; amending Minnesota Statutes 2004, section 297A.61, subdivision 31.

The bill was read for the first time and referred to the Committee on Taxes.

Otremba introduced:

H. F. No. 910, A bill for an act relating to human services; establishing caseload growth limits for the traumatic brain injury waived services program; appropriating money.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Ellison, Wagenius and Hornstein introduced:

H. F. No. 911, A bill for an act relating to property taxation; providing a valuation exclusion for lead hazard reduction; amending Minnesota Statutes 2004, section 273.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Beard introduced:

H. F. No. 912, A bill for an act relating to traffic regulations; defining motorized foot scooters and regulating their use and operation; amending Minnesota Statutes 2004, section 169.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Committee on Transportation.

Beard introduced:

H. F. No. 913, A bill for an act relating to state employees; modifying state employee group insurance plan provisions; amending Minnesota Statutes 2004, sections 43A.23, subdivision 1; 43A.24, subdivision 2; 43A.27, subdivisions 3, 4.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Beard; Marquart; Magnus; Nelson, M.; Urdahl; Koenen; Charron; Abeler; Bernardy; Peterson, A., and Zellers introduced:

H. F. No. 914, A bill for an act relating to retirement; providing an additional benefit for certain teachers; proposing coding for new law in Minnesota Statutes, chapter 354.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Beard, Severson, Juhnke and Lieder introduced:

H. F. No. 915, A bill for an act relating to transportation; modifying provisions relating to aeronautics; making clarifying changes; amending Minnesota Statutes 2004, sections 360.305, subdivision 4; 360.55, subdivisions 2, 3, 4, 4a; 360.58; 360.59, subdivisions 2, 5, 7, 8; 360.63, subdivision 2; 360.67, subdivision 4; 394.22, subdivision 12; 394.361, subdivisions 1, 3; 462.352, subdivision 10; 462.355, subdivision 4; 462.359, subdivisions 1, 3; repealing Minnesota Statutes 2004, section 360.59, subdivisions 4, 9.

The bill was read for the first time and referred to the Committee on Transportation.

Opatz introduced:

H. F. No. 916, A bill for an act relating to higher education; authorizing the Board of Trustees to establish a four-year state university to be colocated on the property of the Rochester Community and Technical College; requiring a planning report to the legislature; appropriating money for planning, operations, and capital improvements; making the new university contingent on fully funding MnSCU; authorizing the issuance of general obligation bonds; amending Minnesota Statutes 2004, section 136F.11.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Liebling and Johnson, R., introduced:

H. F. No. 917, A bill for an act relating to capital improvements; appropriating money for a collaborative research facility; authorizing the issuance of state general obligation bonds.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Paulsen, Mahoney, Gunther, Knoblach and Entenza introduced:

H. F. No. 918, A bill for an act relating to employment; modifying job training program grant provisions; appropriating money for job training programs; amending Minnesota Statutes 2004, section 116J.8747, subdivision 2.

The bill was read for the first time and referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

Cox introduced:

H. F. No. 919, A bill for an act relating to taxation; providing for an income tax surcharge; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Cox and Garofalo introduced:

H. F. No. 920, A bill for an act relating to retirement; providing for certain pension benefits upon the privatization of the Northfield Hospital; amending Minnesota Statutes 2004, section 353F.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Murphy, Goodwin, Rukavina, Soderstrom and Sertich introduced:

H. F. No. 921, A bill for an act relating to higher education; abolishing the Regent Candidate Advisory Council; repealing Minnesota Statutes 2004, section 137.0245.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Hilty, Murphy and Severson introduced:

H. F. No. 922, A bill for an act relating to public officials; expanding a leave of absence provision to include elected tribal government officials; amending Minnesota Statutes 2004, section 3.088, subdivisions 1, 2, 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Holberg introduced:

H. F. No. 923, A bill for an act relating to transportation; modifying provisions relating to property transactions of Department of Transportation; changing and removing highway routes; making clarifying changes; amending Minnesota Statutes 2004, sections 13.44, subdivision 3; 117.036; 161.115, subdivision 74; 161.44, by adding a subdivision; 161.442; 515B.1-107; 515B.3-102; 515B.3-112; repealing Minnesota Statutes 2004, section 161.115, subdivisions 155, 199.

The bill was read for the first time and referred to the Committee on Transportation.

Otremba introduced:

H. F. No. 924, A bill for an act relating to MinnesotaCare; modifying the definition of gross income; amending Minnesota Statutes 2004, section 256L.01, subdivision 4.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Gazelka, Bradley, Westerberg, Huntley, Mahoney, Ruth, Wilkin and Sertich introduced:

H. F. No. 925, A bill for an act relating to insurance; making federally conforming changes in Medicare-related coverage; providing financial solvency regulation for stand-alone Medicare Part D prescription drug plans; making related technical changes; amending Minnesota Statutes 2004, sections 62A.31, subdivisions 1f, 1k, 1n, 1s, 1t, 1u, 3, 4, 7; 62A.315; 62A.316; 62A.318; 62A.36, subdivision 1; 62L.12, subdivision 2; 62Q.01, subdivision 6; 256.9657, subdivision 3; 295.53, subdivision 1; 297I.15, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Davids introduced:

H. F. No. 926, A bill for an act relating to health; increasing medical assistance reimbursement rates for a nursing facility in Houston County; amending Minnesota Statutes 2004, section 256B.434, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Sieben and Ellison introduced:

H. F. No. 927, A bill for an act relating to consumer protection; regulating gift certificates and gift cards; providing remedies; amending Minnesota Statutes 2004, section 325D.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Soderstrom; Ellison; Eastlund; Paymar; Dill; Otremba; Anderson, B.; Abeler; Olson; Erickson; Nelson, M., and Nelson, P., introduced:

H. F. No. 928, A bill for an act relating to corrections; establishing a parole board; prescribing its membership, duties, and powers; prescribing when an individual is eligible to be considered for parole; authorizing the board to determine if selected Level III sex offenders should be referred to the county attorney for civil commitment; appropriating money; amending Minnesota Statutes 2004, section 244.05, subdivision 7; proposing coding for new law as Minnesota Statutes, chapter 244A.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Smith; Johnson, J.; Newman; Hilstrom and Murphy introduced:

H. F. No. 929, A bill for an act relating to crimes; modifying penalties for identity theft; requiring minimum restitution payments and providing information to victims of identity theft; amending Minnesota Statutes 2004, section 609.527, subdivisions 3, 4.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Anderson, B., and Severson introduced:

H. F. No. 930, A bill for an act relating to the military; appropriating money to assist in the operation and staffing of the Minnesota National Guard Youth Camp at Camp Ripley.

The bill was read for the first time and referred to the Committee on State Government Finance.

Anderson, B.; Olson and Blaine introduced:

H. F. No. 931, A bill for an act relating to traffic regulations; prohibiting local ordinances governing parking or standing of motor vehicles from discriminating among motor vehicles with a gross vehicle weight of 15,000 pounds or less; amending Minnesota Statutes 2004, section 169.04.

The bill was read for the first time and referred to the Committee on Transportation.

Seifert, DeLaForest, Finstad, Newman, Cornish, Westrom, Olson and Nornes introduced:

H. F. No. 932, A bill for an act relating to human services; requiring the commissioner to collect residency information on applicants of certain programs; amending Minnesota Statutes 2004, sections 256.01, by adding a subdivision; 462A.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Loeffler and Wilkin introduced:

H. F. No. 933, A bill for an act relating to motor vehicles; recodifying the Motor Vehicle Retail Installment Sales Act.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Brod, Abeler and Charron introduced:

H. F. No. 934, A bill for an act relating to gambling; appropriating money for compulsive gambling prevention and education.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Poppe, Fritz, Clark, Lesch and Hansen introduced:

H. F. No. 935, A bill for an act relating to crimes; making it a crime of child endangerment to manufacture controlled substances in the presence of a child; amending Minnesota Statutes 2004, section 609.378, subdivision 1, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Johnson, J.; Emmer; Slawik; Hilty and Brod introduced:

H. F. No. 936, A bill for an act relating to elections; increasing news media access to polling places; amending Minnesota Statutes 2004, section 204C.06, subdivision 8.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Goodwin, Abeler, Walker and Greiling introduced:

H. F. No. 937, A bill for an act relating to human services; modifying covered services for medical assistance; amending Minnesota Statutes 2004, section 256B.0625, subdivision 14.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Garofalo, Wilkin, Powell and Juhnke introduced:

H. F. No. 938, A bill for an act relating to real estate documents; providing for continuation, extension, validation, and Web posting of an electronic filing and posting pilot project for certain real estate documents; proposing coding for new law in Minnesota Statutes, chapter 507.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Seifert introduced:

H. F. No. 939, A bill for an act relating to executive agencies; requiring notice of certain modifications to professional licensure laws and rules; proposing coding for new law in Minnesota Statutes, chapter 15.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Seifert introduced:

H. F. No. 940, A bill for an act relating to corrections; requiring the commissioner of corrections to issue a request for proposals for housing individuals committed to the custody of the commissioner in private prisons; amending Minnesota Statutes 2004, section 241.01, subdivision 3a.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Koenen introduced:

H. F. No. 941, A bill for an act relating to health; modifying the Hearing Aid Dispenser Act; amending Minnesota Statutes 2004, sections 153A.14, subdivision 4b; 153A.19, subdivision 2, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Westrom, Zellers, Gunther, Thissen, Charron and Westerberg introduced:

H. F. No. 942, A bill for an act relating to natural gas rates; allowing for recovery of certain infrastructure replacement costs separately from a general rate case; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Lanning, Samuelson, Cybart, Demmer, Newman, Erhardt, Charron, Brod, Smith, Westrom and Bradley introduced:

H. F. No. 943, A bill for an act relating to taxes; conforming to the Military Family Tax Relief Act of 2003; amending Minnesota Statutes 2004, sections 289A.02, subdivision 7; 290.01, subdivisions 19, 31; 290A.03, subdivision 15; 291.005, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Emmer; Johnson, J.; Hilty; Gunther and Sertich introduced:

H. F. No. 944, A bill for an act relating to state government; allowing certain boards to conduct meetings by telephone or other electronic means; amending Minnesota Statutes 2004, sections 116J.68, by adding a subdivision; 116L.03, by adding a subdivision; 116L.665, by adding a subdivision; 116M.15, by adding a subdivision; 116U.25; proposing coding for new law in Minnesota Statutes, chapter 41A.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Erhardt introduced:

H. F. No. 945, A bill for an act relating to transportation; authorizing billing for highway sign program and establishing special account; modifying eligibility criteria for certain business signs; modifying provisions relating to state-aid highways and streets, traffic signals, and railroads in quiet zones; removing expiration for commuter rail

corridor coordinating committee; appropriating money; amending Minnesota Statutes 2004, sections 160.80, subdivision 1a; 162.02, subdivisions 2, 3a; 162.06, subdivision 2; 162.09, subdivisions 2, 3a; 162.14, subdivision 6; 169.06, subdivisions 5, 6; 169.28, subdivision 2; 174.86, subdivision 5; 219.166; 219.567; proposing coding for new law in Minnesota Statutes, chapters 160; 162.

The bill was read for the first time and referred to the Committee on Transportation.

Abrams, Lenczewski and Ozment introduced:

H. F. No. 946, A bill for an act relating to economic development; providing for an international economic development zone; providing tax incentives; requiring a report; appropriating money; amending Minnesota Statutes 2004, sections 272.02, by adding a subdivision; 290.01, subdivisions 19b, 29; 290.06, subdivision 2c, by adding a subdivision; 290.067, subdivision 1; 290.0671, subdivision 1; 290.091, subdivision 2; 290.0921, subdivision 3; 290.0922, subdivisions 2, 3; 297A.68, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Transportation Finance.

Klinzing, Hortman, Charron, Otremba, Larson, Hoppe, Zellers and Johnson, J., introduced:

H. F. No. 947, A bill for an act relating to health; providing for an optional record of birth resulting in stillbirth; amending Minnesota Statutes 2004, section 144.222, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Murphy, Sertich, Huntley and Jaros introduced:

H. F. No. 948, A bill for an act relating to employment; prohibiting broadcast employers from including noncompete provisions in employment agreements; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Commerce and Financial Institutions.

Clark, Howes, Huntley and Gunther introduced:

H. F. No. 949, A bill for an act relating to health; increasing consumer protection for hearing aid users; amending Minnesota Statutes 2004, sections 153A.15, subdivision 1; 153A.19, subdivision 2.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Westerberg; Gunther; Dill; Mullery; Slawik; Bernardy; Sertich; Sieben; Mahoney; Nelson, M., and Clark introduced:

H. F. No. 950, A bill for an act relating to workforce development; appropriating money for youth programs; modifying youth intervention program requirements; amending Minnesota Statutes 2004, section 116L.30.

The bill was read for the first time and referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

Beard and Hornstein introduced:

H. F. No. 951, A bill for an act relating to the Metropolitan Council; removing the requirement for adoption of a separate airports or aviation system plan; repealing provisions for planning administration between the Metropolitan Council and the Metropolitan Airports Commission; repealing obsolete provisions; amending Minnesota Statutes 2004, sections 473.146, subdivision 1; 473.192, subdivisions 2, 3; 473.655; 473.852, subdivision 8; repealing Minnesota Statutes 2004, sections 473.155; 473.619.

The bill was read for the first time and referred to the Committee on Local Government.

Finstad; Sviggum; Otremba; Holberg; Anderson, I.; Dean; Bradley; Charron; Tingelstad; Meslow; Smith; Blaine; Nelson, P.; Garofalo; Koenen; Hosch; Zellers; Murphy; Emmer; Powell; Wilkin; Hamilton; Paulsen; Gazelka; Magnus; Urdahl; Ruth; Krinkie; Seifert; Simpson; Erickson; Heidgerken; Nornes; Hoppe and Peppin introduced:

H. F. No. 952, A bill for an act relating to health; providing for grants and public information related to positive abortion alternatives; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Finstad; Pelowski; Cybart; Penas; Marquart; Juhnke; Soderstrom; Samuelson; Johnson, J.; Davids; Abeler; Lanning; Dempsey; Westerberg; Gunther; Peterson, N.; Blaine; Howes; Cox; Cornish; Severson; DeLaForest; Klinzing; Eastlund; Wardlow; Anderson, B.; Hackbarth; Demmer; Olson; Knoblach; Fritz; Brod; Ozment; Beard and Vandever introduced:

H. F. No. 953, A bill for an act relating to health; providing for grants and public information related to positive abortion alternatives; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Finstad, Buesgens, Kohls, Westrom, Dorman and Welti introduced:

H. F. No. 954, A bill for an act relating to health; providing for grants and public information related to positive abortion alternatives; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Seifert and Newman introduced:

H. F. No. 955, A bill for an act relating to human services; establishing eligibility requirements related to nonuse of tobacco products and tobacco use cessation for state health care programs and MFIP; amending Minnesota Statutes 2004, sections 256D.03, subdivision 3; 256L.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256B; 256J.

The bill was read for the first time and referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

Seifert introduced:

H. F. No. 956, A bill for an act relating to human services; changing the requirement for diagnostic assessment for children's therapeutic services and support; amending Minnesota Statutes 2004, section 256B.0943, subdivision 3.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

Klinzing, Samuelson and Zellers introduced:

H. F. No. 957, A bill for an act relating to education; providing a child care assistance rate bonus for accredited Montessori child care providers; amending Minnesota Statutes 2004, section 119B.13, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

Ellison; Johnson, J.; Hilstrom; Peterson, N., and Abrams introduced:

H. F. No. 958, A bill for an act relating to Hennepin County; eliminating duplicate campaign finance filings; making other technical changes to the county campaign finance provisions; amending Minnesota Statutes 2004, sections 383B.042, subdivisions 13, 14, 16; 383B.046; 383B.047; 383B.048; 383B.049; 383B.05; 383B.053, subdivision 1.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Sailer, Moe and Solberg introduced:

H. F. No. 959, A bill for an act relating to education; appropriating money for the Blackduck High School student retention program.

The bill was read for the first time and referred to the Committee on Education Finance.

Hoppe and Kohls introduced:

H. F. No. 960, A bill for an act relating to taxation; providing a sales tax exemption for the Carver County Justice Center; amending Minnesota Statutes 2004, section 297A.71, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Seifert introduced:

H. F. No. 961, A bill for an act relating to state government; imposing certain disclosure requirements on nonprofit organizations that receive a grant or a direct appropriation from the state; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Abeler, Latz, Tingelstad, Davnie and Bernardy introduced:

H. F. No. 962, A bill for an act relating to education; including acoustical performance criteria in school district proposal to construct a facility; amending Minnesota Statutes 2004, section 123B.71, subdivision 9.

The bill was read for the first time and referred to the Committee on Education Policy and Reform.

Smith; Murphy; Paulsen; Entenza; Hilstrom; Cybart; Johnson, S.; Abeler; Ozment; Thao; Simon; Lanning; Juhnke; Paymar; Johnson, J.; Cornish; Soderstrom; Erhardt; Atkins; Ellison and Rukavina introduced:

H. F. No. 963, A bill for an act relating to crimes; making it a crime to strangle a family or household member; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Abrams, Huntley and Gunther introduced:

H. F. No. 964, A bill for an act relating to taxation; providing for contingent adjustment of certain MinnesotaCare taxes; amending Minnesota Statutes 2004, section 295.52, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Dean, Meslow, Charron and Klinzing introduced:

H. F. No. 965, A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for Century College.

The bill was read for the first time and referred to the Committee on Higher Education Finance.

Klinzing; Zellers; Johnson, J., and Peppin introduced:

H. F. No. 966, A bill for an act relating to education; permitting school admission at younger age; amending Minnesota Statutes 2004, section 120A.20, subdivision 1.

The bill was read for the first time and referred to the Committee on Education Policy and Reform.

Klinzing; Wardlow; Charron; Johnson, J.; Zellers and Peppin introduced:

H. F. No. 967, A bill for an act relating to education finance; authorizing a classroom contribution refund; appropriating money; amending Minnesota Statutes 2004, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education Finance.

Kahn, Rukavina and Solberg introduced:

H. F. No. 968, A bill for an act relating to gambling; authorizing the state lottery to offer games involving sports wagering and sports wagering pools; authorizing sports bookmaking under licenses issued by the director of the state lottery; imposing a tax on licensed sports bookmaking; creating a Minnesota active recreation fund; amending Minnesota Statutes 2004, sections 349A.01, by adding a subdivision; 349A.02, subdivision 3; 349A.04; 349A.06, subdivisions 1, 5, 6, 7, 8, 11; 349A.08; 349A.09; 349A.10, subdivisions 4, 5; 349A.11, subdivision 1; 349A.12; 349A.13; 609.75, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 349A.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Erickson and Eken introduced:

H. F. No. 969, A bill for an act relating to education; licensing teachers of interdisciplinary teaching and facilitating learning in innovative schools and programs; providing for rulemaking; amending Minnesota Statutes 2004, section 122A.09, subdivision 4.

The bill was read for the first time and referred to the Committee on Education Policy and Reform.

Greiling introduced:

H. F. No. 970, A bill for an act relating to retirement; Teachers Retirement Association; grandparenting certain career-end salary arrangements for certain school administrators; amending Minnesota Statutes 2004, section 354.05, subdivision 35.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Garofalo; Johnson, J.; Simon; Hortman; Mahoney; Dean; Hamilton and Wilkin introduced:

H. F. No. 971, A bill for an act relating to public safety; expanding the definition of "designated offense" in the criminal code forfeiture law and addressing seizures and forfeitures of computers and related property; amending Minnesota Statutes 2004, sections 609.531, subdivision 1; 609.5312, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Finance.

Howes, Moe, Sailer, Simpson and Gazelka introduced:

H. F. No. 972, A bill for an act relating to taxation; reducing the class rate that applies to homestead resorts; amending Minnesota Statutes 2004, section 273.13, subdivision 22.

The bill was read for the first time and referred to the Committee on Taxes.

Demmer and Tingelstad introduced:

H. F. No. 973, A bill for an act relating to employee relations; modifying state employment provisions; amending Minnesota Statutes 2004, sections 43A.08, subdivision 1a; 43A.10, subdivision 6a; 43A.15, subdivision 3; 43A.27, subdivision 2; 43A.31, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Erhardt, Lieder, Cybart and Sieben introduced:

H. F. No. 974, A bill for an act relating to public safety; providing that a peace officer may operate any vehicle or combination of vehicles; making clarifying changes; amending Minnesota Statutes 2004, section 171.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Slawik and Lillie introduced:

H. F. No. 975, A bill for an act relating to elections; facilitating voter registration by college students; amending Minnesota Statutes 2004, sections 135A.17, subdivision 2; 201.061, subdivision 3.

The bill was read for the first time and referred to the Committee on Civil Law and Elections.

Slawik and Lillie introduced:

H. F. No. 976, A bill for an act relating to human services; establishing a crisis nursery grant program; proposing coding for new law in Minnesota Statutes, chapter 256F.

The bill was read for the first time and referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

Larson introduced:

H. F. No. 977, A bill for an act relating to occupations; modifying licensure of city, county, and state agency alcohol and drug counselors; amending Minnesota Statutes 2004, section 148C.11, subdivision 5.

The bill was read for the first time and referred to the Committee on Health Policy and Finance.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 57

A bill for an act relating to state government; providing deficiency funding for certain state agencies; appropriating money.

February 9, 2005

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

We, the undersigned conferees for H. F. No. 57, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 57 be further amended as follows:

Delete everything after the enacting clause and insert:

"DEFICIENCY APPROPRIATIONS

Section 1. [APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal year indicated for each purpose, and are added to appropriations in Laws 2003, First Special Session chapters 1, 2, and 14. The figure "2005," where used in this act, means that the appropriation or appropriations listed under it are available for the year ending June 30, 2005.

SUMMARY BY FUND

General	\$31,074,000
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APPROPRIATIONS
Available for the Year
Ending June 30

2005

Sec. 2. BOARD ON JUDICIAL STANDARDS	199,000
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This appropriation is added to appropriations in Laws 2003, First Special Session chapter 2, article 1, section 7.

This is a onetime appropriation.

Sec. 3. BOARD OF PUBLIC DEFENSE	7,681,000
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This appropriation is added to appropriations in Laws 2003, First Special Session chapter 2, article 1, section 8.

APPROPRIATIONS
Available for the Year
Ending June 30
2005

Sec. 4. PUBLIC SAFETY

Subdivision 1. Total Appropriation

General Fund	986,000
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This appropriation is added to appropriations in Laws 2003, First Special Session chapter 2, article 1, section 9. The amounts that may be spent from this appropriation for each program are specified in subdivisions 2 and 3.

Subd. 2. Emergency Management	710,000
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[FEMA MATCHING FUNDS.] This appropriation is to provide matching funds for FEMA funds received for natural disaster assistance payments. This appropriation is available until June 30, 2007.

This is a onetime appropriation.

Subd. 3. Law Enforcement and Community Grants	276,000
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[GANG STRIKE FORCE.] This appropriation is for grants to the Criminal Gang Strike Force under Minnesota Statutes, chapter 299A.

Sec. 5. CORRECTIONS

Subdivision 1. Total Appropriation

General Fund	4,070,000
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This appropriation is added to appropriations in Laws 2003, First Special Session chapter 2, article 1, section 13. The amounts that may be spent from this appropriation for each program are specified in subdivisions 2 to 4.

Subd. 2. Correctional Institutions	3,550,000
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Subd. 3. Operations Support	190,000
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Subd. 4. Community Services	330,000
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APPROPRIATIONS
Available for the Year
Ending June 30

2005

Sec. 6. HUMAN SERVICES

Subdivision 1. Total Appropriation 13,394,000

This appropriation is added to appropriations in Laws 2003, First Special Session chapter 14, article 13C, section 2, subdivision 8. The amounts that may be spent from this appropriation for each program is specified in subdivision 2.

Subd. 2. State-Operated Services 13,394,000

This appropriation is for the forensic treatment programs operated by state-operated services.

\$1,250,000 of this appropriation is one time.

Sec. 7. VETERANS AFFAIRS 39,000

This appropriation is added to appropriations in Laws 2003, First Special Session chapter 1, article 1, section 17.

Sec. 8. ADMINISTRATION 4,705,000

This appropriation is to the Department of Administration for relocation costs for the Departments of Health and Agriculture and is available until June 30, 2007. Notwithstanding any law to the contrary, proceeds from the sale or disposition of the Department of Health land and building at 717 Delaware Street in Minneapolis, after paying all expenses incurred in selling or disposing of it, estimated to be approximately \$4,853,000, must be deposited in the general fund.

This is a onetime appropriation.

Sec. 9. [TRANSFER.]

\$24,700,000 is transferred from the budget reserve in the general fund under Minnesota Statutes, section 16A.152, subdivision 1a, to the general fund.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

We request adoption of this report and repassage of the bill.

House Conferees: JIM KNOBLACH, STEVE SMITH AND LOREN A. SOLBERG.

Senate Conferees: RICHARD J. COHEN, THOMAS M. NEUVILLE AND JANE B. RANUM.

Knoblach moved that the report of the Conference Committee on H. F. No. 57 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 57, A bill for an act relating to state government; providing deficiency funding for certain state agencies; appropriating money.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilstrom	Larson	Otremba	Simpson
Abrams	Dittrich	Hilty	Latz	Ozment	Slawik
Anderson, B.	Dorn	Holberg	Lenczewski	Paulsen	Smith
Atkins	Eastlund	Hoppe	Lesch	Paymar	Soderstrom
Beard	Eken	Hornstein	Liebling	Pelowski	Solberg
Bernardy	Ellison	Hortman	Lieder	Penas	Sykora
Blaine	Emmer	Hosch	Lillie	Peppin	Thao
Bradley	Entenza	Howes	Loeffler	Peterson, A.	Thissen
Brod	Erhardt	Huntley	Magnus	Peterson, N.	Tingelstad
Buesgens	Erickson	Jaros	Mahoney	Peterson, S.	Urdahl
Carlson	Finstad	Johnson, J.	Mariani	Poppe	Vandever
Charron	Fritz	Johnson, R.	Marquart	Powell	Wagenius
Clark	Garofalo	Johnson, S.	McNamara	Ruth	Walker
Cornish	Gazelka	Juhnke	Moe	Ruud	Wardlow
Cox	Goodwin	Kahn	Mullery	Sailer	Welti
Cybart	Greiling	Kelliher	Murphy	Samuelson	Westerberg
Davids	Gunther	Klinzing	Nelson, M.	Scalze	Westrom
Davnie	Hackbarth	Knoblach	Nelson, P.	Seifert	Wilkin
Dean	Hamilton	Koenen	Newman	Sertich	Zellers
DeLaForest	Hansen	Kohls	Nornes	Severson	Spk. Sviggum
Demmer	Hausman	Krinkie	Olson	Sieben	
Dempsey	Heidgerken	Lanning	Opatz	Simon	

Those who voted in the negative were:

Anderson, I. Rukavina

The bill was repassed, as amended by Conference, and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION

Paulsen, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

The Permanent Rules of the House of Representatives for the 84th session shall read as follows:

ARTICLE 1 - DAILY BUSINESS

1.01 CONVENING OF THE HOUSE. Unless otherwise ordered, the House convenes at 3:00 p.m. The Speaker must take the chair at the appointed hour and call the House to order.

The call to order is followed by a prayer by the Chaplain or time for a brief meditation, then by the pledge of allegiance to the flag of the United States of America, and then by a call of the roll of members. The names of members present and members excused must be entered in the Journal of the House.

1.02 READING OF THE JOURNAL. If a quorum is present, the Chief Clerk must read the Journal of the preceding day, unless otherwise ordered. The House may correct errors in the Journal of the preceding day.

1.03 ORDER OF BUSINESS. After the Journal is read, the order of business of the day is:

- (1) Presentation of petitions or other communications
- (2) Reports of standing committees
- (3) Second reading of House bills
- (4) Second reading of Senate bills
- (5) Reports of select committees
- (6) Introduction and first reading of House bills
- (7) Consideration of messages from the Senate
- (8) First reading of Senate bills
- (9) Consent Calendar
- (10) Calendar for the day
- (11) Motions and resolutions

The House may advance or revert from any order of business to any other order of business, by majority vote of the whole House.

Conference committees on House bills and the Committee on Rules and Legislative Administration may report at any time.

1.04 REPORTING OF BILLS. A bill must be reported to the House on three different days before its passage, except as provided in Rule 5.02. The first report, called the first reading, occurs when it is introduced; the second report, called the second reading, occurs when it has been reported by the appropriate standing committees for consideration by the House; the third report, called the third reading, occurs when it is ready for the vote on passage.

1.10 INTRODUCTION OF BILLS AND RESOLUTIONS. A bill or resolution must be submitted to the Speaker at least 24 hours before the convening of the daily session at which it is to be introduced.

A bill or resolution must be introduced in triplicate and each copy must bear the signature of the member or the name of the committee introducing it.

In regular session, a bill prepared by a department or agency of state government must be introduced and given its first reading at least ten days before the date of the first committee deadline.

1.11 FIRST READING AND REFERENCE OF BILLS. A bill or resolution must be reported and given its first reading when it is introduced. A bill or resolution must not be objected to when it is introduced.

After its first reading, the Speaker must refer a bill or resolution to the appropriate standing committee or division, except as provided in Rule 1.15 and Rule 1.13.

Congratulatory resolutions referred to in Rule 4.02 are exempt from this Rule.

Except as otherwise provided in these Rules, after the Speaker refers a bill or resolution, a majority vote of the whole House is required for the House to re-refer the bill or resolution.

1.12 AUTHORS OF BILLS AND RESOLUTIONS. A bill, memorial, or resolution must not have more than 35 authors. After a bill or resolution is introduced and given its first reading: (a) a member may be removed as an author, by motion of the member; and (b) a member wishing to be an author may be added as an author, by motion of the author of the bill or resolution.

1.13 INTRODUCTION OF COMMITTEE BILLS. A standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview. When a committee bill is introduced and read for the first time, the Speaker may refer it to a standing committee. If the Speaker does not refer it, the bill must be laid over one day. Then it must be read for the second time and placed on the General Register or, if recommended by the Committee, on the Consent Calendar.

1.14 RECESS BILL INTRODUCTIONS. During the period between the last day of the regular session in an odd-numbered year and the first day of the regular session in the next year, a bill filed with the Speaker for introduction must be given a file number and may be unofficially referred by the Speaker to an appropriate standing committee.

1.15 DISPOSITION OF SENATE FILES. A Senate File received by the House that is accompanied by a message announcing its passage by the Senate must be referred to the appropriate standing committee under Rule 1.11. But if a Senate File is received that a member requests be compared to a House File already reported by a standing committee of the House and placed on the General Register or on the Calendar for the Day or the Consent Calendar, the Senate File must be referred to the Chief Clerk for comparison. If the Chief Clerk reports that the Senate File is identical to the House File, the Senate File may, by majority vote, be substituted for the House File and take its place. The fact that the bills are identical must be entered in the Journal and the House File is then considered withdrawn.

A Senate File that is amended on the floor of the House, except at the time of final passage, and a Senate File that has been reported to the House with amendments by a House standing committee, must be unofficially engrossed and reprinted by the Chief Clerk. An amendment may be offered to an unofficial engrossment of a Senate File.

1.20 GENERAL REGISTER. The General Register consists of all bills that have received a second reading, except those placed on the Consent Calendar under Rule 1.23. Bills must be placed on the General Register in the order that they receive their second reading. A bill must be on the General Register, be given to each member, and be available to the public before it may be considered by the House on the Calendar for the Day or the Fiscal Calendar. Each day that the House meets in session, the Chief Clerk must publish a list of the bills on the General Register.

1.21 CALENDAR FOR THE DAY. The Calendar for the Day is a list of bills that are to be considered that day by the House. The House must consider each item on the Calendar for the Day in the order determined by the presiding officer. After consideration by the House, unless otherwise disposed of, the bill must immediately be given its third reading and placed upon its passage.

A bill that has received its second reading may be placed on the Calendar for the Day by the Committee on Rules and Legislative Administration or by order of the House upon the motion of a member as provided in this Rule.

The Committee on Rules and Legislative Administration must designate the bills that are to be on the Calendar for the Day. During regular session, the Committee must designate the bills by 5:00 p.m. the day before the day that the bills are to be on the Calendar, except that the Committee may designate the bills at any time in an odd-numbered year after the first Monday following the third Saturday in April, and in an even-numbered year after a day specified by the Committee on Rules and Legislative Administration. After the Committee designates the bills, the Chief Clerk must publish the Calendar for the Day.

A bill that is on the General Register for more than ten legislative days may be placed on the Calendar for the Day by a majority vote of the whole House, acting on the motion of a member. A bill placed on the Calendar for the Day in this manner must be considered first the next time that the House reaches the order of business "Calendar for the Day." A member must give notice to the Speaker and the Chief Clerk three legislative days before making a motion to place a bill on the Calendar for the Day. The notice must specify the number and title of the bill. Only the member who gave notice to the Speaker and the Chief Clerk, or another member designated in writing by the member who gave notice, may make the motion to place the bill on the Calendar for the Day. After the third legislative day following the day of notice, the motion must be made the first time that the House reaches the order of business "Motions and Resolutions." If the motion is not made at that time, the member who gave notice forfeits the right to make that motion.

A bill may be continued on the Calendar for the Day by a majority vote of the whole House. A third motion by the author of a bill to continue it on the Calendar for the Day is not in order; upon such a motion, the bill must be stricken from the Calendar and returned to the General Register in the order of its second reading. The Calendar for the Day expires when the House adjourns for the day, unless the House, by a majority vote of the whole House, continues items remaining on the Calendar to the next day.

1.22 FISCAL CALENDAR. A finance bill that has had its second reading must be considered by the House when requested by the Chair of the Committee on Ways and Means or by a designee of the Chair. A bill relating to taxes or raising revenue that has had its second reading must be considered by the House when requested by the Chair of the Committee on Taxes or a designee of the Chair.

During regular session, a chair must announce the intention to make the request by 5:00 p.m. the legislative day before the day that the request for consideration is to be made, except in an odd-numbered year after the first Monday following the third Saturday in April, and in an even-numbered year after a day specified by the Committee on Rules and Legislative Administration. During periods when the 5:00 p.m. requirement does not apply, the chair must announce the intention at least two hours before making the request.

After consideration by the House on the Fiscal Calendar, unless otherwise disposed of, the bill must immediately be given its third reading and placed upon its passage.

1.23 CONSENT CALENDAR. If a committee determines that a bill it recommends to pass is not controversial, the committee may in its report recommend that the bill be placed on the Consent Calendar. After the report is adopted and the bill has received its second reading, the bill must be placed on the Consent Calendar and given to each member at least one day before it may be considered by the House. Bills must be placed on the Consent Calendar in the order that they receive their second reading and must be considered by the House in the order determined by the presiding officer.

After consideration by the House, a bill on the Consent Calendar must immediately be given its third reading and placed upon its passage. But if, before its third reading, ten members object to the bill as being controversial, the bill must be stricken from the Consent Calendar and be placed on the General Register in the order of second reading.

1.30 THIRD READING OF BILLS. An amendment must not be received after the third reading of a bill without unanimous consent, except to fill blanks or to amend the title.

At any time before it is passed, a bill or resolution may be referred or re-referred by a majority vote of the whole House. If the committee to which it is referred or re-referred reports an amendment to it, the bill or resolution must again be given its second reading and placed on the General Register.

1.40 PUBLICATION OF BILLS FOR THE HOUSE. After a bill receives its second reading, the bill must be prepared and published for consideration by the House. A majority of the House may order the publication of a bill at any time.

1.50 ADJOURNING OF THE HOUSE. The House may not meet during a legislative day after midnight, except that the House, by majority vote, may meet past the time of adjournment required by this Rule.

ARTICLE 2 - FLOOR PROCEEDINGS, VOTING, DECORUM

2.01 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, a member or officer of the House must not be absent from a session of the House without the prior permission of the Speaker.

2.02 CALL OF THE HOUSE. Ten members may demand a call of the House at any time until voting begins.

When a call is demanded, the doors of the chamber must be closed, the roll called, and the absent members sent for; and no member is allowed to leave the chamber until the roll call is suspended or completed. During the roll call, no motion is in order except a motion pertaining to matters incidental to the call.

Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms must not permit a member to leave the Chamber unless the member is excused by the Speaker.

A call of the House may be lifted by a majority vote of the whole House.

2.03 ROLL CALL VOTE. A roll call vote is required to pass a bill or to adopt a resolution or motion directing the payment of money. In all other cases a roll call vote may be ordered only if 15 members demand it.

2.04 EXPLAINING OR CHANGING VOTE. A member must not explain a vote or discuss the question during a roll call vote. A member must not change a vote or move for the record an intention to have voted or voted differently after the result of the roll call vote is announced from the chair by the Speaker.

2.05 EVERY UNEXCUSED MEMBER TO VOTE. A member who has an immediate interest in a question must not vote on it.

Every other member present before the result of a vote is declared by the presiding officer must vote for or against the matter before the House, unless the House excuses the member from voting. But a member is not required to vote on any matter concerning a memorial resolution.

A member who does not vote when the member's name is called must state reasons for not voting. After the vote has been taken but before the presiding officer has announced the result of the vote, the presiding officer must submit to the House the question: "Shall the member, for the reasons stated, be excused from voting?" The question must be decided without debate. After the question is decided, the presiding officer must announce the result of the vote, after which other proceedings about the nonvoting member may take place.

2.10 ELECTRONIC VOTING SYSTEM. An electronic voting system under the control of the Speaker may be used to take any vote except a vote on an election. A member must not vote on a question except at the member's own seat in the chamber.

2.15 RECORDED FLOOR PROCEEDINGS. Proceedings on the floor of the House must be recorded on ~~magnetic tape or similar~~ an appropriate audio recording medium under the direction of the Chief Clerk. The Chief Clerk must ~~deliver the tapes~~ transmit a copy of the recordings to the Director of the Legislative Reference Library. The Legislative Reference Library must keep the ~~tapes on file~~ recordings available for public use under its rules during the legislative biennium when the recordings were created and for eight years ~~after the end of the legislative biennium during which the tapes were created and then must deliver them to the Director of the Minnesota Historical Society.~~

~~A person may obtain a copy of a tape during the biennium in which it is recorded by paying a fee determined by the Chief Clerk to cover the cost of preparing the copy thereafter. The Library may then preserve or dispose of the recordings as the Library sees fit.~~

A person may obtain a copy of a recording while it is kept in the Library by paying a fee determined by the House Controller to cover the cost of preparing the copy.

Discussion preserved under this Rule is not intended to be admissible in a court or administrative proceeding on an issue of legislative intent.

2.20 DUTIES OF MEMBERS. Members must keep their seats until the Speaker announces adjournment.

A member, before speaking, must rise and respectfully address the Speaker and must not speak further until recognized by the Speaker. If more than one member rises at the same time, the Speaker must select the member to speak first.

2.21 NOTICE OF INTENT TO DEBATE A RESOLUTION. A member may give notice of intent to debate a resolution, except a resolution introduced as a house file or a senate file under Rule 4.02 or a resolution offered by the Committee on Rules and Legislative Administration or the Committee on Ethics.

The notice may be given at any time before the vote is taken on the resolution. If the notice is given, the resolution must be laid over one day without debate or any other action.

2.30 QUESTIONS OF ORDER. If a member violates the Rules in any way, the Speaker must, or another member may, call the member to order. The member called to order must immediately sit down unless another member moves to permit the member who was called to order to explain. In either case, the House, if appealed to, must decide the question without debate. Only if the decision is in favor of the member called to order may that member proceed. The House may censure or punish a member called to order.

2.31 OFFENSIVE WORDS IN DEBATE. If a member is called to order for offensive words in debate, the member calling for order must report the words to which exception is taken and the Clerk must record them. A member must not be held to answer, or be subject to censure of the House, for language used in debate unless exception is taken before another member speaks or other business takes place.

2.32 ORDER IN DEBATE. Except for the member who offered the motion, amendment, or proposition under consideration, a member must not speak more than twice on the subject, without leave of the House, nor more than once until every other member wishing to speak on the subject has had an opportunity to do so.

2.33 ORDER DURING SESSION. A member must not walk out of or across the Chamber while the Speaker is putting the question. A member must not engage in private conversation while another member is speaking or pass between a speaking member and the Chair.

2.34 PERSONS BY THE CHIEF CLERK'S DESK DURING VOTE. No person may remain by the Chief Clerk's desk during a roll call vote.

2.40 ADMITTANCE TO FLOOR. No person other than a member may be admitted to the House Chamber, except: properly authorized employees; the Chief Executive and ex-governors of the State of Minnesota; members of the Senate; heads of departments of the state government; judges of the Supreme Court, Court of Appeals, and District Courts; members of Congress; and properly accredited representatives of radio and television stations, newspapers and press associations, as provided for in these Rules.

Any other person may be issued a permit by the Speaker good for the day, but that person must be seated near the Speaker's rostrum, and must not engage in conversation that disturbs the business of the House. Before issuing a permit, the Speaker must make certain that the person does not seek the floor of the House to influence decisions of the House.

The alcoves in the Chambers are for the use of members only, and the Sergeant at Arms must keep them clear of others.

From one hour before the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room is reserved for the exclusive use of the members and employees of the House. As long as the Senate prohibits entry of House members into its retiring room, no Senators may enter the House retiring room during the time it is reserved for exclusive use of members and employees. A committee meeting must not be held there except emergency meetings authorized by the Speaker. The Sergeant at Arms must strictly enforce this provision.

Unless an extraordinary condition exists the Speaker must not entertain a request to suspend this Rule or present the request of a member for unanimous consent to suspend this Rule.

2.41 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations must be given equal press privileges by the House. A person wishing to report proceedings of the House may apply to the Chief Sergeant at Arms for a media pass and assignment to suitable available space. The Sergeant may coordinate the issuance of media passes with the appropriate senate authority.

Television stations must be permitted to televise sessions of the House. Media representatives must be allowed access to both wells in the gallery of the House chambers.

ARTICLE 3 - MOTIONS, AMENDMENTS, AND OTHER PROPOSITIONS

3.01 AMENDMENTS AND OTHER MOTIONS. An amendment or other motion must not be debated until after it is stated by the Speaker.

After an amendment or other motion is stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before it is amended or decided. Unless a motion, resolution, or amendment is withdrawn on the day it is made, it must be entered in the Journal, with the name of the member offering it.

Except as otherwise permitted by the Speaker, an amendment or other motion must be in writing, and five copies of it must be given to the Chief Clerk.

3.02 ORDER OF PUTTING QUESTION; FILLING BLANKS. Except for a privileged question, questions before the House or a committee must be put in the order they are moved. In filling a blank, a motion for the largest sum or the longest time must be put first.

3.03 DIVISION OF A QUESTION. A member may request the division of a question that contains more than one separate and distinct point. A motion to strike and insert is not divisible. The failure of a motion to strike does not preclude another motion to amend or to strike and insert.

3.10 PRECEDENCE OF MOTIONS. While a question is under consideration, only the following motions may be received:

- (1) To fix the time of adjournment
- (2) To adjourn
- (3) To lay on the table
- (4) For the previous question
- (5) To refer
- (6) To postpone to a day certain
- (7) To amend
- (8) To postpone indefinitely
- (9) To pass

The first four motions must be decided without debate.

The motions have precedence in the order listed, except that if the motion for the previous question has been properly made, and if necessary seconded, and the main question ordered, the motion to lay on the table is not in order.

3.11 MOTION TO ADJOURN. A motion to adjourn is always in order except during a roll call.

After a motion to adjourn is made, before putting the question, the Speaker may permit any member to state reasons why adjournment might be improper at that time. A statement is not debatable and must be limited to two minutes.

3.12 MOTION TO LAY ON THE TABLE. A motion to lay on the table is not in order on a motion to amend, except that a motion to amend the Rules may be tabled.

3.13 THE PREVIOUS QUESTION. The previous question may be moved under the following circumstances: (a) on a major finance or revenue bill specified in Rule 4.03, after the House has considered the bill for at least two hours after third reading or for at least two hours after the failure of an earlier motion for the previous question on the bill; (b) on any other bill or resolution, after the House has considered the bill or resolution for at least one hour after third reading or for at least one hour after the failure of an earlier motion for the previous question on the bill or resolution; and (c) on an amendment, motion, or other question pertaining to a bill or resolution, after the House has considered the amendment, motion, or question for at least 20 minutes or for at least 20 minutes after the failure of a motion for the previous question on the same matter.

The previous question may be moved by a member who is seconded by 15 members.

If the motion for the previous question is ordered by a majority of members present, its effect is to put an end to all debate and bring the House to direct vote upon the question.

Before the presiding officer submits a motion for the previous question to the House, a call of the House is in order. After a majority has ordered the previous question, a call of the House is not in order before the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until it is disposed of by a vote on the question, by a subsequent motion calling for the previous question under this Rule, or in some other manner.

All incidental questions of order arising after a motion is made for the previous question and before the vote on the main question must be decided without debate.

3.14 MOTION TO RECONSIDER. After a question is decided either in the affirmative or negative, a member who voted with the prevailing side may move to reconsider it. The motion must be made on the same day the vote was taken or on either of the next two days that the House meets in session and has possession of the matter. The motion may be made at any time in the Order of Business. It takes precedence over any other question except a motion to adjourn and a notice of intent to move to reconsider. The motion to reconsider, or notice of intent to make it, must not be made if the document, bill, resolution, message, report or other subject of official action on which the vote was taken has left the possession of the House.

When a member gives notice of intent to move to reconsider the final action of the House on a bill, resolution, message, report or other subject of official action, the Chief Clerk must keep it until the matter is disposed of or the time has expired for the motion. In regular session, notice of intent to move to reconsider must not be made in an odd-numbered year after the fifth Monday preceding the last Monday that the House may meet in regular session and in an even-numbered year after a date specified by the Committee on Rules and Legislative Administration.

On the last day allowed for the motion to reconsider, a member who voted on the prevailing side may make the motion, unless the matter has been already disposed of.

If a motion to reconsider fails, it must not be renewed.

3.15 MOTION TO RESCIND. A motion to rescind is not in order at any time in any proceeding in the House or in any committee of the House.

3.20 AMENDMENTS TO AMENDMENTS. An amendment may be amended, but an amendment to an amendment must not be amended.

3.21 MOTIONS AND PROPOSITIONS MUST BE GERMANE. A motion or proposition on a subject different from that under consideration must not be admitted under guise of its being an amendment. A motion, amendment, or other proposition offered to the House is out of order if it is not germane to the matter under consideration. Whether a proposition is germane to the matter under consideration is a question to be decided by the presiding officer, who may put the question to the House.

3.22 AMENDMENT TO INCREASE AN APPROPRIATION OR TAX. The concurrence of a majority of the whole House, determined by a roll call vote, is required to adopt an amendment increasing an appropriation or a tax.

3.30 EXPENDITURE OF HOUSE FUNDS. The concurrence of a majority of the whole House, determined by a roll call vote, is required for favorable action on a resolution or motion involving the expenditure of money appropriated by the Legislature to the House. The resolution or motion must be referred to the Committee on Rules and Legislative Administration before being acted on by the House.

ARTICLE 4 - BILLS AND RESOLUTIONS

4.01 BILL AND RESOLUTION FORM. A bill or resolution must not be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with these Rules and the Joint Rules of the House and Senate. The Revisor's approval must be endorsed on the bill or resolution.

A bill that is divided into articles may include or be accompanied by a table of contents.

4.02 RESOLUTIONS. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and must be introduced in the same form and take the same course as a bill. A joint resolution and any resolution requiring the signature of the governor must be introduced in the same form and take the same course as a bill.

A resolution must not authorize expenditure from any source other than the money appropriated by the Legislature to the House.

Congratulatory resolutions do not require consideration or adoption by the House.

A resolution must not be changed to a bill, and a bill must not be changed to a resolution.

4.03 WAYS AND MEANS COMMITTEE; BUDGET RESOLUTION; EFFECT ON EXPENDITURE AND REVENUE BILLS. (a) The Committee on Ways and Means must hold hearings as necessary to determine state expenditures and revenues for the fiscal biennium.

(b) Within 20 days after the last state general fund revenue and expenditure forecast for the next fiscal biennium becomes available during the regular session in the odd-numbered year, the Committee on Ways and Means must adopt and report a budget resolution, in the form of a House resolution. The budget resolution must set: (a) the maximum limit on net expenditures for the next fiscal biennium for the general fund, excluding any increased

expenditures for tax reduction and relief; and (b) an amount or amounts to be set aside as a budget reserve and a cash flow account. The House budget resolution must not specify, limit, or prescribe revenues or expenditures by any category other than those specified in clauses (a) and (b). After the House adopts the budget resolution, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless the House, acting upon a subsequent report of the Committee on Ways and Means, adopts a different limit or limits for the same fiscal biennium resolution is amended according to the process specified in paragraph (f).

(c) During the regular session in the even-numbered year, before the Committee on Ways and Means reports a bill containing net increases or decreases in expenditures as compared to general fund expenditures in the current fiscal biennium estimated by the most recent state budget forecast, the Committee must adopt a budget resolution that accounts for the net changes in expenditures. Adoption of the resolution by the Committee must be reported to the House according to paragraph (g). After the Committee adopts the budget resolution, it is effective during the regular session that year, unless the Committee adopts a different or amended resolution is adopted according to the process specified in paragraph (f).

(d) In the odd-numbered year, within 14 days after the House ~~or the Committee on Ways and Means~~ adopts a budget resolution, the Committee must adopt, ~~by and report~~ a resolution, setting limits for each budget category represented by the major finance and revenue bills identified in this Rule paragraph (i). The Committee may also, ~~by in~~ a resolution, set limits for funds other than the general fund and the Committee may set a limit for total bonding authorized in a bill. After the ~~Committee~~ House adopts ~~a the~~ resolution, the limits in the resolution are the maximums effective during the regular session in the year in which the resolution is adopted, unless the Committee or the House subsequently adopts different or amended limits for the same fiscal biennium according to the process specified in paragraph (f).

(e) In the even-numbered year, after the budget resolution is adopted by the Committee, the Committee must adopt a resolution setting limits for each budget category represented by the major finance and revenue bills identified in paragraph (i). The Committee may also, in a resolution, set limits for funds other than the general fund and the Committee may set a limit for total bonding authorized in a bill. Adoption of the resolution must be reported to the House according to paragraph (g). After the Committee adopts the resolution, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless different or amended limits are adopted according to the process specified in paragraph (f).

(f) After the House adopts a budget resolution or a resolution setting limits, the Committee on Ways and Means may amend the resolution. If the Committee amends a resolution, that amendment must be reported to the House by the Chair of the Committee and printed in the House Journal. On the next day the House is in session, under the order of Motions and Resolutions, a member may make a motion to reject the amendment to a resolution made by the Ways and Means Committee. If that motion prevails, the amendment made by the Ways and Means Committee is rejected. If no motion is made or a motion is made and does not prevail, the amendment made by the Ways and Means Committee is adopted. The House may not amend a report of the Committee on Ways and Means under this paragraph. It is not in order to give notice of intent to reconsider at a later time or move to reconsider on a later day the motion to reject the amendment of the Committee on Ways and Means under this paragraph. After the Chair of the Committee on Ways and Means reports an amendment to limits under this paragraph, the Committee may not report a bill affected by the proposed amendment to the limits until the time has passed for the House to act under this paragraph. The limits for a bill that has already been given its second reading are not subject to amendment unless that bill is re-referred to a committee.

(g) After the Committee adopts a budget resolution or a resolution setting limits in the even-numbered year, the Committee action must be reported to the House by the Chair of the Committee and printed in the House Journal. On the next day the House is in session, under the order of Motions and Resolutions, a member may make a motion to reject a resolution adopted by the Ways and Means Committee. If that motion prevails, the resolution adopted by the Ways and Means Committee is rejected. If no motion is made or a motion is made and does not prevail, the

resolution adopted by the Ways and Means Committee is adopted. The House may not amend a report of the Committee on Ways and Means under this paragraph. It is not in order to give notice of intent to reconsider at a later time or move to reconsider on a later day the motion to reject the report of the Committee on Ways and Means under this paragraph.

(h) Prior to the time the Committee on Ways and Means is required to adopt and report resolutions under paragraphs (b) and (c), the Committee may adopt and report a resolution setting limits for one or more bills if necessary to facilitate earlier action on those bills. That resolution may also set limits for the current biennium. After the House adopts the resolution, the limits in such a resolution are effective during the regular session in the year in which the resolution is adopted, unless the resolution is amended in another resolution or according to the process specified in paragraph (f).

(i) The Committee on Ways and Means may not combine any of the major finance or revenue bills.

(j) Major finance and revenue bills are:

the higher education finance bill;

the education finance bill;

the agriculture and rural development finance bill;

the ~~agriculture~~, environment, and natural resources finance bill;

the health finance bill;

the state government finance bill;

the jobs and economic opportunity finance bill;

the transportation finance bill;

the public safety finance bill;

the omnibus capital investment bill; and

the omnibus tax bill.

(k) After the adoption of a resolution by the House or by the Committee on Ways and Means, each finance committee, the Committee on Capital Investment, and the Committee on Taxes must reconcile each finance and revenue bill described in Rule 4.10 and Rule 4.11 with the resolution or resolutions. When reporting a bill, the committee must provide to the Committee on Ways and Means a fiscal statement on the bill ~~and a written statement certifying that the committee has reconciled the fiscal effect of the bill with the resolution or resolutions and that the bill, as reported by the committee, together with other bills reported and expected to be reported by the committee, does not and will not exceed the limits specified in the resolution or resolutions.~~

(l) After the adoption of a resolution by the House or the Committee on Ways and Means, the Committee on Ways and Means must reconcile finance and revenue bills with the resolution or resolutions. When reporting a bill, the chair of the Committee must certify to the House that the Committee has reconciled the bill with the resolution or resolutions ~~and that the bill, as reported by the Committee, together with other bills reported and expected to be reported by the Committee, does not and will not exceed the limits specified in the resolution or resolutions.~~

(m) After the adoption of a resolution by the House or the Committee on Ways and Means, an amendment to a bill is out of order if it would cause any of the limits specified in the resolution or resolutions to be exceeded. Whether an amendment is out of order under this Rule is a question to be decided on the Floor by the Speaker or other presiding officer and in committee by the person chairing the committee meeting. In making the determination, the Speaker or other presiding officer or the committee chair may consider: (1) the limits in a resolution; (2) the effect of existing laws on revenues and expenditures; (3) the effect of amendments previously adopted to the bill under consideration; (4) the effect of bills previously recommended by a committee or bills previously passed in the legislative session by the House or by the legislature; (5) whether expenditure increases or revenue decreases that would result from the amendment are offset by decreases in other expenditures or increases in other revenue specified by the amendment; and (6) other information reasonably related to expenditure and revenue amounts.

(n) After a resolution is adopted by the House or the Committee on Ways and Means, the Committee must ~~cause to be published~~ make available a summary of the estimated fiscal effect on the general fund of each bill that has been referred to the Committee on Ways and Means by a finance committee, the Capital Investment Committee, or the Committee on Taxes and of each bill that has been reported by the Committee on Ways and Means.

4.10 FINANCE BILLS. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects any present or future financial obligation on the part of the State must be referred to the appropriate finance committee before the bill receives its second reading.

A finance bill reported by a finance committee must be referred to the Committee on Ways and Means.

Referral is not required by this Rule if the bill has a negligible fiscal effect, as determined by the chair of the finance committee with the concurrence of the chair of the Committee on Ways and Means.

4.11 BILLS AFFECTING TAXES. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects state tax revenues or substantially affects state tax policy or the administration of state tax policy must be referred to the Committee on Taxes before it receives its second reading.

A bill with a fiscal effect reported by the Committee on Taxes must be referred to the Committee on Ways and Means.

Referral is not required by this Rule if the bill has a negligible tax or fiscal effect, as determined by the chair of the Committee on Taxes with the concurrence of the chair of the Committee on Ways and Means.

4.12 BILLS AFFECTING DEBT AND CAPITAL PROJECTS. The Committee on Capital Investment has jurisdiction over legislation affecting debt obligations issued by the state and capital projects of the state, including the planning, acquiring and bettering of public lands and buildings and other state projects of a capital nature. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects debt obligations or capital projects of the state must be referred to the Committee on Capital Investment before the bill receives its second reading.

Referral is not required by this Rule if the bill deals primarily with the financing of state capital facilities using trunk highway funds, with transportation projects financed without debt obligations of the state, or with the local financing of capital facilities of local governments. Referral is not required by this Rule if the bill has a negligible effect on debt obligations and capital projects of the state as determined by the chair of the Committee on Capital Investment with the concurrence of the chair of the Committee on Ways and Means. Referral is not required by this Rule if the bill is a major finance or revenue bill identified in Rule 4.03, unless the bill directly and specifically affects debt obligations of the state, but if a major finance or revenue bill contains a provision that directly and specifically affects capital projects of the state, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Capital Investment of the provision before the bill is considered by the House.

The Speaker, by announcement, must assign to each finance committee the appropriate jurisdiction for recommendations on debt obligations and capital projects of the state. The finance committee must submit recommendations within its jurisdiction to the committee on Capital Investment for further disposition. The Committee on Capital Investment must enter in the committee record the recommendations of each finance committee that submits recommendations. If a recommendation of the finance committee with jurisdiction expressly disapproves appropriations or the issuance of debt obligations for a specific capital project, the Capital Investment Committee may not report a bill authorizing appropriations or the issuance of debt for that project.

A bill with a fiscal effect reported by the Committee on Capital Investment must be accompanied by a statement of its fiscal effect, is exempt from the referral required by Rule 4.10, and must be referred to the Committee on Ways and Means. This referral is not required if the bill has a negligible fiscal effect, as determined by the chair of the Committee on Capital Investment with the concurrence of the chair of the Committee on Ways and Means.

4.13 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. The Committee on Governmental Operations and Veterans Affairs ~~Policy~~ has jurisdiction over a House or Senate bill that:

(a) establishes or reestablishes a department, agency, commission, board, task force, advisory committee or council, or bureau, or other like entity;

(b) delegates rulemaking authority to, or exempts from rulemaking, a department or agency of state government; or

(c) substantially changes the organization of a department or agency of state government or substantially changes, vests or divests the official rights, powers, or duties of an official, department or agency of state government or an institution under its control.

Except as otherwise provided in this Rule and Rule 1.15, a bill that is within the jurisdiction of the Committee on Governmental Operations and Veterans Affairs ~~Policy~~ must be referred to that Committee before it receives its second reading. A committee (other than the Committee on Governmental Operations and Veterans Affairs ~~Policy~~) reporting such a bill must recommend its re-referral to the Committee on Governmental Operations and Veterans Affairs ~~Policy~~ if reporting before the deadline for action on the bill by that Committee; if reporting after the deadline, the committee must recommend re-referral to the Committee on Rules and Legislative Administration.

The re-referral requirements of this Rule do not apply to the major finance and revenue bills identified in Rule 4.03. If a major finance or revenue bill contains a provision specified in clauses (a) or (b) of the definition in this Rule, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Rules and Legislative Administration before the bill is considered by the House.

The re-referral requirements of this Rule do not apply to other bills reported by a finance committee or the tax committee, except bills that contain a provision specified in clauses (a) and (b) of the definition in this Rule.

4.14 BILLS PROPOSING MEMORIALS. A bill or amendment that proposes to have a memorial placed in the Capitol area must be referred to the Committee on Rules and Legislative Administration.

4.15 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS. A House or Senate bill that proposes a constitutional amendment must be referred to the Committee on Rules and Legislative Administration before it receives its second reading. When reporting such a bill, a committee, other than the Committee on Rules and Legislative Administration, must recommend re-referral to the Committee on Rules and Legislative Administration.

4.20 DISPOSITION OF BILLS DURING INTERIM. Adjournment of the regular session in an odd-numbered year to a day certain in the next year is the same as daily adjournment except that a bill on the Consent Calendar, Calendar for the Day, Fiscal Calendar, or General Register must be returned to the standing committee that last acted on the bill.

4.30 RECALLING BILL FROM COMMITTEE OR DIVISION. A bill or resolution may be recalled from a committee or division at any time by majority vote of the whole House, be given a second reading and be placed on the General Register. A motion to recall a bill or resolution is in order only under the order of business "Motions and Resolutions." This Rule does not apply in a special session or after the deadline for committee reports on House files.

4.31 TIME LIMIT TO CONSIDER BILLS. If 20 legislative days after a bill has been referred to a committee or division (other than the Committee on Ways and Means, the Committee on Taxes, a finance committee, or a division of one of those committees) a report has not been made on it by the committee or division, its chief author may request that it be returned to the House. The request must be entered in the Journal.

The committee or division must vote on the bill requested within ten calendar days after the day of the request.

If the committee or division fails to vote on it within ten days, the chief author may present a written demand to the Speaker for its immediate return to the House. The demand must be presented within five calendar days after the day that the committee or division is required to vote. If the demand is presented in the time allowed, it must be entered in the Journal and is the demand of the House. The bill is then considered to be in the possession of the House and must be given its second reading and placed on the General Register.

The bill may be re-referred by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or on the next House legislative day, the motion takes precedence over all other motions except privileged motions and is in order at any time.

ARTICLE 5 - PARLIAMENTARY PRACTICE

5.01 SUSPENSION OR AMENDMENT OF THE RULES. The concurrence of two-thirds of the whole House is required to suspend or amend a Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 5.02, a motion to suspend or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at another time, unanimous consent is required before the Speaker may entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion under Rule 3.13.

5.02 SUSPENSION OF RULES TO ADVANCE A BILL. A bill must be reported on three different days as provided in Rule 1.04, except that in case of urgency, a two-thirds majority of the whole House may suspend this requirement. A motion to suspend the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must describe the status of the bill.

5.03 DEFINITIONS. In these Rules the terms "majority vote" and "vote of the House" mean a majority of members present for the vote. The term "vote of the whole House" means a majority of all the members elected to the House.

Singular words used in these Rules include the plural, unless the context indicates a contrary intention.

5.04 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. "Mason's Manual of Legislative Procedure" governs the House in all applicable cases if it is not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

5.05 CONFLICT OF RULES. When there is a conflict between a single House Rule and a single Joint Rule, the one last adopted governs.

ARTICLE 6 - COMMITTEES AND REPORTS

6.01 COMMITTEES. Standing committees of the House must be appointed by the Speaker as follows:

Agriculture and Rural Development

Capital Investment

Civil Law and Elections

Commerce and Financial Institutions

Technology, Bio-Sciences and Medical Products Division

Tourism Division

Education Policy and Reform

Environment and Natural Resources

Ethics

Governmental Operations and Veterans Affairs

Local Government

Regulated Industries

Gaming Division

Rules and Legislative Administration

Taxes

Property and Local Tax Division

Transportation

Ways and Means

Agriculture, Environment and Natural Resources Finance

Education Finance

Health Policy and Finance

Health Care Cost Containment Division

Higher Education Finance

Jobs and Economic Opportunity Policy and Finance

Public Safety Policy and Finance

State Government Finance

Transportation Finance

The Committee shall make its report and the House shall adopt permanent rules by February 15, 2005.

6.02 COMMITTEE MEMBERSHIP. At least 30 days before the start of a regular session of the Legislature, the Speaker-designate must provide the minority political party caucuses with a list of the standing committees proposed for the session. The Speaker-designate must prescribe the number of minority caucus members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days before the start of the session, a list of proposed committee assignments for the minority caucus that complies with the numbers and guidelines provided, the Speaker must make the proposed assignments with the purpose of attaining proportionate representation on the committees for the minority caucus.

A committee of the House must not have exclusive membership from one profession, occupation or vocation.

A member must not serve as the chair of the same standing committee, or a standing committee with substantially the same jurisdiction, during more than three consecutive regular biennial sessions that the member's caucus is in the majority, even if the sessions are not otherwise consecutive. This Rule does not apply to service as chair of the Committee on Rules and Legislative Administration.

6.03 APPOINTMENTS TO BOARDS AND COMMISSIONS. Upon the convening of the biennial session, the Speaker must notify the members of the House of each board or commission to which a member of the House may be appointed by the Speaker. The Speaker must request advice from the minority leader on these appointments.

6.04 SUBCOMMITTEES. The chair of a committee must appoint the chair and members of each subcommittee with the advice and consent of the Speaker. The chair or the committee may refer bills to a subcommittee. A subcommittee may exercise the authority delegated to it by the chair or by the committee.

6.10 THE COMMITTEE ON ETHICS. The Speaker must appoint a Committee on Ethics consisting of four members: two members from the majority political party caucus, and two from the minority caucus. One alternate from each caucus must also be appointed. The committee must adopt written procedures, which must include due process requirements, for handling complaints and issuing guidelines.

A complaint may be brought about conduct by a member that violates a rule or administrative policy of the House, that violates accepted norms of House behavior, that betrays the public trust, or that tends to bring the House into dishonor or disrepute.

A complaint about a member's conduct must present with specificity the factual evidence supporting the complaint. A complaint must be in writing, under oath and signed by two or more members of the House, and submitted to the Speaker. Before submitting the complaint to the Speaker, the complainants must cause a copy of it

and any supporting materials to be delivered to any member named in the complaint. Within seven days after receiving a complaint, the Speaker must refer the complaint to the Ethics Committee for processing by the committee according to its rules of procedure.

The existence and substance of a complaint, including any supporting materials, and all proceedings, meetings, hearings, and records of the Ethics Committee are public; except that the committee, upon a majority vote of the whole committee, may meet in executive session to consider or determine the question of probable cause, to consider a member's medical or other health records, or to protect the privacy of a victim or a third party.

A complaint of a breach of confidentiality by a member or employee of the House must be immediately referred by the Speaker to the Ethics Committee for disciplinary action.

The committee must act in an investigatory capacity and may make recommendations regarding complaints submitted to the Speaker before adjournment sine die. With the approval of the Speaker, the committee may retain a retired judge or other nonpartisan legal advisor to advise and assist the committee, as the committee considers appropriate and necessary in the circumstances of the case, in conducting the proceedings and obtaining a complete and accurate understanding of the information relevant to the conduct in question.

Ethics Committee recommendations for disciplinary action must be supported by clear and convincing evidence and must be reported to the House for final disposition.

If a complaint is brought within 14 days before the date set for adjournment sine die, the member named in the complaint may waive proceedings in the Ethics Committee and the Speaker shall refer the matter to the House for final disposition.

6.20 COMMITTEE MEETING SCHEDULE; DEADLINES. The Speaker must prepare and publish a schedule of committee meetings, fixing as far as practicable the regular meeting day and time of each committee.

The chair of a committee must give written notice of a special meeting or a change in the regular schedule of meetings. The notice may be announced from the desk and must be posted in public notice locations maintained by the House. The notice must be posted at least one day in advance of the change.

As far as practicable, the chair of a committee must give three days notice of the date, time, place and agenda for each meeting.

Meeting notices must indicate when interactive television will be used to conduct the meeting.

During the first ten weeks of the session in the odd-numbered year and the first five weeks of the session in the even-numbered year, a standing committee must not have a regularly scheduled meeting after noon on Friday, but the Speaker may approve a special meeting of a committee during this time.

A committee must not meet between 12:00 midnight and 7:00 a.m.

Only the Committee on Rules and Legislative Administration may meet during a daily session of the House without leave.

The House shall establish deadlines for each regular session by resolution.

6.21 COMMITTEE PROCEDURES. Meetings of House committees must be open to the public except for executive sessions that the committee on ethics considers necessary under Rule 6.10. For purposes of this requirement, a meeting occurs when a quorum is present and action is taken regarding a matter within the jurisdiction of the committee. This requirement does not apply to a meeting of members of a committee from the same political party caucus.

A majority of members of a committee is a quorum.

The Rules of the House must be observed in committee if they are applicable.

An amendment offered in committee must be on a subject that is within the jurisdiction of the committee. Whether an amendment is on a subject that is within the jurisdiction of the committee is a question to be decided by the person chairing the meeting, who may put the question to the committee.

A member of a committee may demand a roll call vote on any bill, resolution, report, motion or amendment before the committee. If a demand is made, the roll must be called. The name of the member demanding the roll call and the vote of each member must be recorded in the committee minutes.

A committee may reconsider an action while the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side to move to reconsider the action.

The chair of a committee, after consultation with the Speaker, may establish written procedures for the submission of amendments to the committee, the setting of committee agendas, and other matters pertaining to the conduct of the committee's business. Before implementing the written procedures, the chair must provide a copy of them to the Speaker and to each member of the House and must make copies available to others upon request.

6.22 PUBLIC TESTIMONY. Public testimony from proponents and opponents must be allowed on every bill or resolution before a standing committee, division or subcommittee of the House.

6.23 OPEN MEETING ENFORCEMENT. A person may submit to the Speaker a complaint alleging a violation of the open meeting requirements of Rule 6.21. The complaint must be in writing. On receiving a complaint, the Speaker, or a person designated by the Speaker, must investigate the complaint promptly. If the Speaker concludes, following investigation, that a violation of the open meeting Rule may have occurred, the Speaker must refer the complaint to the Committee on Ethics for further proceedings.

6.24 COMMITTEE RECORDS. The chair of a standing committee must cause a committee record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration. The record must include the record of committee proceedings on each bill referred to the committee and the minutes of the committee and any subcommittees.

The committee and subcommittee minutes must include:

- a. the time and place of each hearing or meeting;
- b. the names of committee or subcommittee members who are present;
- c. the name and address, at the Chair's discretion, of each person appearing before the committee or subcommittee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;
- d. the language of each motion, the name of the member making the motion, the result of a vote on the motion, and, on a roll call vote, the names of those in favor and those opposed;
- e. the date on which a subcommittee is established, the names of its members and the file number of bills referred to it and reported by it;
- f. other important matters related to the work of the committee or subcommittee.

The minutes must be approved at the next regular meeting of the committee or subcommittee.

After approval by the committee or subcommittee, copies of the minutes must be filed with the Chief Clerk and be open to public inspection in the Chief Clerk's office.

At the end of the legislative biennium minutes and other records must be delivered to the Director of the Legislative Reference Library, ~~who must keep them open for public inspection during regular office hours. A copy of a page of committee minutes may be obtained for a fee determined by the Library to cover the cost of preparing the copy.~~

Audio recordings of Committee and Subcommittee meetings must be made available for public use by the end of the business day following each meeting. The chair of ~~the~~ a committee ~~must keep the magnetic tape who elects not to release the~~ recording of a committee meeting until the minutes of the meeting are approved by the committee ~~and then must file the recording with the Director of the Legislative Reference Library.~~ must make a copy of a the recording must be filed within 24 hours after available by the end of the next business day after a written request for it is made to the committee. The House must keep the recordings of committee meetings available for public use during the legislative biennium in which they were created and, at the end of the legislative biennium, must transmit a copy of the recordings to the Director of the Legislative Reference Library.

~~A person may obtain a copy of a tape while it is kept in the Library by paying a fee determined by the Library to cover the cost of the copy. Testimony and discussion preserved under this Rule are not intended to be admissible in a court or administrative proceeding on an issue of legislative intent.~~

The Legislative Reference Library must keep committee records and ~~tapes~~ recordings available for public use under its rules for eight years after the end of the legislative biennium during which the materials were created and then ~~must deliver them to the Director of the Minnesota Historical Society~~ may preserve or dispose of the recordings as the Library sees fit.

A person may obtain a copy of a recording during the legislative biennium in which it is created by paying a fee determined by the House Controller to cover the cost of preparing the copy. A person may obtain a copy of a recording while it is kept in the Library by paying a fee determined by the House Controller to cover the cost of preparing the copy. A person may obtain a copy of a page of committee minutes or other records for a fee determined by the House Controller to cover the cost of preparing the copy. A copy of a recording must be provided free to a member or staff of the House upon request for use in legislative business.

Testimony and discussion preserved under this Rule are not intended to be admissible in a court or administrative proceeding on an issue of legislative intent.

6.30 COMMITTEE REPORTS. The House must adopt or reject a committee report on a bill or resolution without amendment.

The chair of a standing committee reporting to the House on a bill or resolution must use the form provided for committee reports. Each bill or resolution must be reported separately. The report must state the action taken by the committee and the date of the action. The report must be authenticated by the signature of the chair.

Before a committee reports favorably on a bill or resolution, the chair must see that the form of the bill or resolution conforms to these Rules and the Joint Rules of the House and Senate.

Except during the last seven legislative days in a year, the committee report and any minority report must be submitted to the Chief Clerk at least four hours before the convening of the daily session. But the Committee on Rules and Legislative Administration may report at any time.

6.31 SUBSTITUTION OF BILLS. A standing or special committee or its members must not report a substitute for a bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or requires a title essentially different from that of the bill referred. If the House is advised that a substitute bill reported to the House violates this Rule, the report must not be adopted.

6.32 MINORITY REPORTS. A minority report must be made separately from the majority report and must be considered before the majority report. If the minority report is adopted the majority report must not be considered. If the minority report is not adopted the majority report must then be considered.

6.40 REPORTS OF CONFERENCE COMMITTEES. A conference committee may report at any time and may meet during a daily session of the House without leave.

A conference committee report must include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate. The member presenting the conference committee report to the House must disclose all substantive changes from the House version of the bill.

6.50 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

ARTICLE 7 - OFFICERS OF THE HOUSE

7.01 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker must preside over the House and has all the powers and duties of the presiding officer.

The Speaker must preserve order and decorum. The Speaker may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as otherwise provided by rule or law, the Speaker has general control of the Chamber of the House and of the corridors, passages and rooms in the Capitol and State Office Building under the jurisdiction of the House.

The Speaker must sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. The Speaker must sign all abstracts for the payment of money from funds appropriated by the Legislature to the House; but money must not be paid unless the abstract is also signed by the Controller of the House. Abstracts for compensation of members must be signed by the Chief Clerk pursuant to law.

The Speaker must appoint the Chief Sergeant at Arms or must designate that officer from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

When an elected office of the House becomes vacant, the Speaker must designate a person to exercise the powers and discharge the duties of the office as necessary until a successor is elected by the House.

7.02 SUCCESSOR IN OFFICE OF SPEAKER. When the office of Speaker becomes vacant, the Chair of the Committee on Rules and Legislative Administration has the powers and must discharge the duties of the office as necessary, until a Speaker is elected by the House or until a speaker-designate is selected as provided in this Rule. The House must elect a Speaker when the House is next called to order. If the Legislature is not in session, within 30 days after the office of Speaker becomes vacant the Committee on Rules and Legislative Administration must meet and select a speaker-designate to exercise the powers and discharge the duties of the office as necessary until a Speaker is elected by the House.

7.05 SPEAKER PRO TEMPORE. The Speaker must appoint one or more members as Speaker pro tempore. A Speaker pro tempore must preside in the Speaker's absence. In the absence of the Speaker and a Speaker pro tempore, a member selected by the Speaker must preside until the Speaker or Speaker pro tempore returns.

7.10 DUTIES OF CHIEF CLERK. The Chief Clerk has general supervision of all clerical duties pertaining to the business of the House. The Chief Clerk must perform, under the direction of the Speaker, all the duties of the office of Chief Clerk. The Chief Clerk must keep records showing the status and progress of all bills, memorials and resolutions.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk has all the usual responsibilities of the Chief Clerk and may sign the daily journal, enrollments, abstracts and other legislative documents.

The Chief Clerk must supervise the engrossment and enrollment of bills. The Chief Clerk must see that a record is kept, by file number, of the bills introduced in the House that passed both houses and are enrolled.

The Chief Clerk must ensure that locations accessible to the public are available to post a list of committee and subcommittee meetings and any other announcements or notices the House may require.

The Index Clerk, supervised by the Chief Clerk, must prepare an index in which bills may be indexed by topic, number, author, subject, section of the statutes amended, committees, and any other method that will make it a complete and comprehensive index.

The index must be open for public inspection during the legislative session and must be printed in the permanent Journal.

7.20 DUTIES OF THE SERGEANT AT ARMS. The Sergeant at Arms must carry out all orders of the House or the Speaker and perform all other services pertaining to the office of Sergeant at Arms, including: maintaining order in the Chamber and other areas used for the business of the House and its committees and members; supervising the entering and exiting from the Chamber and the other areas; and promptly delivering messages.

ARTICLE 8 - ADMINISTRATION OF THE HOUSE

8.01 BUDGET AND FINANCIAL AFFAIRS. The House Controller must prepare a biennial budget for the House. The budget must be approved by the Committee on Rules and Legislative Administration before it is submitted to the State Government Finance Committee. By the 15th day of April, July, October, and January of each year, the Controller must submit a detailed report of House expenditures during the previous quarter to the Speaker and the Committee on Rules and Legislative Administration.

The House Controller must arrange for the purchase of goods and services for the House. The Controller must seek the lowest possible prices consistent with satisfactory quality and dependability. A contract of the House, or an amendment to a contract, authorizing an expenditure of more than \$500 must be signed by the Speaker or the Controller. A contract, or an amendment to a contract, authorizing an expenditure of up to \$500 may be executed by an employee authorized and directed in writing by the Controller to act for the Controller on the contract or contracts of its type. A contract or amendment to a contract entered into in violation of this Rule is not binding on the House.

Employees of the House must be reimbursed for actual expenses in the same manner as state employees.

During session, for travel away from the Capitol, members must be reimbursed for actual expenses, in addition to per diem expense allowances, in the manner and amount prescribed by the Committee on Rules and Legislative Administration.

8.10 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration must establish a budget for each standing committee of the House for expenses incurred by the committee, its members, and its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker or the Committee on Rules and Legislative Administration must not be charged against the budget. A committee must not incur expenses in excess of its authorized budget.

All charges against the committee budget must be approved by the chair before payment is made.

8.20 APPOINTMENT OF EMPLOYEES. The Committee on Rules and Legislative Administration must designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of the appointments, including positions and compensation, must be kept in the office of the House Controller and must be available for inspection by the public.

The Committee on Rules and Legislative Administration must establish the procedure for filling employment vacancies when the Legislature is not in session.

An employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

ARTICLE 9 - CONDUCT

9.01 CODE OF CONDUCT. The Committee on Rules and Legislative Administration, after receiving the recommendation of the Committee on Ethics, must establish and maintain a code of conduct for members, officers and employees of the House.

9.05 CAMPAIGN ACTIVITIES. An employee of the House must not participate in campaign activity during working hours. An employee must not be obliged to participate in campaign activities as a condition of employment. A member is not an employee of the House for purposes of this Rule. House equipment must not be used for campaign activities. The Committee on Rules and Legislative Administration must define the terms of and implement this Rule.

9.10 SOLICITATIONS DURING LEGISLATIVE SESSION. During regular session, a member of the House, the member's principal campaign committee, a political committee with the member's name or title, or a committee authorized by the member that benefits the member, must not solicit or accept a contribution from a registered lobbyist, political committee, or political fund.

A member must not accept compensation for lobbying.

9.20 ACCEPTANCE OF AN HONORARIUM BY A MEMBER. A member must not accept an honorarium for a service performed for an individual or organization that has a direct interest in the business of the House, including, but not limited to, a registered lobbyist or an organization a lobbyist represents. The term "honorarium" does not include reimbursement for expenses incurred and actually paid by a member in performing a service.

Alleged violations of this Rule must be referred to the Committee on Ethics under Rule 6.10. If the Committee on Ethics finds that an honorarium was accepted in violation of this Rule, the Committee must direct its return. If it is not returned, the committee may recommend disciplinary action under Rule 6.10.

9.21 ACCEPTANCE OF TRAVEL AND LODGING BY A MEMBER OR EMPLOYEE. A member or employee of the House must not accept travel or lodging from any foreign government, private for-profit business, labor union, registered lobbyist, or an association thereof, except payment permitted by law of expenses that relate to the member's or employee's participation as a legislator or legislative employee in a meeting or conference. This Rule does not apply to travel or lodging provided to a member in the regular course of the member's employment or business.

9.30 DENIAL OF COMPENSATION WHILE DETAINED. A member must not receive compensation, mileage, or living expenses while the member is incarcerated or on home detention due to a criminal conviction.

9.40 NO SMOKING IN HOUSE AREAS. Smoking is prohibited in the areas of the Capitol and State Office Building under the jurisdiction of the House, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, private offices, and lounges.

Knoblach moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session as follows:

Page 16, line 30, after the comma, insert "and after the process in paragraph (g) is completed."

Page 17, line 20, after the comma, insert "and after the process in paragraph (g) is completed."

The motion prevailed and the amendment was adopted.

Opatz moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 10, line 20, after the period, insert "A member must not disrupt order and decorum in the Chamber by possessing or using any audiovisual display, including but not limited to placards, signs, photographs, visual aids, or the use of any video images or audio, except for such items that are distributed to members at their desks for the purpose of conducting business of the day."

The motion prevailed and the amendment was adopted.

Opatz moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 13, line 3, strike everything after the period

Page 13, strike lines 4 to 17

The motion prevailed and the amendment was adopted.

The Speaker called Abrams to the Chair.

Solberg and Kelliher moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 17, line 36, delete "not"

Page 18, line 22, delete "not"

A roll call was requested and properly seconded.

The question was taken on the Solberg and Kelliher amendment and the roll was called. There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Entenza	Huntley	Lesch	Nelson, M.	Scalze
Atkins	Fritz	Jaros	Liebling	Opatz	Sertich
Bernardy	Goodwin	Johnson, R.	Lieder	Otremba	Sieben
Carlson	Greiling	Johnson, S.	Lillie	Paymar	Simon
Clark	Hansen	Juhnke	Loeffler	Pelowski	Slawik
Davnie	Hausman	Kahn	Mahoney	Peterson, A.	Solberg
Dill	Hilstrom	Kelliher	Mariani	Peterson, S.	Thao
Dittrich	Hilty	Koenen	Marquart	Poppe	Thissen
Dorn	Hornstein	Larson	Moe	Rukavina	Wagenius
Eken	Hortman	Latz	Mullery	Ruud	Walker
Ellison	Hosch	Lenczewski	Murphy	Sailer	Welti

Those who voted in the negative were:

Abeler	Davids	Gazelka	Krinkie	Peterson, N.	Vandevier
Abrams	Dean	Gunther	Lanning	Powell	Wardlow
Anderson, B.	DeLaForest	Hackbarth	Magnus	Ruth	Westerberg
Beard	Demmer	Hamilton	McNamara	Samuelson	Westrom
Blaine	Dempsey	Heidgerken	Nelson, P.	Seifert	Wilkin
Bradley	Dorman	Holberg	Newman	Severson	Zellers
Brod	Eastlund	Hoppe	Nornes	Simpson	Spk. Sviggum
Buesgens	Emmer	Howes	Olson	Smith	
Charron	Erhardt	Johnson, J.	Ozment	Soderstrom	
Cornish	Erickson	Klinzing	Paulsen	Sykora	
Cox	Finstad	Knoblach	Penas	Tingelstad	
Cybart	Garofalo	Kohls	Peppin	Urdahl	

The motion did not prevail and the amendment was not adopted.

Olson and Kelliher moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 19, line 1, strike everything after "(i)"

Page 19, line 2, after "bills" insert "may not be combined"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Rukavina moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 20, after line 28, insert:

"(o) Notwithstanding any other provision in Rule 4.03, no amendment offered on the House Floor is out of order under this rule unless it exceeds the budget resolution set in paragraph (b) or paragraph (c)."

A roll call was requested and properly seconded.

The question was taken on the Rukavina amendment and the roll was called. There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Entenza	Huntley	Lesch	Nelson, M.	Scalze
Atkins	Fritz	Jaros	Liebling	Opatz	Sertich
Bernardy	Goodwin	Johnson, R.	Lieder	Otremba	Sieben
Carlson	Greiling	Johnson, S.	Lillie	Paymar	Simon
Clark	Hansen	Juhnke	Loeffler	Pelowski	Slawik
Davnie	Hausman	Kahn	Mahoney	Peterson, A.	Solberg
Dill	Hilstrom	Kelliher	Mariani	Peterson, S.	Thao
Dittrich	Hilty	Koenen	Marquart	Poppe	Thissen
Dorn	Hornstein	Larson	Moe	Rukavina	Wagenius
Eken	Hortman	Latz	Mullery	Ruud	Walker
Ellison	Hosch	Lenczewski	Murphy	Sailer	Wolti

Those who voted in the negative were:

Abeler	Davids	Gazelka	Krinkie	Peterson, N.	Vandevveer
Abrams	Dean	Gunther	Lanning	Powell	Wardlow
Anderson, B.	DeLaForest	Hackbarth	Magnus	Ruth	Westerberg
Beard	Demmer	Hamilton	McNamara	Samuelson	Westrom
Blaine	Dempsey	Heidgerken	Nelson, P.	Seifert	Wilkin
Bradley	Dorman	Holberg	Newman	Severson	Zellers
Brod	Eastlund	Hoppe	Nornes	Simpson	Spk. Sviggum
Buesgens	Emmer	Howes	Olson	Smith	
Charron	Erhardt	Johnson, J.	Ozment	Soderstrom	
Cornish	Erickson	Klinzing	Paulsen	Sykora	
Cox	Finstad	Knoblach	Penas	Tingelstad	
Cybart	Garofalo	Kohls	Peppin	Urdahl	

The motion did not prevail and the amendment was not adopted.

Solberg moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 17, lines 4 and 5, delete the new language

Page 18, delete lines 27 to 36

Reletter the paragraphs in sequence and correct the internal references

The motion prevailed and the amendment was adopted.

Sertich and Hoppe moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 29, delete lines 10 through 13

The motion prevailed and the amendment was adopted.

Loeffler moved to amend the Report from the Committee on Rules and Legislative Administration relating to the proposed Permanent Rules of the House for the 84th Session, as amended, as follows:

Page 31, line 35, before "After" insert "At the end of two business days"

Page 32, line 1, before the period, insert "and on the House Web site"

The motion prevailed and the amendment was adopted.

The question recurred on the Paulsen motion that the report from the Committee on Rules and Legislative Administration and the proposed Permanent Rules of the House for the 84th Session, as amended, be now adopted and the roll was called.

There were 73 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Dempsey	Hortman	Liebling	Peppin	Tingelstad
Anderson, B.	Dittrich	Hosch	Loeffler	Peterson, N.	Urdahl
Beard	Dorman	Huntley	Magnus	Ruth	Vandever
Blaine	Eastlund	Johnson, J.	Marquart	Ruud	Wardlow
Bradley	Entenza	Kelliher	Moe	Samuelson	Walti
Brod	Erhardt	Klinzing	Nelson, P.	Scalze	Westerberg
Charron	Erickson	Knoblach	Newman	Seifert	Westrom
Cornish	Gazelka	Kohls	Nornes	Severson	Spk. Sviggum
Cox	Gunther	Krinkie	Olson	Simon	
Cybart	Hackbarth	Lanning	Opatz	Simpson	
Davids	Hamilton	Larson	Ozment	Soderstrom	
Dean	Heidgerken	Lenczewski	Paulsen	Sykora	
Demmer	Hilstrom	Lesch	Penas	Thissen	

Those who voted in the negative were:

Abrams	Dorn	Hausman	Kahn	Nelson, M.	Sertich
Anderson, I.	Eken	Hilty	Koenen	Otremba	Sieben
Atkins	Ellison	Holberg	Latz	Paymar	Slawik
Bernardy	Emmer	Hoppe	Lieder	Pelowski	Smith
Buesgens	Finstad	Hornstein	Lillie	Peterson, A.	Solberg
Carlson	Fritz	Howes	Mahoney	Peterson, S.	Thao
Clark	Garofalo	Jaros	Mariani	Poppe	Wagenius
Davnie	Goodwin	Johnson, R.	McNamara	Powell	Walker
DeLaForest	Greiling	Johnson, S.	Mullery	Rukavina	Wilkin
Dill	Hansen	Juhnke	Murphy	Sailer	Zellers

The motion prevailed and the Report from the Committee on Rules and Legislative Administration and the Permanent Rules of the House for the 84th Session, as amended, were adopted.

So the Report from the Committee on Rules and Legislative Administration and the Permanent Rules of the House for the 84th Session were adopted as follows:

PERMANENT RULES OF THE HOUSE OF REPRESENTATIVES

ARTICLE 1 - DAILY BUSINESS

1.01 CONVENING OF THE HOUSE. Unless otherwise ordered, the House convenes at 3:00 p.m. The Speaker must take the chair at the appointed hour and call the House to order.

The call to order is followed by a prayer by the Chaplain or time for a brief meditation, then by the pledge of allegiance to the flag of the United States of America, and then by a call of the roll of members. The names of members present and members excused must be entered in the Journal of the House.

1.02 READING OF THE JOURNAL. If a quorum is present, the Chief Clerk must read the Journal of the preceding day, unless otherwise ordered. The House may correct errors in the Journal of the preceding day.

1.03 ORDER OF BUSINESS. After the Journal is read, the order of business of the day is:

- (1) Presentation of petitions or other communications
- (2) Reports of standing committees
- (3) Second reading of House bills
- (4) Second reading of Senate bills
- (5) Reports of select committees
- (6) Introduction and first reading of House bills
- (7) Consideration of messages from the Senate
- (8) First reading of Senate bills

(9) Consent Calendar

(10) Calendar for the day

(11) Motions and resolutions

The House may advance or revert from any order of business to any other order of business, by majority vote of the whole House.

Conference committees on House bills and the Committee on Rules and Legislative Administration may report at any time.

1.04 REPORTING OF BILLS. A bill must be reported to the House on three different days before its passage, except as provided in Rule 5.02. The first report, called the first reading, occurs when it is introduced; the second report, called the second reading, occurs when it has been reported by the appropriate standing committees for consideration by the House; the third report, called the third reading, occurs when it is ready for the vote on passage.

1.10 INTRODUCTION OF BILLS AND RESOLUTIONS. A bill or resolution must be submitted to the Speaker at least 24 hours before the convening of the daily session at which it is to be introduced.

A bill or resolution must be introduced in triplicate and each copy must bear the signature of the member or the name of the committee introducing it.

In regular session, a bill prepared by a department or agency of state government must be introduced and given its first reading at least ten days before the date of the first committee deadline.

1.11 FIRST READING AND REFERENCE OF BILLS. A bill or resolution must be reported and given its first reading when it is introduced. A bill or resolution must not be objected to when it is introduced.

After its first reading, the Speaker must refer a bill or resolution to the appropriate standing committee or division, except as provided in Rule 1.15 and Rule 1.13.

Congratulatory resolutions referred to in Rule 4.02 are exempt from this Rule.

Except as otherwise provided in these Rules, after the Speaker refers a bill or resolution, a majority vote of the whole House is required for the House to re-refer the bill or resolution.

1.12 AUTHORS OF BILLS AND RESOLUTIONS. A bill, memorial, or resolution must not have more than 35 authors. After a bill or resolution is introduced and given its first reading: (a) a member may be removed as an author, by motion of the member; and (b) a member wishing to be an author may be added as an author, by motion of the author of the bill or resolution.

1.13 INTRODUCTION OF COMMITTEE BILLS. A standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview. When a committee bill is introduced and read for the first time, the Speaker may refer it to a standing committee. If the Speaker does not refer it, the bill must be laid over one day. Then it must be read for the second time and placed on the General Register or, if recommended by the Committee, on the Consent Calendar.

1.14 RECESS BILL INTRODUCTIONS. During the period between the last day of the regular session in an odd-numbered year and the first day of the regular session in the next year, a bill filed with the Speaker for introduction must be given a file number and may be unofficially referred by the Speaker to an appropriate standing committee.

1.15 DISPOSITION OF SENATE FILES. A Senate File received by the House that is accompanied by a message announcing its passage by the Senate must be referred to the appropriate standing committee under Rule 1.11. But if a Senate File is received that a member requests be compared to a House File already reported by a standing committee of the House and placed on the General Register or on the Calendar for the Day or the Consent Calendar, the Senate File must be referred to the Chief Clerk for comparison. If the Chief Clerk reports that the Senate File is identical to the House File, the Senate File may, by majority vote, be substituted for the House File and take its place. The fact that the bills are identical must be entered in the Journal and the House File is then considered withdrawn.

A Senate File that is amended on the floor of the House, except at the time of final passage, and a Senate File that has been reported to the House with amendments by a House standing committee, must be unofficially engrossed and reprinted by the Chief Clerk. An amendment may be offered to an unofficial engrossment of a Senate File.

1.20 GENERAL REGISTER. The General Register consists of all bills that have received a second reading, except those placed on the Consent Calendar under Rule 1.23. Bills must be placed on the General Register in the order that they receive their second reading. A bill must be on the General Register, be given to each member, and be available to the public before it may be considered by the House on the Calendar for the Day or the Fiscal Calendar. Each day that the House meets in session, the Chief Clerk must publish a list of the bills on the General Register.

1.21 CALENDAR FOR THE DAY. The Calendar for the Day is a list of bills that are to be considered that day by the House. The House must consider each item on the Calendar for the Day in the order determined by the presiding officer. After consideration by the House, unless otherwise disposed of, the bill must immediately be given its third reading and placed upon its passage.

A bill that has received its second reading may be placed on the Calendar for the Day by the Committee on Rules and Legislative Administration or by order of the House upon the motion of a member as provided in this Rule.

The Committee on Rules and Legislative Administration must designate the bills that are to be on the Calendar for the Day. During regular session, the Committee must designate the bills by 5:00 p.m. the day before the day that the bills are to be on the Calendar, except that the Committee may designate the bills at any time in an odd-numbered year after the first Monday following the third Saturday in April, and in an even-numbered year after a day specified by the Committee on Rules and Legislative Administration. After the Committee designates the bills, the Chief Clerk must publish the Calendar for the Day.

A bill that is on the General Register for more than ten legislative days may be placed on the Calendar for the Day by a majority vote of the whole House, acting on the motion of a member. A bill placed on the Calendar for the Day in this manner must be considered first the next time that the House reaches the order of business "Calendar for the Day." A member must give notice to the Speaker and the Chief Clerk three legislative days before making a motion to place a bill on the Calendar for the Day. The notice must specify the number and title of the bill. Only the member who gave notice to the Speaker and the Chief Clerk, or another member designated in writing by the member who gave notice, may make the motion to place the bill on the Calendar for the Day. After the third legislative day following the day of notice, the motion must be made the first time that the House reaches the order of business "Motions and Resolutions." If the motion is not made at that time, the member who gave notice forfeits the right to make that motion.

A bill may be continued on the Calendar for the Day by a majority vote of the whole House. A third motion by the author of a bill to continue it on the Calendar for the Day is not in order; upon such a motion, the bill must be stricken from the Calendar and returned to the General Register in the order of its second reading. The Calendar for the Day expires when the House adjourns for the day, unless the House, by a majority vote of the whole House, continues items remaining on the Calendar to the next day.

1.22 FISCAL CALENDAR. A finance bill that has had its second reading must be considered by the House when requested by the Chair of the Committee on Ways and Means or by a designee of the Chair. A bill relating to taxes or raising revenue that has had its second reading must be considered by the House when requested by the Chair of the Committee on Taxes or a designee of the Chair.

During regular session, a chair must announce the intention to make the request by 5:00 p.m. the legislative day before the day that the request for consideration is to be made, except in an odd-numbered year after the first Monday following the third Saturday in April, and in an even-numbered year after a day specified by the Committee on Rules and Legislative Administration. During periods when the 5:00 p.m. requirement does not apply, the chair must announce the intention at least two hours before making the request.

After consideration by the House on the Fiscal Calendar, unless otherwise disposed of, the bill must immediately be given its third reading and placed upon its passage.

1.23 CONSENT CALENDAR. If a committee determines that a bill it recommends to pass is not controversial, the committee may in its report recommend that the bill be placed on the Consent Calendar. After the report is adopted and the bill has received its second reading, the bill must be placed on the Consent Calendar and given to each member at least one day before it may be considered by the House. Bills must be placed on the Consent Calendar in the order that they receive their second reading and must be considered by the House in the order determined by the presiding officer.

After consideration by the House, a bill on the Consent Calendar must immediately be given its third reading and placed upon its passage. But if, before its third reading, ten members object to the bill as being controversial, the bill must be stricken from the Consent Calendar and be placed on the General Register in the order of second reading.

1.30 THIRD READING OF BILLS. An amendment must not be received after the third reading of a bill without unanimous consent, except to fill blanks or to amend the title.

At any time before it is passed, a bill or resolution may be referred or re-referred by a majority vote of the whole House. If the committee to which it is referred or re-referred reports an amendment to it, the bill or resolution must again be given its second reading and placed on the General Register.

1.40 PUBLICATION OF BILLS FOR THE HOUSE. After a bill receives its second reading, the bill must be prepared and published for consideration by the House. A majority of the House may order the publication of a bill at any time.

1.50 ADJOURNING OF THE HOUSE. The House may not meet during a legislative day after midnight, except that the House, by majority vote, may meet past the time of adjournment required by this Rule.

ARTICLE 2 - FLOOR PROCEEDINGS, VOTING, DECORUM

2.01 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, a member or officer of the House must not be absent from a session of the House without the prior permission of the Speaker.

2.02 CALL OF THE HOUSE. Ten members may demand a call of the House at any time until voting begins.

When a call is demanded, the doors of the chamber must be closed, the roll called, and the absent members sent for; and no member is allowed to leave the chamber until the roll call is suspended or completed. During the roll call, no motion is in order except a motion pertaining to matters incidental to the call.

Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms must not permit a member to leave the Chamber unless the member is excused by the Speaker.

A call of the House may be lifted by a majority vote of the whole House.

2.03 ROLL CALL VOTE. A roll call vote is required to pass a bill or to adopt a resolution or motion directing the payment of money. In all other cases a roll call vote may be ordered only if 15 members demand it.

2.04 EXPLAINING OR CHANGING VOTE. A member must not explain a vote or discuss the question during a roll call vote. A member must not change a vote or move for the record an intention to have voted or voted differently after the result of the roll call vote is announced from the chair by the Speaker.

2.05 EVERY UNEXCUSED MEMBER TO VOTE. A member who has an immediate interest in a question must not vote on it.

Every other member present before the result of a vote is declared by the presiding officer must vote for or against the matter before the House, unless the House excuses the member from voting. But a member is not required to vote on any matter concerning a memorial resolution.

A member who does not vote when the member's name is called must state reasons for not voting. After the vote has been taken but before the presiding officer has announced the result of the vote, the presiding officer must submit to the House the question: "Shall the member, for the reasons stated, be excused from voting?" The question must be decided without debate. After the question is decided, the presiding officer must announce the result of the vote, after which other proceedings about the nonvoting member may take place.

2.10 ELECTRONIC VOTING SYSTEM. An electronic voting system under the control of the Speaker may be used to take any vote except a vote on an election. A member must not vote on a question except at the member's own seat in the chamber.

2.15 RECORDED FLOOR PROCEEDINGS. Proceedings on the floor of the House must be recorded on an appropriate audio recording medium under the direction of the Chief Clerk. The Chief Clerk must transmit a copy of the recordings to the Director of the Legislative Reference Library. The Legislative Reference Library must keep the recordings available for public use under its rules during the legislative biennium when the recordings were created and for eight years thereafter. The Library may then preserve or dispose of the recordings as the Library sees fit.

A person may obtain a copy of a recording while it is kept in the Library by paying a fee determined by the House Controller to cover the cost of preparing the copy.

Discussion preserved under this Rule is not intended to be admissible in a court or administrative proceeding on an issue of legislative intent.

2.20 DUTIES OF MEMBERS. Members must keep their seats until the Speaker announces adjournment.

A member, before speaking, must rise and respectfully address the Speaker and must not speak further until recognized by the Speaker. If more than one member rises at the same time, the Speaker must select the member to speak first.

2.21 NOTICE OF INTENT TO DEBATE A RESOLUTION. A member may give notice of intent to debate a resolution, except a resolution introduced as a house file or a senate file under Rule 4.02 or a resolution offered by the Committee on Rules and Legislative Administration or the Committee on Ethics.

The notice may be given at any time before the vote is taken on the resolution. If the notice is given, the resolution must be laid over one day without debate or any other action.

2.30 QUESTIONS OF ORDER. If a member violates the Rules in any way, the Speaker must, or another member may, call the member to order. The member called to order must immediately sit down unless another member moves to permit the member who was called to order to explain. In either case, the House, if appealed to, must decide the question without debate. Only if the decision is in favor of the member called to order may that member proceed. The House may censure or punish a member called to order.

2.31 OFFENSIVE WORDS IN DEBATE. If a member is called to order for offensive words in debate, the member calling for order must report the words to which exception is taken and the Clerk must record them. A member must not be held to answer, or be subject to censure of the House, for language used in debate unless exception is taken before another member speaks or other business takes place.

2.32 ORDER IN DEBATE. Except for the member who offered the motion, amendment, or proposition under consideration, a member must not speak more than twice on the subject, without leave of the House, nor more than once until every other member wishing to speak on the subject has had an opportunity to do so.

2.33 ORDER DURING SESSION. A member must not walk out of or across the Chamber while the Speaker is putting the question. A member must not engage in private conversation while another member is speaking or pass between a speaking member and the Chair. A member must not disrupt order and decorum in the Chamber by possessing or using any audiovisual display, including but not limited to placards, signs, photographs, visual aids, or the use of any video images or audio, except for such items that are distributed to members at their desks for the purpose of conducting business of the day.

2.34 PERSONS BY THE CHIEF CLERK'S DESK DURING VOTE. No person may remain by the Chief Clerk's desk during a roll call vote.

2.40 ADMITTANCE TO FLOOR. No person other than a member may be admitted to the House Chamber, except: properly authorized employees; the Chief Executive and ex-governors of the State of Minnesota; members of the Senate; heads of departments of the state government; judges of the Supreme Court, Court of Appeals, and District Courts; members of Congress; and properly accredited representatives of radio and television stations, newspapers and press associations, as provided for in these Rules.

Any other person may be issued a permit by the Speaker good for the day, but that person must be seated near the Speaker's rostrum, and must not engage in conversation that disturbs the business of the House. Before issuing a permit, the Speaker must make certain that the person does not seek the floor of the House to influence decisions of the House.

The alcoves in the Chambers are for the use of members only, and the Sergeant at Arms must keep them clear of others.

From one hour before the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room is reserved for the exclusive use of the members and employees of the House. As long as the Senate prohibits entry of House members into its retiring room, no Senators may enter the House retiring room

during the time it is reserved for exclusive use of members and employees. A committee meeting must not be held there except emergency meetings authorized by the Speaker. The Sergeant at Arms must strictly enforce this provision.

Unless an extraordinary condition exists the Speaker must not entertain a request to suspend this Rule or present the request of a member for unanimous consent to suspend this Rule.

2.41 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations must be given equal press privileges by the House. A person wishing to report proceedings of the House may apply to the Chief Sergeant at Arms for a media pass and assignment to suitable available space. The Sergeant may coordinate the issuance of media passes with the appropriate senate authority.

Television stations must be permitted to televise sessions of the House. Media representatives must be allowed access to both wells in the gallery of the House chambers.

ARTICLE 3 - MOTIONS, AMENDMENTS, AND OTHER PROPOSITIONS

3.01 AMENDMENTS AND OTHER MOTIONS. An amendment or other motion must not be debated until after it is stated by the Speaker.

After an amendment or other motion is stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before it is amended or decided. Unless a motion, resolution, or amendment is withdrawn on the day it is made, it must be entered in the Journal, with the name of the member offering it.

Except as otherwise permitted by the Speaker, an amendment or other motion must be in writing, and five copies of it must be given to the Chief Clerk.

3.02 ORDER OF PUTTING QUESTION; FILLING BLANKS. Except for a privileged question, questions before the House or a committee must be put in the order they are moved. In filling a blank, a motion for the largest sum or the longest time must be put first.

3.03 DIVISION OF A QUESTION. A member may request the division of a question that contains more than one separate and distinct point. A motion to strike and insert is not divisible. The failure of a motion to strike does not preclude another motion to amend or to strike and insert.

3.10 PRECEDENCE OF MOTIONS. While a question is under consideration, only the following motions may be received:

- (1) To fix the time of adjournment
- (2) To adjourn
- (3) To lay on the table
- (4) For the previous question
- (5) To refer
- (6) To postpone to a day certain
- (7) To amend

(8) To postpone indefinitely

(9) To pass

The first four motions must be decided without debate.

The motions have precedence in the order listed, except that if the motion for the previous question has been properly made, and if necessary seconded, and the main question ordered, the motion to lay on the table is not in order.

3.11 MOTION TO ADJOURN. A motion to adjourn is always in order except during a roll call.

After a motion to adjourn is made, before putting the question, the Speaker may permit any member to state reasons why adjournment might be improper at that time. A statement is not debatable and must be limited to two minutes.

3.12 MOTION TO LAY ON THE TABLE. A motion to lay on the table is not in order on a motion to amend, except that a motion to amend the Rules may be tabled.

3.13 THE PREVIOUS QUESTION. The previous question may be moved by a member who is seconded by 15 members.

If the motion for the previous question is ordered by a majority of members present, its effect is to put an end to all debate and bring the House to direct vote upon the question.

Before the presiding officer submits a motion for the previous question to the House, a call of the House is in order. After a majority has ordered the previous question, a call of the House is not in order before the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until it is disposed of by a vote on the question, by a subsequent motion calling for the previous question under this Rule, or in some other manner.

All incidental questions of order arising after a motion is made for the previous question and before the vote on the main question must be decided without debate.

3.14 MOTION TO RECONSIDER. After a question is decided either in the affirmative or negative, a member who voted with the prevailing side may move to reconsider it. The motion must be made on the same day the vote was taken or on either of the next two days that the House meets in session and has possession of the matter. The motion may be made at any time in the Order of Business. It takes precedence over any other question except a motion to adjourn and a notice of intent to move to reconsider. The motion to reconsider, or notice of intent to make it, must not be made if the document, bill, resolution, message, report or other subject of official action on which the vote was taken has left the possession of the House.

When a member gives notice of intent to move to reconsider the final action of the House on a bill, resolution, message, report or other subject of official action, the Chief Clerk must keep it until the matter is disposed of or the time has expired for the motion. In regular session, notice of intent to move to reconsider must not be made in an odd-numbered year after the fifth Monday preceding the last Monday that the House may meet in regular session and in an even-numbered year after a date specified by the Committee on Rules and Legislative Administration.

On the last day allowed for the motion to reconsider, a member who voted on the prevailing side may make the motion, unless the matter has been already disposed of.

If a motion to reconsider fails, it must not be renewed.

3.15 MOTION TO RESCIND. A motion to rescind is not in order at any time in any proceeding in the House or in any committee of the House.

3.20 AMENDMENTS TO AMENDMENTS. An amendment may be amended, but an amendment to an amendment must not be amended.

3.21 MOTIONS AND PROPOSITIONS MUST BE GERMANE. A motion or proposition on a subject different from that under consideration must not be admitted under guise of its being an amendment. A motion, amendment, or other proposition offered to the House is out of order if it is not germane to the matter under consideration. Whether a proposition is germane to the matter under consideration is a question to be decided by the presiding officer, who may put the question to the House.

3.22 AMENDMENT TO INCREASE AN APPROPRIATION OR TAX. The concurrence of a majority of the whole House, determined by a roll call vote, is required to adopt an amendment increasing an appropriation or a tax.

3.30 EXPENDITURE OF HOUSE FUNDS. The concurrence of a majority of the whole House, determined by a roll call vote, is required for favorable action on a resolution or motion involving the expenditure of money appropriated by the Legislature to the House. The resolution or motion must be referred to the Committee on Rules and Legislative Administration before being acted on by the House.

ARTICLE 4 - BILLS AND RESOLUTIONS

4.01 BILL AND RESOLUTION FORM. A bill or resolution must not be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with these Rules and the Joint Rules of the House and Senate. The Revisor's approval must be endorsed on the bill or resolution.

A bill that is divided into articles may include or be accompanied by a table of contents.

4.02 RESOLUTIONS. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and must be introduced in the same form and take the same course as a bill. A joint resolution and any resolution requiring the signature of the governor must be introduced in the same form and take the same course as a bill.

A resolution must not authorize expenditure from any source other than the money appropriated by the Legislature to the House.

Congratulatory resolutions do not require consideration or adoption by the House.

A resolution must not be changed to a bill, and a bill must not be changed to a resolution.

4.03 WAYS AND MEANS COMMITTEE; BUDGET RESOLUTION; EFFECT ON EXPENDITURE AND REVENUE BILLS. (a) The Committee on Ways and Means must hold hearings as necessary to determine state expenditures and revenues for the fiscal biennium.

(b) Within 20 days after the last state general fund revenue and expenditure forecast for the next fiscal biennium becomes available during the regular session in the odd-numbered year, the Committee on Ways and Means must adopt and report a budget resolution, in the form of a House resolution. The budget resolution must set: (a) the maximum limit on net expenditures for the next fiscal biennium for the general fund, excluding any increased

expenditures for tax reduction and relief; and (b) an amount or amounts to be set aside as a budget reserve and a cash flow account. The House budget resolution must not specify, limit, or prescribe revenues or expenditures by any category other than those specified in clauses (a) and (b). After the House adopts the budget resolution, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless the resolution is amended according to the process specified in paragraph (f).

(c) During the regular session in the even-numbered year, before the Committee on Ways and Means reports a bill containing net increases or decreases in expenditures as compared to general fund expenditures in the current fiscal biennium estimated by the most recent state budget forecast, the Committee must adopt a budget resolution that accounts for the net changes in expenditures. Adoption of the resolution by the Committee must be reported to the House according to paragraph (g). After the Committee adopts the budget resolution, and after the process in paragraph (g) is completed, it is effective during the regular session that year, unless a different or amended resolution is adopted according to the process specified in paragraph (f).

(d) In the odd-numbered year, within 14 days after the House adopts a budget resolution, the Committee must adopt and report a resolution setting limits for each budget category represented by the major finance and revenue bills identified in paragraph (i). The Committee may also, in a resolution, set limits for funds other than the general fund. After the House adopts the resolution, the limits in the resolution are the maximums effective during the regular session in the year in which the resolution is adopted, unless the Committee or the House subsequently adopts different or amended limits for the same fiscal biennium according to the process specified in paragraph (f).

(e) In the even-numbered year, after the budget resolution is adopted by the Committee, the Committee must adopt a resolution setting limits for each budget category represented by the major finance and revenue bills identified in paragraph (i). The Committee may also, in a resolution, set limits for funds other than the general fund and the Committee may set a limit for total bonding authorized in a bill. Adoption of the resolution must be reported to the House according to paragraph (g). After the Committee adopts the resolution, and after the process in paragraph (g) is completed, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless different or amended limits are adopted according to the process specified in paragraph (f).

(f) After the House adopts a budget resolution or a resolution setting limits, the Committee on Ways and Means may amend the resolution. If the Committee amends a resolution, that amendment must be reported to the House by the Chair of the Committee and printed in the House Journal. On the next day the House is in session, under the order of Motions and Resolutions, a member may make a motion to reject the amendment to a resolution made by the Ways and Means Committee. If that motion prevails, the amendment made by the Ways and Means Committee is rejected. If no motion is made or a motion is made and does not prevail, the amendment made by the Ways and Means Committee is adopted. The House may not amend a report of the Committee on Ways and Means under this paragraph. It is not in order to give notice of intent to reconsider at a later time or move to reconsider on a later day the motion to reject the amendment of the Committee on Ways and Means under this paragraph. After the Chair of the Committee on Ways and Means reports an amendment to limits under this paragraph, the Committee may not report a bill affected by the proposed amendment to the limits until the time has passed for the House to act under this paragraph. The limits for a bill that has already been given its second reading are not subject to amendment unless that bill is re-referred to a committee.

(g) After the Committee adopts a budget resolution or a resolution setting limits in the even-numbered year, the Committee action must be reported to the House by the Chair of the Committee and printed in the House Journal. On the next day the House is in session, under the order of Motions and Resolutions, a member may make a motion to reject a resolution adopted by the Ways and Means Committee. If that motion prevails, the resolution adopted by the Ways and Means Committee is rejected. If no motion is made or a motion is made and does not prevail, the resolution adopted by the Ways and Means Committee is adopted. The House may not amend a report of the

Committee on Ways and Means under this paragraph. It is not in order to give notice of intent to reconsider at a later time or move to reconsider on a later day the motion to reject the report of the Committee on Ways and Means under this paragraph.

(h) The major finance or revenue bills may not be combined.

(i) Major finance and revenue bills are:

the higher education finance bill;

the education finance bill;

the agriculture and rural development finance bill;

the environment and natural resources finance bill;

the health finance bill;

the state government finance bill;

the jobs and economic opportunity finance bill;

the transportation finance bill;

the public safety finance bill;

the omnibus capital investment bill; and

the omnibus tax bill.

(j) After the adoption of a resolution by the House or by the Committee on Ways and Means, each finance committee, the Committee on Capital Investment, and the Committee on Taxes must reconcile each finance and revenue bill described in Rule 4.10 and Rule 4.11 with the resolution or resolutions. When reporting a bill, the committee must provide to the Committee on Ways and Means a fiscal statement on the bill.

(k) After the adoption of a resolution by the House or the Committee on Ways and Means, the Committee on Ways and Means must reconcile finance and revenue bills with the resolution or resolutions. When reporting a bill, the chair of the Committee must certify to the House that the Committee has reconciled the bill with the resolution or resolutions.

(l) After the adoption of a resolution by the House or the Committee on Ways and Means, an amendment to a bill is out of order if it would cause any of the limits specified in the resolution or resolutions to be exceeded. Whether an amendment is out of order under this Rule is a question to be decided on the Floor by the Speaker or other presiding officer and in committee by the person chairing the committee meeting. In making the determination, the Speaker or other presiding officer or the committee chair may consider: (1) the limits in a resolution; (2) the effect of existing laws on revenues and expenditures; (3) the effect of amendments previously adopted to the bill under consideration; (4) the effect of bills previously recommended by a committee or bills previously passed in the legislative session by the House or by the legislature; (5) whether expenditure increases or revenue decreases that would result from the amendment are offset by decreases in other expenditures or increases in other revenue specified by the amendment; and (6) other information reasonably related to expenditure and revenue amounts.

(m) After a resolution is adopted by the House or the Committee on Ways and Means, the Committee must make available a summary of the estimated fiscal effect on the general fund of each bill that has been referred to the Committee on Ways and Means by a finance committee, the Capital Investment Committee, or the Committee on Taxes and of each bill that has been reported by the Committee on Ways and Means.

4.10 FINANCE BILLS. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects any present or future financial obligation on the part of the State must be referred to the appropriate finance committee before the bill receives its second reading.

A finance bill reported by a finance committee must be referred to the Committee on Ways and Means.

Referral is not required by this Rule if the bill has a negligible fiscal effect, as determined by the chair of the finance committee with the concurrence of the chair of the Committee on Ways and Means.

4.11 BILLS AFFECTING TAXES. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects state tax revenues or substantially affects state tax policy or the administration of state tax policy must be referred to the Committee on Taxes before it receives its second reading.

A bill with a fiscal effect reported by the Committee on Taxes must be referred to the Committee on Ways and Means.

Referral is not required by this Rule if the bill has a negligible tax or fiscal effect, as determined by the chair of the Committee on Taxes with the concurrence of the chair of the Committee on Ways and Means.

4.12 BILLS AFFECTING DEBT AND CAPITAL PROJECTS. The Committee on Capital Investment has jurisdiction over legislation affecting debt obligations issued by the state and capital projects of the state, including the planning, acquiring and bettering of public lands and buildings and other state projects of a capital nature. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects debt obligations or capital projects of the state must be referred to the Committee on Capital Investment before the bill receives its second reading.

Referral is not required by this Rule if the bill deals primarily with the financing of state capital facilities using trunk highway funds, with transportation projects financed without debt obligations of the state, or with the local financing of capital facilities of local governments. Referral is not required by this Rule if the bill has a negligible effect on debt obligations and capital projects of the state as determined by the chair of the Committee on Capital Investment with the concurrence of the chair of the Committee on Ways and Means. Referral is not required by this Rule if the bill is a major finance or revenue bill identified in Rule 4.03, unless the bill directly and specifically affects debt obligations of the state, but if a major finance or revenue bill contains a provision that directly and specifically affects capital projects of the state, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Capital Investment of the provision before the bill is considered by the House.

The Speaker, by announcement, must assign to each finance committee the appropriate jurisdiction for recommendations on debt obligations and capital projects of the state. The finance committee must submit recommendations within its jurisdiction to the committee on Capital Investment for further disposition. The Committee on Capital Investment must enter in the committee record the recommendations of each finance committee that submits recommendations. If a recommendation of the finance committee with jurisdiction expressly disapproves appropriations or the issuance of debt obligations for a specific capital project, the Capital Investment Committee may not report a bill authorizing appropriations or the issuance of debt for that project.

A bill with a fiscal effect reported by the Committee on Capital Investment must be accompanied by a statement of its fiscal effect, is exempt from the referral required by Rule 4.10, and must be referred to the Committee on Ways and Means. This referral is not required if the bill has a negligible fiscal effect, as determined by the chair of the Committee on Capital Investment with the concurrence of the chair of the Committee on Ways and Means.

4.13 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. The Committee on Governmental Operations and Veterans Affairs has jurisdiction over a House or Senate bill that:

(a) establishes or reestablishes a department, agency, commission, board, task force, advisory committee or council, or bureau, or other like entity;

(b) delegates rulemaking authority to, or exempts from rulemaking, a department or agency of state government; or

(c) substantially changes the organization of a department or agency of state government or substantially changes, vests or divests the official rights, powers, or duties of an official, department or agency of state government or an institution under its control.

Except as otherwise provided in this Rule and Rule 1.15, a bill that is within the jurisdiction of the Committee on Governmental Operations and Veterans Affairs must be referred to that Committee before it receives its second reading. A committee (other than the Committee on Governmental Operations and Veterans Affairs) reporting such a bill must recommend its re-referral to the Committee on Governmental Operations and Veterans Affairs if reporting before the deadline for action on the bill by that Committee; if reporting after the deadline, the committee must recommend re-referral to the Committee on Rules and Legislative Administration.

The re-referral requirements of this Rule do not apply to the major finance and revenue bills identified in Rule 4.03. If a major finance or revenue bill contains a provision specified in clauses (a) or (b) of the definition in this Rule, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Rules and Legislative Administration before the bill is considered by the House.

The re-referral requirements of this Rule do not apply to other bills reported by a finance committee or the tax committee, except bills that contain a provision specified in clauses (a) and (b) of the definition in this Rule.

4.14 BILLS PROPOSING MEMORIALS. A bill or amendment that proposes to have a memorial placed in the Capitol area must be referred to the Committee on Rules and Legislative Administration.

4.15 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS. A House or Senate bill that proposes a constitutional amendment must be referred to the Committee on Rules and Legislative Administration before it receives its second reading. When reporting such a bill, a committee, other than the Committee on Rules and Legislative Administration, must recommend re-referral to the Committee on Rules and Legislative Administration.

4.20 DISPOSITION OF BILLS DURING INTERIM. Adjournment of the regular session in an odd-numbered year to a day certain in the next year is the same as daily adjournment except that a bill on the Consent Calendar, Calendar for the Day, Fiscal Calendar, or General Register must be returned to the standing committee that last acted on the bill.

4.30 RECALLING BILL FROM COMMITTEE OR DIVISION. A bill or resolution may be recalled from a committee or division at any time by majority vote of the whole House, be given a second reading and be placed on the General Register. A motion to recall a bill or resolution is in order only under the order of business "Motions and Resolutions." This Rule does not apply in a special session or after the deadline for committee reports on House files.

4.31 TIME LIMIT TO CONSIDER BILLS. If 20 legislative days after a bill has been referred to a committee or division (other than the Committee on Ways and Means, the Committee on Taxes, a finance committee, or a division of one of those committees) a report has not been made on it by the committee or division, its chief author may request that it be returned to the House. The request must be entered in the Journal.

The committee or division must vote on the bill requested within ten calendar days after the day of the request.

If the committee or division fails to vote on it within ten days, the chief author may present a written demand to the Speaker for its immediate return to the House. The demand must be presented within five calendar days after the day that the committee or division is required to vote. If the demand is presented in the time allowed, it must be entered in the Journal and is the demand of the House. The bill is then considered to be in the possession of the House and must be given its second reading and placed on the General Register.

The bill may be re-referred by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or on the next House legislative day, the motion takes precedence over all other motions except privileged motions and is in order at any time.

ARTICLE 5 - PARLIAMENTARY PRACTICE

5.01 SUSPENSION OR AMENDMENT OF THE RULES. The concurrence of two-thirds of the whole House is required to suspend or amend a Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 5.02, a motion to suspend or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at another time, unanimous consent is required before the Speaker may entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion under Rule 3.13.

5.02 SUSPENSION OF RULES TO ADVANCE A BILL. A bill must be reported on three different days as provided in Rule 1.04, except that in case of urgency, a two-thirds majority of the whole House may suspend this requirement. A motion to suspend the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must describe the status of the bill.

5.03 DEFINITIONS. In these Rules the terms "majority vote" and "vote of the House" mean a majority of members present for the vote. The term "vote of the whole House" means a majority of all the members elected to the House.

Singular words used in these Rules include the plural, unless the context indicates a contrary intention.

5.04 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. "Mason's Manual of Legislative Procedure" governs the House in all applicable cases if it is not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

5.05 CONFLICT OF RULES. When there is a conflict between a single House Rule and a single Joint Rule, the one last adopted governs.

ARTICLE 6 - COMMITTEES AND REPORTS

6.01 COMMITTEES. Standing committees of the House must be appointed by the Speaker as follows:

Agriculture and Rural Development

Capital Investment

Civil Law and Elections

Commerce and Financial Institutions

Technology, Bio-Sciences and Medical Products Division

Tourism Division

Education Policy and Reform

Environment and Natural Resources

Ethics

Governmental Operations and Veterans Affairs

Local Government

Regulated Industries

Gaming Division

Rules and Legislative Administration

Taxes

Property and Local Tax Division

Transportation

Ways and Means

Agriculture, Environment and Natural Resources Finance

Education Finance

Health Policy and Finance

Health Care Cost Containment Division

Higher Education Finance

Jobs and Economic Opportunity Policy and Finance

Public Safety Policy and Finance

State Government Finance

Transportation Finance

The Committee shall make its report and the House shall adopt permanent rules by February 15, 2005.

6.02 COMMITTEE MEMBERSHIP. At least 30 days before the start of a regular session of the Legislature, the Speaker-designate must provide the minority political party caucuses with a list of the standing committees proposed for the session. The Speaker-designate must prescribe the number of minority caucus members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days before the start of the session, a list of proposed committee assignments for the minority caucus that complies with the numbers and guidelines provided, the Speaker must make the proposed assignments with the purpose of attaining proportionate representation on the committees for the minority caucus.

A committee of the House must not have exclusive membership from one profession, occupation or vocation.

A member must not serve as the chair of the same standing committee, or a standing committee with substantially the same jurisdiction, during more than three consecutive regular biennial sessions that the member's caucus is in the majority, even if the sessions are not otherwise consecutive. This Rule does not apply to service as chair of the Committee on Rules and Legislative Administration.

6.03 APPOINTMENTS TO BOARDS AND COMMISSIONS. Upon the convening of the biennial session, the Speaker must notify the members of the House of each board or commission to which a member of the House may be appointed by the Speaker. The Speaker must request advice from the minority leader on these appointments.

6.04 SUBCOMMITTEES. The chair of a committee must appoint the chair and members of each subcommittee with the advice and consent of the Speaker. The chair or the committee may refer bills to a subcommittee. A subcommittee may exercise the authority delegated to it by the chair or by the committee.

6.10 THE COMMITTEE ON ETHICS. The Speaker must appoint a Committee on Ethics consisting of four members: two members from the majority political party caucus, and two from the minority caucus. One alternate from each caucus must also be appointed. The committee must adopt written procedures, which must include due process requirements, for handling complaints and issuing guidelines.

A complaint may be brought about conduct by a member that violates a rule or administrative policy of the House, that violates accepted norms of House behavior, that betrays the public trust, or that tends to bring the House into dishonor or disrepute.

A complaint about a member's conduct must present with specificity the factual evidence supporting the complaint. A complaint must be in writing, under oath and signed by two or more members of the House, and submitted to the Speaker. Before submitting the complaint to the Speaker, the complainants must cause a copy of it and any supporting materials to be delivered to any member named in the complaint. Within seven days after receiving a complaint, the Speaker must refer the complaint to the Ethics Committee for processing by the committee according to its rules of procedure.

The existence and substance of a complaint, including any supporting materials, and all proceedings, meetings, hearings, and records of the Ethics Committee are public; except that the committee, upon a majority vote of the whole committee, may meet in executive session to consider or determine the question of probable cause, to consider a member's medical or other health records, or to protect the privacy of a victim or a third party.

A complaint of a breach of confidentiality by a member or employee of the House must be immediately referred by the Speaker to the Ethics Committee for disciplinary action.

The committee must act in an investigatory capacity and may make recommendations regarding complaints submitted to the Speaker before adjournment sine die. With the approval of the Speaker, the committee may retain a retired judge or other nonpartisan legal advisor to advise and assist the committee, as the committee considers appropriate and necessary in the circumstances of the case, in conducting the proceedings and obtaining a complete and accurate understanding of the information relevant to the conduct in question.

Ethics Committee recommendations for disciplinary action must be supported by clear and convincing evidence and must be reported to the House for final disposition.

6.20 COMMITTEE MEETING SCHEDULE; DEADLINES. The Speaker must prepare and publish a schedule of committee meetings, fixing as far as practicable the regular meeting day and time of each committee.

The chair of a committee must give written notice of a special meeting or a change in the regular schedule of meetings. The notice may be announced from the desk and must be posted in public notice locations maintained by the House. The notice must be posted at least one day in advance of the change.

As far as practicable, the chair of a committee must give three days notice of the date, time, place and agenda for each meeting.

Meeting notices must indicate when interactive television will be used to conduct the meeting.

During the first ten weeks of the session in the odd-numbered year and the first five weeks of the session in the even-numbered year, a standing committee must not have a regularly scheduled meeting after noon on Friday, but the Speaker may approve a special meeting of a committee during this time.

A committee must not meet between 12:00 midnight and 7:00 a.m.

Only the Committee on Rules and Legislative Administration may meet during a daily session of the House without leave.

The House shall establish deadlines for each regular session by resolution.

6.21 COMMITTEE PROCEDURES. Meetings of House committees must be open to the public except for executive sessions that the committee on ethics considers necessary under Rule 6.10. For purposes of this requirement, a meeting occurs when a quorum is present and action is taken regarding a matter within the jurisdiction of the committee. This requirement does not apply to a meeting of members of a committee from the same political party caucus.

A majority of members of a committee is a quorum.

The Rules of the House must be observed in committee if they are applicable.

An amendment offered in committee must be on a subject that is within the jurisdiction of the committee. Whether an amendment is on a subject that is within the jurisdiction of the committee is a question to be decided by the person chairing the meeting, who may put the question to the committee.

A member of a committee may demand a roll call vote on any bill, resolution, report, motion or amendment before the committee. If a demand is made, the roll must be called. The name of the member demanding the roll call and the vote of each member must be recorded in the committee minutes.

A committee may reconsider an action while the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side to move to reconsider the action.

The chair of a committee, after consultation with the Speaker, may establish written procedures for the submission of amendments to the committee, the setting of committee agendas, and other matters pertaining to the conduct of the committee's business. Before implementing the written procedures, the chair must provide a copy of them to the Speaker and to each member of the House and must make copies available to others upon request.

6.22 PUBLIC TESTIMONY. Public testimony from proponents and opponents must be allowed on every bill or resolution before a standing committee, division or subcommittee of the House.

6.23 OPEN MEETING ENFORCEMENT. A person may submit to the Speaker a complaint alleging a violation of the open meeting requirements of Rule 6.21. The complaint must be in writing. On receiving a complaint, the Speaker, or a person designated by the Speaker, must investigate the complaint promptly. If the Speaker concludes, following investigation, that a violation of the open meeting Rule may have occurred, the Speaker must refer the complaint to the Committee on Ethics for further proceedings.

6.24 COMMITTEE RECORDS. The chair of a standing committee must cause a committee record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration. The record must include the record of committee proceedings on each bill referred to the committee and the minutes of the committee and any subcommittees.

The committee and subcommittee minutes must include:

- a. the time and place of each hearing or meeting;
- b. the names of committee or subcommittee members who are present;
- c. the name and address, at the Chair's discretion, of each person appearing before the committee or subcommittee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;
- d. the language of each motion, the name of the member making the motion, the result of a vote on the motion, and, on a roll call vote, the names of those in favor and those opposed;
- e. the date on which a subcommittee is established, the names of its members and the file number of bills referred to it and reported by it;
- f. other important matters related to the work of the committee or subcommittee.

The minutes must be approved at the next regular meeting of the committee or subcommittee.

At the end of two business days after approval by the committee or subcommittee, copies of the minutes must be filed with the Chief Clerk and be open to public inspection in the Chief Clerk's office and on the House Web site.

At the end of the legislative biennium minutes and other records must be delivered to the Director of the Legislative Reference Library.

Audio recordings of Committee and Subcommittee meetings must be made available for public use by the end of the business day following each meeting. The chair of a committee who elects not to release the recording of a committee meeting until the minutes of the meeting are approved by the committee must make a copy of the

recording available by the end of the next business day after a written request for it is made to the committee. The House must keep the recordings of committee meetings available for public use during the legislative biennium in which they were created and, at the end of the legislative biennium, must transmit a copy of the recordings to the Director of the Legislative Reference Library.

The Legislative Reference Library must keep committee records and recordings available for public use under its rules for eight years after the end of the legislative biennium during which the materials were created and then may preserve or dispose of the recordings as the Library sees fit.

A person may obtain a copy of a recording during the legislative biennium in which it is created by paying a fee determined by the House Controller to cover the cost of preparing the copy. A person may obtain a copy of a recording while it is kept in the Library by paying a fee determined by the House Controller to cover the cost of preparing the copy. A person may obtain a copy of a page of committee minutes or other records for a fee determined by the House Controller to cover the cost of preparing the copy. A copy of a recording must be provided free to a member or staff of the House upon request for use in legislative business.

Testimony and discussion preserved under this Rule are not intended to be admissible in a court or administrative proceeding on an issue of legislative intent.

6.30 COMMITTEE REPORTS. The House must adopt or reject a committee report on a bill or resolution without amendment.

The chair of a standing committee reporting to the House on a bill or resolution must use the form provided for committee reports. Each bill or resolution must be reported separately. The report must state the action taken by the committee and the date of the action. The report must be authenticated by the signature of the chair.

Before a committee reports favorably on a bill or resolution, the chair must see that the form of the bill or resolution conforms to these Rules and the Joint Rules of the House and Senate.

Except during the last seven legislative days in a year, the committee report and any minority report must be submitted to the Chief Clerk at least four hours before the convening of the daily session. But the Committee on Rules and Legislative Administration may report at any time.

6.31 SUBSTITUTION OF BILLS. A standing or special committee or its members must not report a substitute for a bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or requires a title essentially different from that of the bill referred. If the House is advised that a substitute bill reported to the House violates this Rule, the report must not be adopted.

6.32 MINORITY REPORTS. A minority report must be made separately from the majority report and must be considered before the majority report. If the minority report is adopted the majority report must not be considered. If the minority report is not adopted the majority report must then be considered.

6.40 REPORTS OF CONFERENCE COMMITTEES. A conference committee may report at any time and may meet during a daily session of the House without leave.

A conference committee report must include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate. The member presenting the conference committee report to the House must disclose all substantive changes from the House version of the bill.

6.50 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

ARTICLE 7 - OFFICERS OF THE HOUSE

7.01 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker must preside over the House and has all the powers and duties of the presiding officer.

The Speaker must preserve order and decorum. The Speaker may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as otherwise provided by rule or law, the Speaker has general control of the Chamber of the House and of the corridors, passages and rooms in the Capitol and State Office Building under the jurisdiction of the House.

The Speaker must sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. The Speaker must sign all abstracts for the payment of money from funds appropriated by the Legislature to the House; but money must not be paid unless the abstract is also signed by the Controller of the House. Abstracts for compensation of members must be signed by the Chief Clerk pursuant to law.

The Speaker must appoint the Chief Sergeant at Arms or must designate that officer from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

When an elected office of the House becomes vacant, the Speaker must designate a person to exercise the powers and discharge the duties of the office as necessary until a successor is elected by the House.

7.02 SUCCESSOR IN OFFICE OF SPEAKER. When the office of Speaker becomes vacant, the Chair of the Committee on Rules and Legislative Administration has the powers and must discharge the duties of the office as necessary, until a Speaker is elected by the House or until a speaker-designate is selected as provided in this Rule. The House must elect a Speaker when the House is next called to order. If the Legislature is not in session, within 30 days after the office of Speaker becomes vacant the Committee on Rules and Legislative Administration must meet and select a speaker-designate to exercise the powers and discharge the duties of the office as necessary until a Speaker is elected by the House.

7.05 SPEAKER PRO TEMPORE. The Speaker must appoint one or more members as Speaker pro tempore. A Speaker pro tempore must preside in the Speaker's absence. In the absence of the Speaker and a Speaker pro tempore, a member selected by the Speaker must preside until the Speaker or Speaker pro tempore returns.

7.10 DUTIES OF CHIEF CLERK. The Chief Clerk has general supervision of all clerical duties pertaining to the business of the House. The Chief Clerk must perform, under the direction of the Speaker, all the duties of the office of Chief Clerk. The Chief Clerk must keep records showing the status and progress of all bills, memorials and resolutions.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk has all the usual responsibilities of the Chief Clerk and may sign the daily journal, enrollments, abstracts and other legislative documents.

The Chief Clerk must supervise the engrossment and enrollment of bills. The Chief Clerk must see that a record is kept, by file number, of the bills introduced in the House that passed both houses and are enrolled.

The Chief Clerk must ensure that locations accessible to the public are available to post a list of committee and subcommittee meetings and any other announcements or notices the House may require.

The Index Clerk, supervised by the Chief Clerk, must prepare an index in which bills may be indexed by topic, number, author, subject, section of the statutes amended, committees, and any other method that will make it a complete and comprehensive index.

The index must be open for public inspection during the legislative session and must be printed in the permanent Journal.

7.20 DUTIES OF THE SERGEANT AT ARMS. The Sergeant at Arms must carry out all orders of the House or the Speaker and perform all other services pertaining to the office of Sergeant at Arms, including: maintaining order in the Chamber and other areas used for the business of the House and its committees and members; supervising the entering and exiting from the Chamber and the other areas; and promptly delivering messages.

ARTICLE 8 - ADMINISTRATION OF THE HOUSE

8.01 BUDGET AND FINANCIAL AFFAIRS. The House Controller must prepare a biennial budget for the House. The budget must be approved by the Committee on Rules and Legislative Administration before it is submitted to the State Government Finance Committee. By the 15th day of April, July, October, and January of each year, the Controller must submit a detailed report of House expenditures during the previous quarter to the Speaker and the Committee on Rules and Legislative Administration.

The House Controller must arrange for the purchase of goods and services for the House. The Controller must seek the lowest possible prices consistent with satisfactory quality and dependability. A contract of the House, or an amendment to a contract, authorizing an expenditure of more than \$500 must be signed by the Speaker or the Controller. A contract, or an amendment to a contract, authorizing an expenditure of up to \$500 may be executed by an employee authorized and directed in writing by the Controller to act for the Controller on the contract or contracts of its type. A contract or amendment to a contract entered into in violation of this Rule is not binding on the House.

Employees of the House must be reimbursed for actual expenses in the same manner as state employees.

During session, for travel away from the Capitol, members must be reimbursed for actual expenses, in addition to per diem expense allowances, in the manner and amount prescribed by the Committee on Rules and Legislative Administration.

8.10 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration must establish a budget for each standing committee of the House for expenses incurred by the committee, its members, and its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker or the Committee on Rules and Legislative Administration must not be charged against the budget. A committee must not incur expenses in excess of its authorized budget.

All charges against the committee budget must be approved by the chair before payment is made.

8.20 APPOINTMENT OF EMPLOYEES. The Committee on Rules and Legislative Administration must designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of the appointments, including positions and compensation, must be kept in the office of the House Controller and must be available for inspection by the public.

The Committee on Rules and Legislative Administration must establish the procedure for filling employment vacancies when the Legislature is not in session.

An employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

ARTICLE 9 - CONDUCT

9.01 CODE OF CONDUCT. The Committee on Rules and Legislative Administration, after receiving the recommendation of the Committee on Ethics, must establish and maintain a code of conduct for members, officers and employees of the House.

9.05 CAMPAIGN ACTIVITIES. An employee of the House must not participate in campaign activity during working hours. An employee must not be obliged to participate in campaign activities as a condition of employment. A member is not an employee of the House for purposes of this Rule. House equipment must not be used for campaign activities. The Committee on Rules and Legislative Administration must define the terms of and implement this Rule.

9.10 SOLICITATIONS DURING LEGISLATIVE SESSION. During regular session, a member of the House, the member's principal campaign committee, a political committee with the member's name or title, or a committee authorized by the member that benefits the member, must not solicit or accept a contribution from a registered lobbyist, political committee, or political fund.

A member must not accept compensation for lobbying.

9.20 ACCEPTANCE OF AN HONORARIUM BY A MEMBER. A member must not accept an honorarium for a service performed for an individual or organization that has a direct interest in the business of the House, including, but not limited to, a registered lobbyist or an organization a lobbyist represents. The term "honorarium" does not include reimbursement for expenses incurred and actually paid by a member in performing a service.

Alleged violations of this Rule must be referred to the Committee on Ethics under Rule 6.10. If the Committee on Ethics finds that an honorarium was accepted in violation of this Rule, the Committee must direct its return. If it is not returned, the committee may recommend disciplinary action under Rule 6.10.

9.21 ACCEPTANCE OF TRAVEL AND LODGING BY A MEMBER OR EMPLOYEE. A member or employee of the House must not accept travel or lodging from any foreign government, private for-profit business, labor union, registered lobbyist, or an association thereof, except payment permitted by law of expenses that relate to the member's or employee's participation as a legislator or legislative employee in a meeting or conference. This Rule does not apply to travel or lodging provided to a member in the regular course of the member's employment or business.

9.30 DENIAL OF COMPENSATION WHILE DETAINED. A member must not receive compensation, mileage, or living expenses while the member is incarcerated or on home detention due to a criminal conviction.

9.40 NO SMOKING IN HOUSE AREAS. Smoking is prohibited in the areas of the Capitol and State Office Building under the jurisdiction of the House, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, private offices, and lounges.

MOTIONS AND RESOLUTIONS

Dorman moved that the names of Slawik and Lillie be added as authors on H. F. No. 3. The motion prevailed.

Hamilton moved that the names of Slawik and Lillie be added as authors on H. F. No. 5. The motion prevailed.

Severson moved that the name of Finstad be added as an author on H. F. No. 11. The motion prevailed.

Erickson moved that the name of Soderstrom be added as an author on H. F. No. 27. The motion prevailed.

Abrams moved that the name of Davids be added as an author on H. F. No. 44. The motion prevailed.

Samuelson moved that the names of Slawik and Bernardy be added as authors on H. F. No. 58. The motion prevailed.

Urdahl moved that the name of Bradley be added as an author on H. F. No. 68. The motion prevailed.

Penas moved that the name of Charron be added as an author on H. F. No. 199. The motion prevailed.

Poppe moved that the name of Charron be added as an author on H. F. No. 206. The motion prevailed.

Ruth moved that the name of Dempsey be added as an author on H. F. No. 357. The motion prevailed.

Ruth moved that the name of Dempsey be added as an author on H. F. No. 358. The motion prevailed.

Nornes moved that the name of Eastlund be added as an author on H. F. No. 374. The motion prevailed.

Gunther moved that the name of Eastlund be added as an author on H. F. No. 406. The motion prevailed.

Klinzing moved that the name of Hansen be added as an author on H. F. No. 410. The motion prevailed.

Peterson, A., moved that his name be stricken as an author on H. F. No. 474. The motion prevailed.

Knoblach moved that the name of Eastlund be added as an author on H. F. No. 483. The motion prevailed.

Opatz moved that the name of Loeffler be added as an author on H. F. No. 487. The motion prevailed.

Wardlow moved that the name of Peterson, A., be added as an author on H. F. No. 530. The motion prevailed.

Demmer moved that the names of Magnus, Ruth and Charron be added as authors on H. F. No. 550. The motion prevailed.

Cox moved that the name of Eastlund be added as an author on H. F. No. 566. The motion prevailed.

Cybart moved that his name be stricken as an author on H. F. No. 566. The motion prevailed.

Johnson, J., moved that the name of Tingelstad be added as an author on H. F. No. 572. The motion prevailed.

Johnson, J., moved that the name of Eastlund be added as an author on H. F. No. 573. The motion prevailed.

Soderstrom moved that the name of Eastlund be added as an author on H. F. No. 574. The motion prevailed.

Dittrich moved that the name of Tingelstad be added as an author on H. F. No. 580. The motion prevailed.

Nelson, P., moved that the name of Eastlund be added as an author on H. F. No. 581. The motion prevailed.

Abeler moved that the name of Tingelstad be added as an author on H. F. No. 586. The motion prevailed.

Wilkin moved that the name of Eastlund be added as an author on H. F. No. 588. The motion prevailed.

Samuelson moved that the name of Ruud be added as an author on H. F. No. 590. The motion prevailed.

Samuelson moved that the name of Eastlund be added as an author on H. F. No. 592. The motion prevailed.

Bernardy moved that the name of Latz be added as an author on H. F. No. 594. The motion prevailed.

Bernardy moved that the name of Latz be added as an author on H. F. No. 623. The motion prevailed.

Hortman moved that the name of Latz be added as an author on H. F. No. 638. The motion prevailed.

Hortman moved that the name of Latz be added as an author on H. F. No. 642. The motion prevailed.

Johnson, S., moved that the name of Latz be added as an author on H. F. No. 644. The motion prevailed.

Powell moved that the name of Eastlund be added as an author on H. F. No. 651. The motion prevailed.

Clark moved that the name of Olson be added as an author on H. F. No. 655. The motion prevailed.

Meslow moved that the name of Latz be added as an author on H. F. No. 665. The motion prevailed.

Abeler moved that the name of Latz be added as an author on H. F. No. 670. The motion prevailed.

Severson moved that the names of Abeler, Charron and Cybart be added as authors on H. F. No. 682. The motion prevailed.

Severson moved that the name of Charron be added as an author on H. F. No. 686. The motion prevailed.

Gunther moved that the name of Liebling be added as an author on H. F. No. 689. The motion prevailed.

Seifert moved that the name of Abeler be added as an author on H. F. No. 698. The motion prevailed.

Sykora moved that the names of Latz and Abeler be added as authors on H. F. No. 710. The motion prevailed.

Abrams moved that the name of Abeler be added as an author on H. F. No. 711. The motion prevailed.

Olson moved that the name of Abeler be added as an author on H. F. No. 720. The motion prevailed.

Meslow moved that the names of Abeler, Cox and Slawik be added as authors on H. F. No. 721. The motion prevailed.

Vandever moved that the name of Charron be added as an author on H. F. No. 728. The motion prevailed.

Meslow moved that the name of Latz be added as an author on H. F. No. 734. The motion prevailed.

Sailer moved that the names of Charron and Hansen be added as authors on H. F. No. 748. The motion prevailed.

Abrams moved that the name of Knoblach be added as an author on H. F. No. 760. The motion prevailed.

Ruud moved that the name of Latz be added as an author on H. F. No. 780. The motion prevailed.

McNamara moved that the names of Hansen and Wagenius be added as authors on H. F. No. 786. The motion prevailed.

Wardlow moved that the name of Penas be added as an author on H. F. No. 790. The motion prevailed.

Dempsey moved that the names of Johnson, J.; Heidgerken; Urdahl; Charron and Dittrich be added as authors on H. F. No. 801. The motion prevailed.

Davnie moved that the name of Wardlow be added as an author on H. F. No. 802. The motion prevailed.

Cornish moved that the name of Westerberg be added as an author on H. F. No. 806. The motion prevailed.

Kahn moved that the name of Goodwin be added as an author on H. F. No. 816. The motion prevailed.

Thissen moved that the names of Dittrich and Goodwin be added as authors on H. F. No. 819. The motion prevailed.

Paulsen moved that the names of Brod, Thissen and Eastlund be added as authors on H. F. No. 820. The motion prevailed.

Ozment moved that the names of Paymar and Hackbarth be added as authors on H. F. No. 826. The motion prevailed.

Greiling moved that the name of Goodwin be added as an author on H. F. No. 828. The motion prevailed.

Peppin moved that the name of Charron be added as an author on H. F. No. 829. The motion prevailed.

Fritz moved that the name of Goodwin be added as an author on H. F. No. 831. The motion prevailed.

Klinzing moved that the name of Eastlund be added as an author on H. F. No. 832. The motion prevailed.

Hoppe moved that the names of Erhardt and Blaine be added as authors on H. F. No. 833. The motion prevailed.

Peppin moved that the name of Charron be added as an author on H. F. No. 836. The motion prevailed.

Smith moved that the names of Charron and Eastlund be added as authors on H. F. No. 837. The motion prevailed.

Otremba moved that the names of Charron and Eastlund be added as authors on H. F. No. 838. The motion prevailed.

Abeler moved that the names of Charron and Simon be added as authors on H. F. No. 839. The motion prevailed.

Vandever moved that the name of Wilkin be added as an author on H. F. No. 841. The motion prevailed.

Lenczewski moved that the name of Westerberg be added as an author on H. F. No. 845. The motion prevailed.

Wardlow moved that the name of Goodwin be added as an author on H. F. No. 858. The motion prevailed.

Olson moved that the name of Heidgerken be added as an author on H. F. No. 866. The motion prevailed.

Olson moved that the name of Emmer be added as an author on H. F. No. 867. The motion prevailed.

Peterson, A., moved that the name of Westrom be added as an author on H. F. No. 868. The motion prevailed.

Atkins moved that his name be stricken as an author on H. F. No. 868. The motion prevailed.

Sertich moved that the names of Erickson; Zellers; Heidgerken; Ruud; Solberg; Anderson, I.; Charron; Gazelka; Nelson, P.; Nornes; Kahn; Kelliher; Hoppe; Johnson, S.; Urdahl and DeLaForest be added as authors on House Resolution No. 5. The motion prevailed.

Bradley moved that H. F. No. 309 be recalled from the Committee on Taxes and be re-referred to the Committee on Health Policy and Finance. The motion prevailed.

Erickson moved that H. F. No. 376 be recalled from the Committee on Health Policy and Finance and be re-referred to the Committee on State Government Finance. The motion prevailed.

Davids moved that H. F. No. 587 be recalled from the Committee on Civil Law and Elections and be re-referred to the Committee on Education Policy and Reform. The motion prevailed.

Urdahl moved that H. F. No. 719 be recalled from the Committee on Taxes and be re-referred to the Committee on Agriculture and Rural Development. The motion prevailed.

Erhardt moved that S. F. No. 75 be recalled from the Committee on Transportation and together with H. F. No. 298, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

Senate Concurrent Resolution No. 1 was reported to the House.

SENATE CONCURRENT RESOLUTION NO. 1

A Senate concurrent resolution relating to the adoption of temporary joint rules.

Be It Resolved, by the Senate of the State of Minnesota, the House of Representatives concurring:

The temporary Joint Rules of the Senate and the House of Representatives for the 83rd session are adopted as the temporary joint rules for the 84th session, to be effective until the adoption of Permanent Joint Rules by the Senate and the House of Representatives-, subject to the following amendment:

Joint Rule 2.03 is amended to read:

Rule 2.03. [DEADLINES.] The Legislature shall establish by concurrent resolution deadlines for each regular session. The deadlines do not apply to the House committees on Capital Investment, Ways and Means, Taxes, or Rules and Legislative Administration, nor to the Senate committees on Capital Investment, Finance, Taxes, or Rules and Administration.

The first deadline is for committees to act favorably on bills in the house of origin.

The second deadline is for committees to act favorably on bills, or companions of bills, that met the first deadline in the other house.

A committee has until the second deadline to act favorably on a bill, or the companion of a bill, that by the first deadline was referred to a finance committee. The deadline for a committee of either house to act on a bill that has been recommended favorably by the Legislative Commission on Pensions and Retirement is the second committee deadline. The major appropriation bills are exempt from the first two deadlines.

The third deadline is for committees to act favorably on major appropriation and finance bills. When a committee in either house acts favorably on a bill after a deadline established in the concurrent resolution, the bill must be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Either rules committee, when reporting a bill referred to the committee under this rule, may waive application of the rule to subsequent actions on that bill by other committees.

Paulsen moved that Senate Concurrent Resolution No. 1 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 1 was adopted.

Paulsen introduced:

House Concurrent Resolution No. 1, A House concurrent resolution providing for a Joint Convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

SUSPENSION OF RULES

Paulsen moved that the rules be so far suspended that House Concurrent Resolution No. 1 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE CONCURRENT RESOLUTION NO. 1

A House concurrent resolution providing for a Joint Convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

Be It Resolved by the House of Representatives of the State of Minnesota, the Senate concurring, that the House of Representatives and the Senate shall meet in Joint Convention on Wednesday, February 16, 2005, at 12:00 noon in the chamber of the House of Representatives to elect members to the Board of Regents of the University of Minnesota; and that the 2003-2004 temporary Joint Rules of the Senate and House of Representatives for the 83rd session are in effect as the Joint Rules for the 2005 Joint Convention relating to the election of members of the Board of Regents of the University of Minnesota.

Paulsen moved that House Concurrent Resolution No. 1 be now adopted. The motion prevailed and House Concurrent Resolution No. 1 was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following appointment and change in committee assignments:

Health Policy and Finance/Health Care Cost Containment Division: Delete the name of Peppin and add the name of Samuelson.

ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 3:00 p.m., Monday, February 14, 2005. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Monday, February 14, 2005.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives