

## STATE OF MINNESOTA

## EIGHTY-FOURTH SESSION — 2006

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 EIGHTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 29, 2006

The House of Representatives convened at 12:00 noon and was called to order by Ron Abrams, Speaker pro tempore.

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

A quorum was present.

Dorman; Ellison; Howes; Johnson, J., and Olson were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Lesch 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

Buesgens from the Committee on Education Policy and Reform to which was referred:

H. F. No. 295, A bill for an act relating to school board elections; Special School District No. 1; providing for six members to be elected by district and three to be elected at-large.

Reported the same back with the following amendments:

Page 2, delete lines 8 to 9 and insert:

"Subd. 4. **Transition.** (a) A board member elected at the 2004 election shall complete the term to which the member was elected. At the 2006 election, districts with odd numbers must elect members of the board and districts with even numbers must not elect a member. Two at-large members must be elected, bringing the board to a total of eight members. At the 2008 election, districts with even numbers must elect members of the board and one at-large member must be elected.

(b) Notwithstanding subdivision 2, for the 2008 and 2010 elections, the territory in each school election district shall consist of the territory included in a corresponding Minneapolis Park Board election district."

Page 2, delete lines 10 to 17 and insert:

"Sec. 2. **LOCAL APPROVAL.**

Section 1 is effective the day after the school board of Special School District No. 1 and its clerk file their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3. If this compliance is not filed by the opening date of candidate filing for the 2006 school district elections, the board must place on the ballot at the 2006 election the question whether to approve section 1 and the transition schedule in section 1, subdivision 4, paragraph (a), is delayed by two years."

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. 587, A bill for an act relating to elections; providing for periodic election days for state and local elections, other than special elections to fill a vacancy and elections conducted by mail; amending Minnesota Statutes 2004, sections 123B.63, subdivision 3; 126C.17, subdivision 11; 204C.05, by adding a subdivision; 205.10, subdivision 3; 205A.05, subdivision 1; 373.40, subdivision 2; 375.20; 458.40; 465.82, subdivision 2; 465.84; 469.053, subdivision 5; 469.0724; 469.190, subdivision 5; 475.521, subdivision 2; 475.58, subdivisions 1, 1a; 475.59; proposing coding for new law in Minnesota Statutes, chapters 204D; 205; 205A; repealing Minnesota Statutes 2004, sections 204C.05, subdivisions 1a, 1b; 205.175; 205A.09.

Reported the same back with the following amendments:

Page 15, lines 5 and 7, delete "2006" and insert "2007"

With the recommendation that when so amended the bill pass.

The report was adopted.

Smith from the Committee on Public Safety Policy and Finance to which was referred:

H. F. No. 1014, A bill for an act relating to crime prevention; providing for an aggressive initiative against impaired driving and chemical dependency; increasing the tax on alcoholic beverages to fund this initiative; eliminating obsolete language and making technical corrections; appropriating money; amending Minnesota Statutes 2004, sections 169A.275, subdivision 5; 169A.284, subdivision 1; 169A.54, subdivision 11; 169A.70, subdivisions 2, 3, by adding subdivisions; 254B.01, subdivisions 2, 3; 254B.02, subdivision 1; 254B.03, subdivisions 1, 4; 254B.04, subdivisions 1, 3; 254B.06, subdivisions 1, 2; 297G.03, subdivisions 1, 2; 297G.04, subdivisions 1, 2; 299A.62, subdivisions 1, 2; 609.115, subdivision 8; 609.135, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 373; 609; repealing Minnesota Statutes 2004, sections 254B.02, subdivisions 2, 3, 4; 254B.09, subdivisions 4, 5, 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **LEGISLATIVE FINDINGS AND INTENT.**

The legislature finds that:

(1) impaired driving offenses kill and injure more Minnesotans than any other crime;

(2) many violent crimes are committed by offenders who are under the influence of alcohol or controlled substances; and

(3) alcohol abuse and controlled substance abuse contribute to domestic violence and destroy families.

The legislature considers the need to address the problem of alcohol and controlled substance abuse to be a high priority. Furthermore, the legislature determines that the costs of fighting abuse shall be funded by those who use alcohol. Consequently, the legislature is imposing a fee on the sale of alcohol to fund aggressive efforts to reduce impaired driving offenses and generally prevent crime, injury, and loss of life through chemical dependency prevention, screening, and treatment and through increased law enforcement, prosecution, and incarceration efforts.

Sec. 2. **[16A.726] ALCOHOL HEALTH IMPACT FUND AND FUND REIMBURSEMENTS.**

Subdivision 1. **Alcohol health impact fund.** There is created in the state treasury an alcohol health impact fund to which must be credited all revenue from the alcohol health impact fee under section 297G.23.

Subd. 2. **Certified alcohol expenditures.** By April 30 of each fiscal year, the commissioners of public safety, corrections, and human services shall certify to the commissioner of finance the state budget costs attributable to alcohol and controlled substance use, and the net of the collections of the taxes imposed under sections 295.75, 297G.03, and 297G.04, for the previous fiscal year. These costs include, but are not limited to, costs to:

(1) enforce laws for driving while impaired;

(2) employ law enforcement officers to increase efforts for targeting crime for driving while impaired;

(3) fund grants to local units of government to conduct compliance checks for on-sale and off-sale intoxicating liquor holders;

(4) fund community policing grants;

(5) fund grants to prevent domestic violence and to provide services to victims of domestic violence;

(6) incarcerate offenders of driving while impaired laws and provide programs for these offenders;

(7) pay costs associated with incarcerating offenders and to provide programs for these offenders;

(8) fund grants to counties to establish and operate intensive probation programs for repeat impaired driving offenders;

(9) increase chemical dependency treatment programs at state prisons;

(10) provide chemical dependency treatment;

(11) fund health and human services program costs;

(12) fund increased judicial training relating to a judge's powers and duties regarding chemical use assessments;

(13) fund grants to counties for court services and correctional costs related to conducting chemical use assessments; and

(14) fund education and crime prevention initiatives.

Subd. 3. **Fund reimbursements.** In each fiscal year, the commissioner of finance shall transfer from the alcohol health impact fund to the general fund an amount sufficient to offset the general fund cost of the certified expenditures under subdivision 2.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 3. Minnesota Statutes 2004, section 152.01, is amended by adding a subdivision to read:

Subd. 4a. **Emergency shelter zone.** "Emergency shelter zone" means a crisis shelter for battered women or housing networks for battered women, and includes the area within 300 feet or one city block, whichever distance is greater, of the shelter's property.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 4. Minnesota Statutes 2004, section 152.01, is amended by adding a subdivision to read:

Subd. 5b. **Homeless shelter zone.** "Homeless shelter zone" means a shelter that serves the needs of emergency and long-term homelessness, and includes the area within 300 feet or one city block, whichever distance is greater, of the shelter's property.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 5. Minnesota Statutes 2004, section 152.01, subdivision 14a, is amended to read:

Subd. 14a. **School zone.** "School zone" means:

(1) any property owned, leased, or controlled by a school district or an organization operating a nonpublic school, as defined in section 123B.41, subdivision 9, where an elementary, middle, secondary school, secondary vocational center or other school providing educational services in grade one through grade 12 is located, or used for educational purposes, or where extracurricular or cocurricular activities are regularly provided;

(2) the area surrounding school property as described in clause (1) to a distance of 300 feet or one city block, whichever distance is greater, beyond the school property; and

(3) the area within a school bus when that bus is being used to transport one or more elementary or secondary school students, and school bus stops established by a school board under section 123B.88, while school children are waiting for the bus.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 6. Minnesota Statutes 2004, section 152.021, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the first degree if:

(1) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing cocaine, heroin, or methamphetamine;

(2) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 200 or more dosage units; or

(4) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 kilograms or more containing marijuana or Tetrahydrocannabinols, or one or more mixtures of a total weight of 25 kilograms or more containing marijuana or Tetrahydrocannabinols in a school zone, a park zone, a public housing zone, an emergency shelter zone, a homeless shelter zone, or a drug treatment facility.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 7. Minnesota Statutes 2004, section 152.022, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the second degree if:

(1) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of three grams or more containing cocaine, heroin, or methamphetamine;

(2) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or more dosage units;

(4) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 25 kilograms or more containing marijuana or Tetrahydrocannabinols;

(5) the person unlawfully sells any amount of a schedule I or II narcotic drug to a person under the age of 18, or conspires with or employs a person under the age of 18 to unlawfully sell the substance; or

(6) the person unlawfully sells any of the following in a school zone, a park zone, a public housing zone, an emergency shelter zone, a homeless zone, or a drug treatment facility:

(i) any amount of a schedule I or II narcotic drug, lysergic acid diethylamide (LSD), 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine;

(ii) one or more mixtures containing methamphetamine or amphetamine; or

(iii) one or more mixtures of a total weight of five kilograms or more containing marijuana or Tetrahydrocannabinols.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 8. Minnesota Statutes 2004, section 152.023, subdivision 2, is amended to read:

Subd. 2. **Possession crimes.** A person is guilty of controlled substance crime in the third degree if:

(1) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of three grams or more containing cocaine, heroin, or methamphetamine;

(2) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(3) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units;

(4) on one or more occasions within a 90-day period the person unlawfully possesses any amount of a schedule I or II narcotic drug or five or more dosage units of lysergic acid diethylamide (LSD), 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine in a school zone, a park zone, a public housing zone, or a drug treatment facility;

(5) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of ten kilograms or more containing marijuana or Tetrahydrocannabinols; or

(6) the person unlawfully possesses one or more mixtures containing methamphetamine or amphetamine in a school zone, a park zone, a public housing zone, an emergency shelter zone, a homeless shelter zone, or a drug treatment facility.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 9. Minnesota Statutes 2004, section 152.024, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the fourth degree if:

(1) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule I, II, or III, except marijuana or Tetrahydrocannabinols;

(2) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule IV or V to a person under the age of 18;

(3) the person conspires with or employs a person under the age of 18 to unlawfully sell a controlled substance classified in schedule IV or V; or

(4) the person unlawfully sells any amount of marijuana or Tetrahydrocannabinols in a school zone, a park zone, a public housing zone, an emergency shelter zone, a homeless shelter zone, or a drug treatment facility, except a small amount for no remuneration.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 10. Minnesota Statutes 2004, section 169A.275, subdivision 5, is amended to read:

Subd. 5. **Level of care recommended in chemical use assessment.** Unless the court commits the person to the custody of the commissioner of corrections as provided in section 169A.276 (mandatory penalties; felony violations), in addition to other penalties required under this section, if the person has not already done so, the court shall order a person to submit to the level of care recommended in the chemical use assessment conducted under section 169A.70 (alcohol safety program; chemical use assessments) if the person:

(1) is convicted of violating section 169A.20 (driving while impaired) while having an alcohol concentration of 0.20 or more as measured at the time, or within two hours of the time, of the offense or if the violation occurs within ten years of one or more qualified prior impaired driving incidents; or

(2) is arrested for violating section 169A.20, but is convicted of another offense arising out of the circumstances surrounding the arrest.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 11. Minnesota Statutes 2004, section 169A.284, subdivision 1, is amended to read:

Subdivision 1. **When required.** (a) When a court sentences a person convicted of an offense enumerated in section 169A.70, subdivision 2, paragraph (b), clause (1) or (2), (chemical use assessment; requirement; form), it shall impose a chemical dependency assessment charge of \$125. A person shall pay an additional surcharge of \$5 if the person is convicted of a violation of section 169A.20 (driving while impaired) within five years of a prior impaired driving conviction or a prior conviction for an offense arising out of an arrest for a violation of section 169A.20 or Minnesota Statutes 1998, section 169.121 (driver under influence of alcohol or controlled substance) or 169.129 (aggravated DWI-related violations; penalty). This section applies when the sentence is executed, stayed, or suspended. The court may not waive payment or authorize payment of the assessment charge and surcharge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment charge and surcharge would create undue hardship for the convicted person or that person's immediate family.

(b) The chemical dependency assessment charge and surcharge required under this section are in addition to the surcharge required by section 357.021, subdivision 6 (surcharges on criminal and traffic offenders).

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 12. Minnesota Statutes 2004, section 169A.54, subdivision 11, is amended to read:

Subd. 11. **Chemical use assessment.** When the evidentiary test shows an alcohol concentration of 0.07 or more, that result must be reported to the commissioner. The commissioner shall record that fact on the driver's record. When the driver's record shows a second or subsequent report of an alcohol concentration of 0.07 or more within two years of a recorded report, the commissioner may require that the driver have a chemical use assessment meeting the commissioner's requirements and those of section 169A.70. The assessment must be at the driver's expense. In no event shall the commissioner deny the license of a person who refuses to take the assessment or to undertake treatment, if treatment is indicated by the assessment, for longer than 90 days. If an assessment is made pursuant to this section, the commissioner may waive the assessment required by section 169A.70.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 13. Minnesota Statutes 2004, section 169A.70, subdivision 2, is amended to read:

Subd. 2. **Chemical use assessment requirement.** (a) As used in this subdivision, "violent crime" has the meaning given in section 609.133, subdivision 1.

(b) A chemical use assessment must be conducted and an assessment report submitted to the court and to the Department of Public Safety by the county agency administering the alcohol safety program when:

(1) the defendant is convicted of an offense described in section 169A.20 (driving while impaired), 169A.31 (alcohol-related school bus and Head Start bus driving), or 360.0752 (impaired aircraft operation); or

(2) the defendant is arrested for committing an offense described in clause (1) but is convicted of another offense arising out of the circumstances surrounding the arrest; or

(3) the defendant is convicted of a violent crime.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 14. Minnesota Statutes 2004, section 169A.70, is amended by adding a subdivision to read:

Subd. 8. **Timing of assessment.** Chemical use assessments conducted under this section must be completed at the earliest time possible. It is a strong preference that the interview with the offender be conducted while the offender is being initially held in custody after arrest.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.



Sec. 15. Minnesota Statutes 2004, section 169A.70, is amended by adding a subdivision to read:

Subd. 9. **Court's authority to require assessments in other instances.** A court having jurisdiction over a person in a juvenile, criminal, or civil commitment proceeding may order that the person submit to a chemical use assessment under this section if the court has reason to believe that the person may have a chemical dependency problem.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 16. **[254A.19] PROSTITUTION ASSESSMENT AND TREATMENT.**

The commissioner of human services shall adopt by rule criteria to be used in conducting prostitution assessments of offenders under section 609.115, subdivision 10. The criteria shall address, at a minimum, the family relationship, past treatment history, medical or physical problems, arrest record, employment situation, child care situation, and housing situation of the offender. The commissioner shall also adopt by rule standards to qualify a person to:

(1) assess offenders for prostitution treatment plans; and

(2) provide a prostitution treatment plan as indicated in a prostitution assessment.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 17. Minnesota Statutes 2004, section 254B.01, subdivision 2, is amended to read:

Subd. 2. **American Indian.** For purposes of services provided under ~~section 254B.09, subdivision 7~~ this chapter, "American Indian" means:

(1) a person who is a member of an Indian tribe, and the commissioner shall use the definitions of "Indian" and "Indian tribe" and "Indian organization" provided in Public Law 93-638. ~~For purposes of services provided under section 254B.09, subdivision 4, "American Indian" means; or~~

(2) a resident of federally recognized tribal lands who is recognized as an Indian person by the federally recognized tribal governing body.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 18. Minnesota Statutes 2004, section 254B.01, subdivision 3, is amended to read:

Subd. 3. **Chemical dependency services.** "Chemical dependency services" means a planned program of care for the treatment of chemical dependency or chemical abuse to minimize or prevent further chemical abuse by the person, including, but not limited to, aftercare services, case management, counseling, employment or educational services, and sober housing. Diagnostic, evaluation, prevention, referral, and detoxification, ~~and aftercare services~~ that are not part of a program of care licensable as a residential or nonresidential chemical dependency treatment program are not chemical dependency services for purposes of this section. For pregnant and postpartum women, chemical dependency services include halfway house services, ~~aftercare services,~~ and psychological services, ~~and case management.~~

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 19. Minnesota Statutes 2004, section 254B.02, subdivision 1, is amended to read:

Subdivision 1. **Chemical dependency treatment allocation.** The chemical dependency funds appropriated for allocation shall be placed in a special revenue account. The commissioner shall annually transfer funds from the chemical dependency fund to pay for operation of the drug and alcohol abuse normative evaluation system and to pay for all costs incurred by adding two positions for licensing of chemical dependency treatment and rehabilitation programs located in hospitals for which funds are not otherwise appropriated. ~~For each year of the biennium ending June 30, 1999, the commissioner shall allocate funds to the American Indian chemical dependency tribal account for treatment of American Indians by eligible vendors under section 254B.05, equal to the amount allocated in fiscal year 1997. The commissioner shall annually divide the money available in the chemical dependency fund that is not held in reserve by counties from a previous allocation, or allocated to the American Indian chemical dependency tribal account. Six percent of the remaining money must be reserved for the nonreservation American Indian chemical dependency allocation for treatment of American Indians by eligible vendors under section 254B.05, subdivision 1. The remainder of the money must be allocated among the counties according to the following formula, using state demographer data and other data sources determined by the commissioner:~~

~~(a) For purposes of this formula, American Indians and children under age 14 are subtracted from the population of each county to determine the restricted population.~~

~~(b) The amount of chemical dependency fund expenditures for entitled persons for services not covered by prepaid plans governed by section 256B.69 in the previous year is divided by the amount of chemical dependency fund expenditures for entitled persons for all services to determine the proportion of exempt service expenditures for each county.~~

~~(c) The prepaid plan months of eligibility is multiplied by the proportion of exempt service expenditures to determine the adjusted prepaid plan months of eligibility for each county.~~

~~(d) The adjusted prepaid plan months of eligibility is added to the number of restricted population fee for service months of eligibility for the Minnesota family investment program, general assistance, and medical assistance and divided by the county restricted population to determine county per capita months of covered service eligibility.~~

~~(e) The number of adjusted prepaid plan months of eligibility for the state is added to the number of fee for service months of eligibility for the Minnesota family investment program, general assistance, and medical assistance for the state restricted population and divided by the state restricted population to determine state per capita months of covered service eligibility.~~

~~(f) The county per capita months of covered service eligibility is divided by the state per capita months of covered service eligibility to determine the county welfare caseload factor.~~

~~(g) The median married couple income for the most recent three year period available for the state is divided by the median married couple income for the same period for each county to determine the income factor for each county.~~

~~(h) The county restricted population is multiplied by the sum of the county welfare caseload factor and the county income factor to determine the adjusted population.~~

~~(i) \$15,000 shall be allocated to each county.~~

~~(j) The remaining funds shall be allocated proportional to the county adjusted population.~~

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 20. Minnesota Statutes 2004, section 254B.03, subdivision 1, is amended to read:

Subdivision 1. **Local agency duties.** (a) Every local agency shall provide chemical dependency services to persons residing within its jurisdiction who meet criteria established by the commissioner for placement in a chemical dependency residential or nonresidential treatment service. Chemical dependency money must be administered by the local agencies according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

(b) In order to contain costs, the county board shall, with the approval of the commissioner of human services, select eligible vendors of chemical dependency services who can provide economical and appropriate treatment. Unless the local agency is a social services department directly administered by a county or human services board, the local agency shall not be an eligible vendor under section 254B.05. The commissioner may approve proposals from county boards to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. If a county implements a demonstration or experimental medical services funding plan, the commissioner shall transfer the money as appropriate. If a county selects a vendor located in another state, the county shall ensure that the vendor is in compliance with the rules governing licensure of programs located in the state.

~~(c) The calendar year 2002 rate for vendors may not increase more than three percent above the rate approved in effect on January 1, 2001. The calendar year 2003 rate for vendors may not increase more than three percent above the rate in effect on January 1, 2002. The calendar years 2004 and 2005 rates may not exceed the rate in effect on January 1, 2003.~~

~~(d) A culturally specific vendor that provides assessments under a variance under Minnesota Rules, part 9530.6610, shall be allowed to provide assessment services to persons not covered by the variance.~~

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 21. Minnesota Statutes 2004, section 254B.03, subdivision 4, is amended to read:

Subd. 4. **Division of costs.** Except for services provided by a county under section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03, subdivision 4, paragraph (b), the county shall, out of local money, pay the state for ~~15~~ five percent of the cost of chemical dependency services, including those services provided to persons eligible for medical assistance under chapter 256B and general assistance medical care under chapter 256D. Counties may use the indigent hospitalization levy for treatment and hospital payments made under this section. ~~Fifteen~~ Five percent of any state collections from private or third-party pay, less ~~15~~ five percent of the cost of payment and collections, must be distributed to the county that paid for a portion of the treatment under this section. ~~If all funds allocated according to section 254B.02 are exhausted by a county and the county has met or exceeded the base level of expenditures under section 254B.02, subdivision 3, the county shall pay the state for 15 percent of the costs paid by the state under this section. The commissioner may refuse to pay state funds for services to persons not eligible under section 254B.04, subdivision 1, if the county financially responsible for the persons has exhausted its allocation.~~

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 22. Minnesota Statutes 2004, section 254B.04, subdivision 1, is amended to read:

Subdivision 1. **Eligibility.** (a) Persons eligible for benefits under Code of Federal Regulations, title 25, part 20, persons eligible for medical assistance benefits under sections 256B.055, 256B.056, and 256B.057, subdivisions 1, 2, 5, and 6, or who meet the income standards of section 256B.056, subdivision 4, and persons eligible for general assistance medical care under section 256D.03, subdivision 3, are entitled to chemical dependency fund services. ~~State money appropriated for this paragraph must be placed in a separate account established for this purpose.~~

Persons with dependent children who are determined to be in need of chemical dependency treatment pursuant to an assessment under section 626.556, subdivision 10, or a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment services. Treatment services must be appropriate for the individual or family, which may include long-term care treatment or treatment in a facility that allows the dependent children to stay in the treatment facility. The county shall pay for out-of-home placement costs, if applicable.

~~(b) A person not entitled to services under paragraph (a), but with family income that is less than 215 percent of the federal poverty guidelines for the applicable family size, shall be eligible to receive chemical dependency fund services within the limit of funds appropriated for this group for the fiscal year. If notified by the state agency of limited funds, a county must give preferential treatment to persons with dependent children who are in need of chemical dependency treatment pursuant to an assessment under section 626.556, subdivision 10, or a case plan under section 260C.201, subdivision 6, or 260C.212. A county may spend money from its own sources to serve persons under this paragraph. State money appropriated for this paragraph must be placed in a separate account established for this purpose.~~

~~(c) Persons whose income is between 215 percent and 412 percent of the federal poverty guidelines for the applicable family size shall be eligible for chemical dependency services on a sliding fee basis, within the limit of funds appropriated for this group for the fiscal year. Persons eligible under this paragraph must contribute to the cost of services according to the sliding fee scale established under subdivision 3. A county may spend money from its own sources to provide services to persons under this paragraph. State money appropriated for this paragraph must be placed in a separate account established for this purpose.~~

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 23. Minnesota Statutes 2004, section 254B.04, subdivision 3, is amended to read:

Subd. 3. **Amount of contribution.** The commissioner shall adopt a sliding fee scale to determine the amount of contribution to be required from persons under this section. The commissioner may adopt rules to amend existing fee scales. The commissioner may establish a separate fee scale for recipients of chemical dependency transitional and extended care rehabilitation services that provides for the collection of fees for board and lodging expenses. The fee schedule shall ensure that employed persons are allowed the income disregards and savings accounts that are allowed residents of community mental illness facilities under section 256D.06, subdivisions 1 and 1b. ~~The fee scale must not provide assistance to persons whose income is more than 115 percent of the state median income.~~ Payments of liabilities under this section are medical expenses for purposes of determining spenddown under sections 256B.055, 256B.056, 256B.06, and 256D.01 to 256D.21. The required amount of contribution established by the fee scale in this subdivision is also the cost of care responsibility subject to collection under section 254B.06, subdivision 1.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 24. Minnesota Statutes 2004, section 254B.06, subdivision 1, is amended to read:

Subdivision 1. **State collections.** The commissioner is responsible for all collections from persons determined to be partially responsible for the cost of care of an eligible person receiving services under ~~Laws 1986, chapter 394, sections 8 to 20~~ this chapter. The commissioner may initiate, or request the attorney general to initiate, necessary civil action to recover the unpaid cost of care. The commissioner may collect all third-party payments for chemical dependency services provided under ~~Laws 1986, chapter 394, sections 8 to 20~~ this chapter, including private

insurance and federal Medicaid and Medicare financial participation. The commissioner shall deposit in a dedicated account a percentage of collections to pay for the cost of operating the chemical dependency consolidated treatment fund invoice processing and vendor payment system, billing, and collections. The remaining receipts must be deposited in the chemical dependency fund.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 25. Minnesota Statutes 2004, section 254B.06, subdivision 2, is amended to read:

Subd. 2. **Allocation of collections.** The commissioner shall allocate all federal financial participation collections to the ~~reserve~~ chemical dependency fund under section 254B.02, subdivision ~~3~~ 1. The commissioner shall retain ~~85~~ 95 percent of patient payments and third-party payments and allocate the collections to the treatment allocation for the county that is financially responsible for the person. ~~Fifteen~~ Five percent of patient and third-party payments must be paid to the county financially responsible for the patient. Collections for patient payment and third-party payment for services provided under section 254B.09 shall be allocated to the allocation of the tribal unit which placed the person. Collections of federal financial participation for services provided under section 254B.09 shall be allocated to the ~~tribal reserve account~~ chemical dependency fund under section ~~254B.09~~ 254B.02, subdivision ~~5~~ 1.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 26. Minnesota Statutes 2004, section 297G.04, subdivision 2, is amended to read:

Subd. 2. **Tax credit.** A qualified brewer producing fermented malt beverages is entitled to a ~~tax~~ credit of ~~\$4.60~~ \$37.52 per barrel on 25,000 barrels sold in any fiscal year beginning July 1, regardless of the alcohol content of the product. This credit applies to the tax imposed under section 297G.04 and the fee under section 297G.23. Qualified brewers may take the credit on the 18th day of each month, but the total credit allowed may not exceed in any fiscal year the lesser of:

- (1) the liability for tax; or
- (2) \$115,000.

For purposes of this subdivision, a "qualified brewer" means a brewer, whether or not located in this state, manufacturing less than 100,000 barrels of fermented malt beverages in the calendar year immediately preceding the calendar year for which the credit under this subdivision is claimed. In determining the number of barrels, all brands or labels of a brewer must be combined. All facilities for the manufacture of fermented malt beverages owned or controlled by the same person, corporation, or other entity must be treated as a single brewer.

**EFFECTIVE DATE.** This section is effective for taxes and fees imposed after June 30, 2006.

Sec. 27. Minnesota Statutes 2004, section 297G.10, is amended to read:

#### **297G.10 DEPOSIT OF PROCEEDS.**

Except as provided in section 297G.23, subdivision 4, all tax revenues and other receipts payable to the state under this chapter must be paid into the state treasury and credited to the general fund.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 28. **[297G.23] ALCOHOL HEALTH IMPACT FEE.**

Subdivision 1. **Purpose.** An alcohol use health impact fee is imposed on and collected from any person subject to tax under this chapter to recover for the state, public safety, corrections, court, health, and human services costs related to or caused by alcohol use and to reduce alcohol use.

Subd. 2. **Fee imposed.** In addition to tax imposed under section 297G.03, subdivisions 1 and 2, and section 297G.04, subdivision 1, an alcohol health impact fee is imposed upon all distilled spirits, beer, wine, and cider in this state at the following rates:

(1) on distilled spirits, liqueurs, cordials, and specialties regardless of alcohol content (excluding ethyl alcohol), \$12.66 per gallon and \$3.40 per liter;

(2) on wine containing 14 percent or less alcohol by volume (except cider as defined in section 297G.01, subdivision 3a), \$2.10 per gallon and \$.56 per liter;

(3) on wine containing more than 14 percent but not more than 21 percent alcohol by volume, \$2.06 per gallon and \$.56 per liter;

(4) on wine containing more than 21 percent but not more than 24 percent alcohol by volume, \$2.06 per gallon and \$.56 per liter;

(5) on wine containing more than 24 percent alcohol by volume, \$2.04 per gallon and \$.56 per liter;

(6) on natural and artificial sparkling wines containing alcohol, \$2.06 per gallon and \$.56 per liter;

(7) on cider as defined in section 297G.01, subdivision 3a, \$2.10 per gallon and \$.56 per liter;

(8) on miniatures, \$.10 per bottle;

(9) on fermented malt beverages containing not more than 3.2 percent alcohol by weight, \$32.92 per 31-gallon barrel; and

(10) on fermented malt beverages containing more than 3.2 percent alcohol by weight, \$32.92 per 31-gallon barrel.

Subd. 3. **Administrative and other provisions of this chapter.** The fee under this section must be treated as if it is a tax for purposes of all of the provisions of this chapter.

Subd. 4. **Deposit of revenues.** The commissioner of revenue shall deposit the revenues from the fee under this section in the state treasury and credit them to the alcohol health impact fund under section 16A.726.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 29. Minnesota Statutes 2004, section 299A.62, subdivision 1, is amended to read:

Subdivision 1. **Program established.** (a) A community-oriented policing grant program is established under the administration of the commissioner of public safety.

(b) Grants may be awarded as provided in subdivision 2 for the following purposes:

(1) to enable local law enforcement agencies to hire law enforcement officers. The grants must be used by law enforcement agencies to increase the complement of officers in the agency by paying the salaries of new officers who replace an existing officer who has been reassigned primarily to investigate and prevent impaired driving crimes, domestic violence crimes, or juvenile crime or to perform community-oriented policing duties;

(2) to enable local law enforcement agencies to assign overtime officers to high crime areas within their jurisdictions; and

(3) to enable local law enforcement agencies to implement or expand community-oriented policing projects, liaison efforts with local school districts, and other innovative community policing initiatives.

(c) Grants under paragraph (b), clause (3), for community policing activities must be provided for areas with high crime rates and gang, drug, or prostitution activity, for programs that:

(1) include education and training for both peace officers and the community on community policing initiatives;

(2) assign designated peace officers for a period of at least one year to work exclusively in the area where the enhanced community policing efforts will take place; and

(3) include regular community meetings with the designated peace officers, prosecuting authorities, judges with jurisdiction in the area, and community members to further law enforcement outreach efforts.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 30. Minnesota Statutes 2004, section 299A.62, subdivision 2, is amended to read:

Subd. 2. **Awarding grant.** (a) Grants under this section ~~shall~~ must be awarded by the commissioner of public safety. Before any grants are awarded, a committee consisting of the attorney general, and representatives from the Minnesota Chiefs of Police Association, the Minnesota Sheriffs Association, and the Minnesota Police and Peace Officers Association, shall evaluate the grant applications. Before grants are awarded, the commissioner shall meet and consult with the committee concerning its evaluation of and recommendations on grant proposals.

(b) A grant under subdivision 1, paragraph (b), clause (1), may be awarded only to a law enforcement agency that demonstrates in its application that it currently has a need for an additional officer to be assigned to:

(1) community-oriented policing duties; ~~or~~

(2) the investigation and prevention of juvenile crime, based on the juvenile crime rate in the area over which the agency has jurisdiction;

(3) the investigation and prevention of impaired driving crimes; or

(4) the investigation and prevention of domestic violence crimes.

(c) More than one grant under subdivision 1, paragraph (b), clause (1), may be awarded to an agency; however, each grant may fund only one position. At least 50 percent of the grants awarded under subdivision 1, paragraph (b), clause (1), must be awarded to the cities of Minneapolis and St. Paul.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 31. Minnesota Statutes 2004, section 299A.63, is amended by adding a subdivision to read:

Subd. 5. **Phillips neighborhood safe zone.** (a) The commissioner of public safety shall establish a two-year Phillips neighborhood safe zone pilot project that seeks to reduce criminal activity in the Phillips neighborhood community in Minneapolis. The project must include, but is not limited to, the following programs: misdemeanor treatment, aftercare services, drug court programs, prostitution treatment, chemical dependency treatment, preschool and after-school programs for children, a Youthbuild program, public safety technology enhancement, probationary services, mental health assessments and treatment, a restorative justice project, and community-based policing including undercover operations.

(b) The commissioner must establish an oversight committee or utilize an existing oversight committee to monitor the pilot project, conduct an evaluation, and disperse funds.

(c) By January 1, 2009, the commissioner shall report to the chairs and ranking minority members of the senate and house divisions having jurisdiction over criminal justice funding and policy on the results of the pilot project.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 32. **[373.50] REQUIREMENT TO PROVIDE CHEMICAL DEPENDENCY TREATMENT.**

Each county shall provide comprehensive, needs-specific chemical dependency treatment programs and services and aftercare services to individuals within the county's criminal justice system. The programs and services must take into account the fact that the person has committed a criminal offense and other issues including the individual's gender, ethnic, cultural, employment, housing, child care, and mental health needs. If the county does not offer a specific program or service appropriate for an individual, the county shall ensure that the individual is offered the program or service elsewhere.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 33. Minnesota Statutes 2004, section 609.115, subdivision 8, is amended to read:

Subd. 8. **Chemical use assessment required.** (a) If a person is convicted of a felony, the probation officer shall determine in the report prepared under subdivision 1 whether or not alcohol or drug use was a contributing factor to the commission of the offense. If so, the report shall contain the results of a chemical use assessment conducted in accordance with this subdivision. The probation officer shall make an appointment for the defendant to undergo the chemical use assessment if so indicated. If the person is convicted of a violent crime as defined in section 609.133, subdivision 1, the provisions of that section apply.

(b) The chemical use assessment report must include a recommended level of care for the defendant in accordance with the criteria contained in rules adopted by the commissioner of human services under section 254A.03, subdivision 3. The assessment must be conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An assessor providing a chemical use assessment may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If an independent assessor is not available, the probation officer may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3.

(c) A chemical use assessment and report conducted under this subdivision must meet the standards described in section 169A.70.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.



Sec. 34. Minnesota Statutes 2004, section 609.115, is amended by adding a subdivision to read:

Subd. 10. **Prostitution assessment required.** (a) If a person is convicted of a controlled substance crime under chapter 152 or a prostitution crime under sections 609.321 to 609.3243, other than as a patron as defined in section 609.321, subdivision 4, the probation officer shall determine in the report prepared under subdivision 1 whether or not prostitution was a contributing factor to the commission of the offense. If so, the report shall contain the results of a prostitution assessment conducted in accordance with this subdivision. The probation officer shall make an appointment for the defendant to undergo the prostitution assessment if so indicated.

(b) The prostitution assessment report must include a recommended treatment plan if the assessor concludes that the offender is in need of treatment. Treatment plans may include chemical dependency treatment, mental health treatment, aftercare services, sexual abuse treatment, or an individualized program that may:

(1) establish goals for the offender and monitor performance of these goals;

(2) provide individual, group, or family counseling services; and

(3) assist the offender in identifying and contacting appropriate community resources, including affordable housing, child care programs, educational services, and job training.

The assessment must be conducted by an assessor qualified under section 254A.19 to perform these assessments. An assessor providing a prostitution assessment may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If an independent assessor is not available, the probation officer may use the services of an assessor with a financial interest or referral relationship as authorized under rules adopted by the commissioner of human services under section 254A.19.

**EFFECTIVE DATE.** This section is effective January 1, 2007.

Sec. 35. **[609.133] CHEMICAL DEPENDENCY TREATMENT; ASSESSMENT CHARGE.**

Subdivision 1. **Definition.** As used in this section, "violent crime" has the meaning given in section 609.1095, subdivision 1. The term also includes violations of sections 609.2231, 609.224, and 609.2242.

Subd. 2. **Assessment conducted.** The court shall ensure that a chemical use assessment is conducted on a person convicted of a violent crime as required in section 169A.70, subdivision 2.

Subd. 3. **Charge.** (a) When a court sentences a person convicted of a violent crime, it shall impose a chemical dependency assessment charge of \$125. The court may not waive payment or authorize payment of the assessment charge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment charge would create undue hardship for the convicted person or that person's immediate family.

(b) The county shall collect and forward to the commissioner of finance \$25 of the chemical dependency assessment charge within 60 days after sentencing or explain to the commissioner in writing why the money was not forwarded within this time period. The commissioner shall credit the money to the general fund. The county shall collect and keep \$100 of the chemical dependency assessment charge.

(c) The chemical dependency assessment charge required under this section is in addition to the surcharge required by section 357.021, subdivision 6.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 36. Minnesota Statutes 2004, section 609.135, is amended by adding a subdivision to read:

Subd. 1d. **Violation of an exclusion order.** If the court issues an exclusion order against a defendant and the defendant violates the order, the defendant is guilty of a gross misdemeanor. For purposes of this section, an "exclusion order" means an order entered by the court as a condition of pretrial release, probation, parole, or a stay of adjudication or sentence, that an individual is not to enter a specified geographic area.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 37. Minnesota Statutes 2004, section 609.135, is amended by adding a subdivision to read:

Subd. 9. **Certain persons to receive mandatory chemical dependency treatment.** If a court stays the imposition or execution of sentence for a person convicted of a violent crime as defined in section 609.133, subdivision 1, as a condition of probation and in addition to any other conditions imposed, the court shall order the person to submit to the level of care recommended in the chemical use assessment described in section 169A.70.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 38. Minnesota Statutes 2004, section 609.153, subdivision 1, is amended to read:

Subdivision 1. **Application.** This section applies to the following misdemeanor-level crimes: sections 609.324 (prostitution); 609.546 (motor vehicle tampering); 609.595 (damage to property); ~~609.605 (trespass); and 609.66 (dangerous weapons); and violations of local ordinances prohibiting the unlawful sale or possession of controlled substances~~ trespass or loitering with intent to commit a crime.

**EFFECTIVE DATE.** This section is effective August 1, 2006, and applies to crimes committed on or after that date.

Sec. 39. **STUDY; SENTENCING GUIDELINES COMMISSION.**

The Sentencing Guidelines Commission shall study the feasibility and effectiveness of extending the sentencing guidelines to include presumptive, fixed sentences for offenders convicted of misdemeanor and gross misdemeanor offenses. The commission shall report its findings to the house of representatives and senate committees having jurisdiction over criminal justice policy and funding by January 15, 2007.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 40. **JUDICIAL TRAINING.**

The Supreme Court shall include in its judicial education program training relating to a judge's powers and duties regarding chemical use assessments.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 41. **APPROPRIATIONS.**

(a) \$..... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the commissioner of public safety. This appropriation must become part of the base appropriation. Of these amounts:

(1) \$..... is to increase the complement of state troopers assigned to enforcing laws on driving while impaired;

(2) \$..... is for grants under Minnesota Statutes, section 299A.62, subdivision 1, paragraph (b), clause (1), to hire law enforcement officers to increase law enforcement efforts targeting crimes for driving while impaired;

(3) \$..... is for grants to local units of government to conduct compliance checks for on-sale and off-sale intoxicating liquor license holders to determine whether the license holder is complying with Minnesota Statutes, section 340A.503;

(4) \$..... is for community policing grants under Minnesota Statutes, section 299A.62, subdivision 1, paragraph (b), clause (3); and

(5) \$..... is for grants to prevent domestic violence and to provide services to victims of domestic violence.

The commissioner shall develop criteria for awarding grants under clause (3). Notwithstanding Minnesota Statutes, section 299A.62, subdivision 2, more than 50 percent of the grants described in clause (2) may be made to government entities other than Minneapolis and St. Paul. By September 30, 2007, each law enforcement agency receiving a grant under clause (4) shall provide a written report to the commissioner of public safety describing how the grant was used and evaluating the effectiveness of the enhanced community policing provided under this grant. By December 15, 2007, the commissioner of public safety shall report to the chairs and ranking minority leaders of the house of representatives and senate committees with jurisdiction over criminal justice policy and funding on distribution of grants under clause (4). This report also shall summarize the information provided to the commissioner by the law enforcement agencies receiving grants.

(b) \$..... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the commissioner of corrections. This appropriation must become part of the base appropriation. Of these amounts:

(1) \$..... is for grants under Minnesota Statutes, section 241.022, subdivisions 1 and 2, for costs associated with incarcerating impaired driving offenders and providing programming for these offenders;

(2) \$..... is for the department's costs associated with incarcerating felony impaired driving offenders and providing programs for these offenders;

(3) \$..... is for grants to counties to establish and operate intensive probation programs for repeat impaired driving offenders under Minnesota Statutes, section 169A.74; and

(4) \$..... is:

(i) for increased chemical dependency treatment programs at state prisons; and

(ii) to provide appropriate chemical dependency treatment, including aftercare services in Minnesota Statutes, section 254B.01, subdivision 3, for offenders on supervised release. The commissioner shall cooperate with the commissioners of public safety and human services as required in Minnesota Statutes, section 169A.74, subdivision 1, when making the grants described in clause (3).

(c) \$..... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the commissioner of human services for the purposes of fully funding Minnesota Statutes, section 254B.04, subdivision 1. This appropriation must become part of the base appropriation for this program.

(d) \$..... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the chief justice of the Supreme Court. This appropriation must become part of the base appropriation. Of these amounts:

(1) \$..... is for the increased training described in section 40; and

(2) \$...... is for grants to counties for court services and correctional costs related to conducting chemical use assessments and prostitution assessments.

(e) \$...... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the commissioner of health for education and prevention initiatives designed to eliminate underage drinking. This appropriation must become part of the base appropriation.

(f) \$...... for the fiscal year ending June 30, 2007, is appropriated from the general fund to the commissioner of public safety to implement the Phillips neighborhood safe zone pilot project. Any remaining funds shall carry over into fiscal year 2008. This is a onetime appropriation.

**EFFECTIVE DATE.** This section is effective July 1, 2006.

Sec. 42. **REPEALER.**

Minnesota Statutes 2004, sections 254B.02, subdivisions 2, 3, and 4; and 254B.09, subdivisions 4, 5, and 7, are repealed."

Delete the title and insert:

"A bill for an act relating to crime prevention; establishing alcohol health impact fund; imposing alcohol health impact fee; modifying provisions relating to possession and sale of controlled substances; imposing chemical use assessment requirements and fee on persons arrested for DWI but convicted of another offense; providing for prostitution assessment and treatment; modifying chemical dependency services and eligibility provisions; allowing credit for brewers for payment of certain taxes and fees; modifying community-oriented policing grant program; establishing pilot project for Phillips neighborhood; requiring sentencing study; requiring judicial training in chemical use assessments; appropriating money; amending Minnesota Statutes 2004, sections 152.01, subdivision 14a, by adding subdivisions; 152.021, subdivision 1; 152.022, subdivision 1; 152.023, subdivision 2; 152.024, subdivision 1; 169A.275, subdivision 5; 169A.284, subdivision 1; 169A.54, subdivision 11; 169A.70, subdivision 2, by adding subdivisions; 254B.01, subdivisions 2, 3; 254B.02, subdivision 1; 254B.03, subdivisions 1, 4; 254B.04, subdivisions 1, 3; 254B.06, subdivisions 1, 2; 297G.04, subdivision 2; 297G.10; 299A.62, subdivisions 1, 2; 299A.63, by adding a subdivision; 609.115, subdivision 8, by adding a subdivision; 609.135, by adding subdivisions; 609.153, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 254A; 297G; 373; 609; repealing Minnesota Statutes 2004, sections 254B.02, subdivisions 2, 3, 4; 254B.09, subdivisions 4, 5, 7."

With the recommendation that when so amended the bill be re-referred to the Committee on Health Policy and Finance without further recommendation.

The report was adopted.

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

H. F. No. 1375, A bill for an act relating to real property; statutory warranties; providing for notice and opportunity to repair with certain conditions; amending Minnesota Statutes 2004, section 327A.02, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, before line 6, insert:

"Section 1. Minnesota Statutes 2004, section 302A.781, is amended by adding a subdivision to read:

Subd. 4. **Statutory homeowner warranty claims preserved.** The statutory warranties provided under section 327A.02 are not affected by a dissolution under this chapter.

Sec. 2. Minnesota Statutes 2004, section 322B.863, is amended by adding a subdivision to read:

Subd. 4. **Statutory homeowner warranty claims preserved.** The statutory warranties provided under section 327A.02 are not affected by a dissolution under this chapter.

Sec. 3. Minnesota Statutes 2004, section 327A.02, is amended by adding a subdivision to read:

Subd. 2a. **Remedies unaffected by corporate dissolution.** The statutory warranties provided in this section are not affected by the dissolution of a vendor or home improvement contractor that is a corporation or limited liability company.

**EFFECTIVE DATE.** This section is effective retroactive from the effective dates of Minnesota Statutes, section 327A.02, subdivisions 1 and 3, and is intended to clarify the intent of the legislature in enacting those subdivisions.

Page 1, line 8, before "Following" insert "(a)"

Page 1, after line 20, insert:

"(b) Upon completion of repairs described in an offer to repair, the vendor must provide the vendee with a list of repairs made and a notice that the vendee may have a right to pursue a warranty claim under chapter 327A. Provision of this statement is not an admission of liability."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, before "providing" insert "preserving certain statutory warranty homeowner claims;"

Correct the title numbers accordingly

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. 1464, A bill for an act relating to civil actions; regulating the liability of certain health care providers for providing emergency care and treatment; amending Minnesota Statutes 2004, section 604A.01, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 145.682, subdivision 3, is amended to read:

Subd. 3. **Affidavit of expert review.** The affidavit required by subdivision 2, clause (1), must be by the plaintiff's attorney and state that:

(a) the facts of the case have been reviewed by the plaintiff's attorney with an expert ~~whose qualifications provide a reasonable expectation that the expert's opinions could be admissible at trial~~ who is board certified if board certification is available to that particular specialty and currently practicing in the specialty or specialty areas of practice from which the applicable standard of care arises and that, in the opinion of this expert, one or more defendants deviated from the applicable standard of care and by that action caused injury to the plaintiff; or

(b) the expert review required by paragraph (a) could not reasonably be obtained before the action was commenced because of the applicable statute of limitations. If an affidavit is executed pursuant to this paragraph, the affidavit in paragraph (a) must be served on defendant or the defendant's counsel within 90 days after service of the summons and complaint."

Delete the title and insert:

"A bill for an act relating to civil actions; regulating expert review in malpractice actions against health care providers; amending Minnesota Statutes 2004, section 145.682, subdivision 3."

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. 1596, A bill for an act relating to elections; changing provisions governing certain conduct in or near polling places; changing certain election day prohibitions; amending Minnesota Statutes 2004, sections 204C.06, subdivision 1; 211B.11, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 16, reinstate the stricken language and delete "500"

Page 1, line 18, delete ", or"

Page 1, line 19, delete the new language and strike the old language

Page 1, line 20, strike "a polling place"

Page 2, line 5, after "located" insert "except within private spaces not visible to the general public"

Page 2, line 8, delete "500" and insert "100"

Page 2, line 16, delete "500" and insert "100"

With the recommendation that when so amended the bill pass.

The report was adopted.

Krinkie from the Committee on Taxes to which was referred:

H. F. No. 1909, A bill for an act relating to natural resources; proposing an amendment to the Minnesota Constitution by adding a section to article XI; dedicating the sales and use tax receipts equal to a sales and use tax of one-fourth of one percent on taxable sales and uses for natural resource purposes; creating a game and fish heritage fund; creating a clean water fund; establishing a Clean Waters Council; amending Minnesota Statutes 2004, section 297A.94; proposing coding for new law in Minnesota Statutes, chapters 84; 103F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

SALES TAX CONSTITUTIONAL AMENDMENT

Section 1. **CONSTITUTIONAL AMENDMENT.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a section will be added to article XI, to read:

Sec. 15. Beginning July 1, 2007, until June 30, 2032, the sales and use tax rate shall be increased by three-eighths of one percent on sales and uses taxable under the general state sales and use tax law. Receipts from the increase, plus penalties and interest and reduced by any refunds, are dedicated as follows: 34 percent of the receipts shall be deposited in the heritage enhancement fund and may be spent only to improve, enhance, or protect the state's fish, wildlife, habitat, and fish and wildlife tourism; 22 percent of the receipts shall be deposited in the parks and trails fund and may be spent only on parks, trails, and zoos in the state; 22 percent of the receipts shall be deposited in the clean water fund and may be spent only on protection and restoration of the state's lakes, rivers, streams, wetlands, and groundwater; and 22 percent of the receipts shall be deposited in the arts, humanities, museum, and public broadcasting fund and may be spent only on arts, humanities, history, museums, and public broadcasting. An arts, humanities, museum, and public broadcasting fund; a heritage enhancement fund; a parks and trails fund; and a clean water fund are created in the state treasury. The money dedicated under this section shall be appropriated by law. The money dedicated under this section for fish, wildlife, habitat, fish and wildlife tourism, parks, trails, zoos, protection and restoration of waters, and history shall not be used as a substitute for traditional funding sources for the purposes specified, but the dedicated money shall supplement traditional sources of funding for those purposes. Land acquired by fee with money deposited in the heritage enhancement fund under this section must be open to public taking of fish and game during the open season unless otherwise provided by law.

Sec. 2. **SUBMISSION TO VOTERS.**

The proposed amendment shall be submitted to the people at the 2006 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to provide funding beginning July 1, 2007, to improve, enhance, or protect the state's fish, wildlife, habitat, and fish and wildlife tourism; its parks, trails, and zoos; its lakes, rivers, streams, wetlands, and groundwater; and its arts, humanities, history, museums, and public broadcasting by increasing the sales and use tax rate by three-eighths of one percent on taxable sales until the year 2032?"

Yes .....  
No ....."

Sec. 3. Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. **Public official.** "Public official" means any:

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the Office of Senate Counsel and Research or House Research;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;
- (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or referee in the Department of Employment and Economic Development;
- (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
- (15) member or executive director of the Higher Education Facilities Authority;
- (16) member of the board of directors or president of Minnesota Technology, Inc.; ~~or~~
- (17) member of the board of directors or executive director of the Minnesota State High School League; or
- (18) member of the Heritage Enhancement Council.

**EFFECTIVE DATE.** This section is effective November 15, 2006, if the constitutional amendment proposed in section 1 is adopted by the voters.



Sec. 4. **[85.0195] PARKS AND TRAILS FUND; EXPENDITURES.**

Subdivision 1. **Fund.** The parks and trails fund is established in the Minnesota Constitution, article XI, section 15. All money earned by the parks and trails fund must be credited to the fund.

Subd. 2. **Expenditures.** Money in the parks and trails fund may be spent only on state and regional parks, trails, and zoos. Subject to the appropriation by law, receipts to the fund must be allocated in separate accounts as follows:

(1) 38 percent of the receipts may be spent only for state park and recreation area purposes;

(2) 11 percent of the receipts may be spent only for state trail purposes;

(3) 36 percent of the receipts may be spent only for metropolitan area, as defined in section 473.121, regional park and trail grants;

(4) 12 percent of the receipts may be spent only for nonmetropolitan regional parks and trails, outdoor recreation grants, natural and scenic area grants, trail connection grants, regional trail grants, and grant-in-aid trails; and

(5) three percent of the receipts may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo.

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

Sec. 5. **[97A.056] HERITAGE ENHANCEMENT FUND; HERITAGE ENHANCEMENT COUNCIL.**

Subdivision 1. **Heritage enhancement fund.** The heritage enhancement fund is established in the Minnesota Constitution, article XI, section 15. All money earned by the heritage enhancement fund must be credited to the fund. At least 97 percent of the money appropriated from the fund must be spent on specific fish, wildlife, habitat, and fish and wildlife tourism projects.

Subd. 2. **Heritage Enhancement Council.** (a) A Heritage Enhancement Council of 11 members is created, on November 15, 2006, consisting of:

(1) two members of the senate appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(2) two members of the house of representatives appointed by the speaker of the house;

(3) two public members representing hunting, fishing, and wildlife interests appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(4) two public members representing hunting, fishing, and wildlife interests appointed by the speaker of the house; and

(5) three public members representing hunting, fishing, and wildlife interests appointed by the governor.

(b) Legislative members appointed under paragraph (a), clauses (1) and (2), serve as nonvoting members. One member from the senate and one member from the house of representatives must be from the minority caucus. Legislative members are entitled to reimbursement for per diem expenses plus travel expenses incurred in the services of the council. The removal and, beginning July 1, 2007, the compensation of public members are as provided in section 15.0575.

(c) Members shall elect a chair, vice chair, secretary, and other officers as determined by the council. The chair may convene meetings as necessary to conduct the duties prescribed by this section.

(d) Membership terms are two years, except that members shall serve on the council until their successors are appointed.

(e) Vacancies occurring on the council do not affect the authority of the remaining members of the council to carry out their duties. Vacancies shall be filled in the same manner as under paragraph (a).

Subd. 3. **Duties of council.** (a) The council, in consultation with statewide and local fishing, forestry, hunting, and wildlife groups, shall develop a biennial budget plan for expenditures from the heritage enhancement fund. The biennial budget plan may include grants to statewide and local fishing, forestry, hunting, and wildlife groups to improve, enhance, or protect fish and wildlife resources.

(b) In the biennial budget submitted to the legislature, the governor shall submit separate budget detail for planned expenditures from the heritage enhancement fund as recommended by the council.

(c) As a condition of acceptance of an appropriation from the heritage enhancement fund, an agency or entity receiving an appropriation shall submit a work program and quarterly progress reports for appropriations from the heritage enhancement fund to the members of the Heritage Enhancement Council in the form determined by the council.

Subd. 4. **Council administration.** (a) The council may employ personnel and contract with consultants as necessary to carry out functions and duties of the council. Permanent employees shall be in the unclassified service. The council may request staff assistance, legal opinion, and data from agencies of state government as needed for the execution of the responsibilities of the council.

(b) Beginning July 1, 2007, the administrative expenses of the council shall be paid from the heritage enhancement fund.

(c) A council member or an employee of the council may not participate in or vote on a decision of the council relating to an organization in which the member or employee has either a direct or indirect personal financial interest. While serving on or employed by the council, a person shall avoid any potential conflict of interest.

Subd. 5. **Council meetings.** Meetings of the council and other groups the council may establish must be conducted in accordance with chapter 13D. Except where prohibited by law, the council shall establish additional processes to broaden public involvement in all aspects of its deliberations.

**EFFECTIVE DATE.** This section is effective November 15, 2006, if the constitutional amendment proposed in section 1 is adopted by the voters.

**Sec. 6. [103F.765] CLEAN WATER FUND; CLEAN WATER COUNCIL; EXPENDITURES.**

Subdivision 1. **Fund.** The clean water fund is established in the Minnesota Constitution, article XI, section 15. All money earned by the clean water fund must be credited to the fund.

Subd. 2. **Expenditures.** Subject to appropriation, money in the clean water fund may be spent only on:

(1) monitoring, investigations, and analysis of the quality of Minnesota's water resources;

(2) state and local activities to protect, preserve, and improve the quality of Minnesota's water resources; and

(3) assistance to individuals and organizations for water quality improvement projects.

Subd. 3. **Clean Water Council; membership; appointment.** A Clean Water Council of 21 members is created. The members of the council shall elect a chair from the nonagency members of the council. The commissioners of natural resources, agriculture, and the Pollution Control Agency, and the executive director of the Board of Water and Soil Resources, shall appoint one person from their respective agency to serve as a member of the council. Seventeen additional nonagency members of the council shall be appointed as follows:

(1) two members representing statewide farm organizations, appointed by the governor;

(2) one member representing business organizations, appointed by the governor;

(3) one member representing environmental organizations, appointed by the governor;

(4) one member representing soil and water conservation districts, appointed by the governor;

(5) one member representing watershed districts, appointed by the governor;

(6) one member representing organizations focused on improvement of Minnesota lakes or streams, appointed by the governor;

(7) two members representing an organization of county governments, one member representing the interests of rural counties, and one member representing the interests of counties in the seven-county metropolitan area, appointed by the governor;

(8) two members representing organizations of city governments, appointed by the governor;

(9) one member representing the Metropolitan Council established under section 473.123, appointed by the governor;

(10) one township officer, appointed by the governor;

(11) one member of the house of representatives, appointed by the speaker;

(12) one member of the senate, appointed by the majority leader;

(13) one member representing the University of Minnesota or a Minnesota state university, appointed by the governor; and

(14) one member representing the interests of tribal governments, appointed by the governor.

The members of the council appointed by the governor are subject to the advice and consent of the senate. At least six of the members appointed by the governor must reside in the seven-county metropolitan area. In making appointments, the governor must attempt to provide for geographic balance.

Subd. 4. **Terms; compensation; removal.** The terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of council members is as provided in section 15.059, subdivisions 3 and 4. A vacancy on the council may be filled by the appointing authorities, as provided in subdivision 3, for the remainder of the unexpired term.

Subd. 5. **Recommendations on appropriation of funds.** The Clean Water Council shall recommend to the governor the manner in which money from the clean water fund should be appropriated for the purposes identified in subdivision 2.

Subd. 6. **Biennial report to legislature.** By December 1 of each even-numbered year, the council shall submit a report to the legislature on the activities for which money from the clean water fund has been or will be spent for the current biennium, and the activities for which money from the account is recommended to be spent in the next biennium.

Subd. 7. **Council meetings.** Meetings of the council and other groups the council may establish must be conducted in accordance with chapter 13D. Except where prohibited by law, the council shall establish additional processes to broaden public involvement in all aspects of its deliberations.

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

Sec. 7. **[129D.17] ARTS, HUMANITIES, MUSEUM, AND PUBLIC BROADCASTING FUND; EXPENDITURES.**

Subdivision 1. **Fund.** The arts, humanities, museum, and public broadcasting fund is established in the Minnesota Constitution, article XI, section 15. All money earned by the fund must be credited to the fund.

Subd. 2. **Expenditures.** Subject to appropriation, receipts in the fund must be allocated by the commissioner of finance as follows:

- (1) 43 percent to the Minnesota State Arts Board;
- (2) 23 percent to the Minnesota Historical Society;
- (3) 23 percent to public broadcasting;
- (4) four percent to the Science Museum of Minnesota;
- (5) 3.5 percent to the Humanities Commission;
- (6) 2.5 percent to the Minnesota Film Board; and
- (7) one percent to the Minnesota Children's Museum and the Duluth Children's Museum.

Money allocated to the Minnesota State Arts Board, the Minnesota Historical Society, public broadcasting, the Science Museum of Minnesota, the Humanities Commission, the Minnesota Film Board, the Minnesota Children's Museum, and the Duluth Children's Museum may not be used for administrative purposes. If one of the above entities ceases to exist, then the appropriated money must be allocated proportionally among the remaining entities.

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

Sec. 8. Minnesota Statutes 2004, section 297A.62, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) Except as otherwise provided in subdivision 2 or 3 or in this chapter, a sales tax of 6.5 percent is imposed on the gross receipts from retail sales as defined in section 297A.61, subdivision 4, made in this state or to a destination in this state by a person who is required to have or voluntarily obtains a permit under section 297A.83, subdivision 1.

(b) The increased rate required under the Minnesota Constitution, article XI, section 15, shall be added to the rate imposed under paragraph (a).

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

Sec. 9. Minnesota Statutes 2004, section 297A.94, is amended to read:

**297A.94 DEPOSIT OF REVENUES.**

(a) Except as provided in this section and the Minnesota Constitution, article XI, section 15, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(e) For fiscal year 2001, 97 percent; for fiscal years 2002 and 2003, 87 percent; and for fiscal year 2004 and thereafter, 72.43 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo.

(f) The revenue dedicated under paragraph (e) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (e) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (e) must be allocated for field operations.

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

Sec. 10. Minnesota Statutes 2004, section 297B.02, subdivision 1, is amended to read:

Subdivision 1. **Rate.** There is imposed an excise tax at the rate provided in ~~chapter 297A, section 297A.62,~~ subdivision 1, paragraph (a), on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

The excise tax is also imposed on the purchase price of motor vehicles purchased or acquired on Indian reservations when the tribal council has entered into a sales tax on motor vehicles refund agreement with the state of Minnesota.

**EFFECTIVE DATE.** This section is effective July 1, 2007, if the constitutional amendment proposed in section 1 is adopted by the voters.

## ARTICLE 2

### MOTOR VEHICLE SALES TAX CONSTITUTIONAL AMENDMENT

Section 1. Laws 2005, chapter 88, article 3, section 9, is amended to read:

#### Sec. 9. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, two sections will be added to article XIV to read:

Sec. 12. Beginning with the fiscal year starting July 1, 2007, 63.75 percent of the revenue from a tax imposed by the state on the sale of a new or used motor vehicle must be apportioned for the transportation purposes described in section 13, then the revenue apportioned for transportation purposes must be increased by ten percent for each subsequent fiscal year through June 30, 2011, and then the revenue must be apportioned 100 percent for transportation purposes after June 30, 2011.

Sec. 13. The revenue apportioned in section 12 must be allocated for the following transportation purposes: ~~not more than 60 80~~ percent must be deposited in the highway user tax distribution fund, and ~~not less than 40 20~~ percent must be deposited in a fund dedicated solely to public transit assistance as defined by law.

Sec. 2. Laws 2005, chapter 88, article 3, section 10, is amended to read:

Sec. 10. **SUBMISSION TO VOTERS.**

The constitutional amendment proposed in section 12 must be presented to the people at the 2006 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to dedicate revenue from a tax on the sale of new and used motor vehicles over a five-year period, so that after June 30, 2011, all of the revenue is dedicated ~~at least 40 20~~ percent for public transit assistance and ~~not more than 60 80~~ percent for highway purposes?"

Yes .....

No ....."

ARTICLE 3

MARRIAGE CONSTITUTIONAL AMENDMENT

Section 1. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a section shall be added to article XIII, to read:

Sec. 13. Only a union of one man and one woman shall be valid and recognized as a marriage in Minnesota. Any other relationship shall not be recognized as a marriage or its legal equivalent by the state or any of its political subdivisions.

Sec. 2. **SUBMISSION TO VOTERS.**

The proposed amendment must be submitted to the people at the 2006 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to provide that the state and its political subdivisions shall recognize marriage and its legal equivalent as limited to only the union of one man and one woman?"

Yes .....

No ....."

Delete the title and insert:

"A bill for an act relating to proposing constitutional amendments; proposing an amendment to the Minnesota Constitution adding a section to article XI; increasing the sales and use tax rate by three-eighths of one percent and dedicating the receipts for natural and cultural resource purposes; creating a parks and trails fund; creating a heritage enhancement fund; establishing a Heritage Enhancement Council; creating a clean water fund; establishing a Clean Water Council; creating an arts, humanities, museum, and public broadcasting fund; amending a proposed amendment to the Minnesota Constitution, article XIV, sections 12 and 13; dedicating motor vehicle sales tax revenues to transportation and allocating them between public transit assistance and the highway user tax distribution fund; proposing an amendment to the Minnesota Constitution by adding a section to article XIII; providing that only a union of one man and one woman is valid and recognized as a marriage; amending Minnesota Statutes 2004, sections 297A.62, subdivision 1; 297A.94; 297B.02, subdivision 1; Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35; Laws 2005, chapter 88, sections 9; 10; proposing coding for new law in Minnesota Statutes, chapters 85; 97A; 103F; 129D."

With the recommendation that when so amended 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. 2460, A bill for an act relating to civil actions; providing punitive damages if news media violates a promise to protect a confidential source; proposing coding for new law in Minnesota Statutes, chapter 595.

Reported the same back with the following amendments:

Page 1, line 19, delete "2005" and insert "2006"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2721, A bill for an act relating to environment; extending the individual sewage treatment system pilot program; amending Laws 2003, chapter 128, article 1, section 165.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Sec. 2. **APPLICATION OF STORM WATER RULES TO COUNTIES.**

Until the Pollution Control Agency storm water rules are amended, the provisions of Minnesota Rules, part 7090.1010, subpart 1, item B, subitems (2) and (3) only, shall not apply to counties."



Amend the title as follows:

Page 1, line 3, after the semicolon, insert "modifying application of storm water rules;"

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

The report was adopted.

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

H. F. No. 2806, A bill for an act relating to human services; providing reimbursement for licensed professional counselors; amending Minnesota Statutes 2005 Supplement, section 256B.0625, subdivision 38.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **STUDY; REPORT.**

The medical director for medical assistance and the assistant commissioner for chemical and mental health services of the Department of Human Services shall evaluate the requirements for licensed mental health practitioners to receive medical assistance reimbursement under Minnesota Statutes, section 256B.0625, subdivision 38. The purpose of this study is to evaluate qualifications of all licensed mental health practitioners and licensed mental health professionals and make recommendations regarding requirements for medical assistance reimbursement. This study is to be completed by January 15, 2007. Written results of the study are to be submitted to the chairs of the house of representatives and senate committees with jurisdiction over health related licensing boards."

Delete the title and insert:

"A bill for an act relating to human services; requiring a study and report on the qualifications of all licensed mental health practitioners and licensed mental health professionals to receive medical assistance reimbursement."

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

The report was adopted.

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

H. F. No. 2921, A bill for an act relating to the military; requiring leaves of absence for the immediate family members of a seriously injured or killed member of the armed forces; providing for and funding certain programs benefiting veterans; creating an individual income tax subtraction for military pensions; requiring educational fairness; appropriating money; amending Minnesota Statutes 2005 Supplement, sections 192.502, by adding a subdivision; 290.01, subdivision 19b; 290.091, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 181; 197.

Reported the same back with the following amendments:

Page 1, line 23, after "grant" insert "up to ten working days of"

Page 1, line 25, delete "Leave must"

Page 1, delete line 26

Page 2, delete lines 1 to 2

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

The report was adopted.

Gunther from the Committee on Jobs and Economic Opportunity Policy and Finance to which was referred:

H. F. No. 3002, A bill for an act relating to human services; modifying provisions for general assistance and MFIP programs; amending Minnesota Statutes 2004, sections 256D.06, by adding a subdivision; 256J.12, subdivision 1, by adding a subdivision; 256J.95, by adding subdivisions.

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

The report was adopted.

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

H. F. No. 3049, A bill for an act relating to commerce; regulating the purchase and lease of new ambulances; establishing a manufacturer's duty to repair, refund, or replace; amending Minnesota Statutes 2004, section 325F.665, subdivision 1.

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

The report was adopted.

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

H. F. No. 3079, A bill for an act relating to local government; limiting liability on claims brought against a municipality participating in a joint venture or enterprise; amending Minnesota Statutes 2004, section 471.59, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 3171, A bill for an act relating to health; allowing parents to obtain a clean certified copy of a deceased child's birth record under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 144.

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

The report was adopted.

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

H. F. No. 3178, A bill for an act relating to education; authorizing suspensions without pay for teachers charged with felonies; amending Minnesota Statutes 2004, section 122A.40, subdivision 13.

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

The report was adopted.

Westrom from the Committee on Regulated Industries to which was referred:

H. F. No. 3194, A bill for an act relating to gambling; making various clarifying, technical, and conforming changes to lawful gambling provisions; modifying expenditure restriction requirements; amending Minnesota Statutes 2004, sections 349.12, subdivisions 4, 18, 21; 349.1635, subdivision 3; 349.168, subdivision 10; 349.17, subdivision 6; 349.19, subdivisions 2, 3; Minnesota Statutes 2005 Supplement, sections 349.12, subdivisions 12a, 25; 349.15, subdivision 1; 349.151, subdivisions 4, 4c; 349.153; 349.16, subdivision 2; 349.162, subdivisions 4, 5; 349.1635, subdivision 4; 349.166, subdivisions 1, 2; 349.167, subdivision 1; 349.17, subdivision 5; 349.173; 349.18, subdivision 1; 349.213, subdivision 1.

Reported the same back with the following amendments:

Page 3, delete lines 3 to 8 and insert:

"(2) a contribution to or expenditure for goods and services for an individual or family suffering from poverty, homelessness, or disability, which is used to relieve the effects of that suffering;

(3) a contribution to a program recognized by the Minnesota Department of Human Services for the education, prevention, or treatment of problem gambling;"

Page 3, line 12, delete "with"

Page 3, line 17, delete "humanitarian or"

Page 3, line 25, delete "or"

Page 3, line 28, after "per diem;" insert "or"

(iv) active military personnel and their immediate family members in need of support services;"

Page 4, line 2, delete the first "wholly"

Page 4, line 4, delete ", not to exceed:" and insert ";"

Page 4, delete lines 5 to 7

Page 4, line 16, after "Revenue" insert "and paid prior to June 30, 2006"

Page 4, line 22, delete "or" and insert "and"

Page 5, line 24, delete "natural disaster" and insert "catastrophe"

Page 6, line 24, delete "For licenses issued"

Page 6, delete lines 25 to 31 and insert "For licenses renewed with an effective date between July 1, 2006, and June 30, 2008, an organization shall carry forward an amount equal to 15 percent of any positive allowable expense carryover amount. This balance must be used to offset any future negative expense balance at the time of license renewal."

Page 6, delete section 7

Page 10, line 15, delete everything after "renewal" and insert a period

Page 10, delete line 16 and insert:

"The board may by rule impose sanctions or penalties on organizations that exceed the expenditure restrictions under section 349.15, subdivision 1."

Page 19, delete lines 1 to 5 and insert:

"(f) No ~~person, distributor, manufacturer, lessor, linked bingo game provider, or organization entity~~ other than the licensed organization ~~leasing the space~~ may conduct any activity ~~other than the sale or serving of food and beverages on the leased premises during times when lawful gambling is being conducted~~ within a booth operation on ~~the~~ a leased premises."

Page 22, after line 20, insert:

"Sec. 25. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

Renumber the sections in sequence and correct internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Seifert from the Committee on State Government Finance to which was referred:

H. F. No. 3253, A bill for an act relating to lawful gambling; modifying certain requirements relating to bar bingo and pull-tab games; amending Minnesota Statutes 2004, section 349.211, subdivision 2a; Minnesota Statutes 2005 Supplement, section 349.17, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 349.

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

The report was adopted.

Seifert from the Committee on State Government Finance to which was referred:

H. F. No. 3254, A bill for an act relating to lawful gambling; authorizing pilot project for sports-themed tipboard games.

Reported the same back with the following amendments:

Page 1, after line 21, insert:

"(d) The Gambling Control Board and the attorney general may not spend state funds to defend a lawsuit challenging the legality of the pilot projects. A charitable organization may not pay to defend a lawsuit challenging the legality of the pilot projects with net proceeds from charitable gambling."

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

The report was adopted.

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

H. F. No. 3255, A bill for an act relating to health; establishing the Minnesota Starvation and Dehydration of Persons with Disabilities Prevention Act; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, line 20, delete "a person" and insert "an individual" and delete "certified" and insert "credentialed"

Page 2, line 8, delete "; or" and insert a period

Page 2, delete line 9

Page 3, line 19, after the period, insert "This presumption shall not apply to any person under the age of 18; provided, that nutrition or hydration may not be withheld or withdrawn from a minor in violation of applicable federal law and regulations relating to child abuse and neglect to the extent applicable to the state based upon its receipt of federal funds."

Page 3, after line 29, insert:

"(2) to the extent that, in reasonable medical judgment, the person will die imminently as a result of the person's underlying disease or injury, and not as a result of dehydration or starvation, if nutrition or hydration is withheld or withdrawn, and the provision of neither will provide comfort to that person;"

Page 3, line 30, delete "(2)" and insert "(3)"

Page 3, line 33, delete "(3)" and insert "(4)"

Page 4, line 13, after "laws" insert "and regulations"

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

The report was adopted.

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

H. F. No. 3283, A bill for an act relating to insurance; conforming regulation of qualified long-term care insurance to requirements for state participation in the federal long-term care partnership program; amending state long-term care partnership program requirements; amending Minnesota Statutes 2004, sections 62S.05, by adding a subdivision; 62S.08, subdivision 3; 62S.081, subdivision 4; 62S.10, subdivision 2; 62S.13, by adding a subdivision; 62S.14, subdivision 2; 62S.15; 62S.20, subdivision 1; 62S.24, subdivisions 1, 3, 4, by adding subdivisions; 62S.25, subdivision 6, by adding a subdivision; 62S.26; 62S.266, subdivision 2; 62S.29, subdivision 1; 62S.30; Minnesota Statutes 2005 Supplement, section 256B.0571; proposing coding for new law in Minnesota Statutes, chapter 62S.

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.

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

H. F. No. 3341, A bill for an act relating to the legislature; providing legislators and staff the option of health coverage that includes a health savings account; amending Minnesota Statutes 2004, section 43A.18, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 1, line 9, before "The" insert "(a)"

Page 1, after line 12, insert:

"(b) The high deductible plan offered under this section must cover preventive care without a deductible, co-payment, or other patient cost-sharing to the extent permitted for high deductible plans under federal law. For purposes of this paragraph, "preventive care" has the meaning given under section 223(c)(2)(C) of the Internal Revenue Code and federal regulations related to that provision.

(c) The plan offered under this section is an option. The Legislative Coordinating Commission must continue to offer legislators and legislative employees the right to select benefits provided by the commissioner of employee relations under sections 43A.22 to 43A.30 instead of the benefits provided in this section."

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

The report was adopted.

Olson from the Committee on Local Government to which was referred:

H. F. No. 3380, A bill for an act relating to local government; authorizing political subdivisions to establish accounts to pay for postemployment benefits owed to officers and employees; proposing coding for new law in Minnesota Statutes, chapter 353.

Reported the same back with the following amendments:

Page 1, line 17, delete "and"

Page 1, line 19, delete the period, and insert "; and"

Page 1, after line 19, insert:

"(3) "plan administrator" means the third party agent or administrator handling the payment of benefits on behalf of the political subdivision consistent with the requirements of the Government Accounting Standards Board."

Page 1, line 23, after the period, insert "This section shall not affect an employer's ability to contribute to individual medical savings or reimbursement accounts that are given preferential tax treatment under the Internal Revenue Code and established for the benefit of current or former employees or officers."

Page 2, delete lines 25 to 31 and insert:

"(b) For an irrevocable account:

(1) the plan administrator may withdraw money only as needed to pay postemployment benefits owed to former officers and employees of the political subdivision; or

(2) the political subdivision may withdraw money only to the extent the political subdivision's actuarial liability is satisfied or otherwise defeased."

Page 2, line 32, after "A" insert "plan administrator or"

Page 3, line 4, before "officers" insert "current and former"

With the recommendation that when so amended 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. 3384, A bill for an act relating to state government; providing that the official Web site of the office of the secretary of state may link to Web sites of candidates or, in the case of ballot questions, advocacy groups; amending Minnesota Statutes 2005 Supplement, section 10.60, subdivisions 3, 4.

Reported the same back with the following amendments:

Page 1, line 16, after "state" insert "or the Campaign Finance and Public Disclosure Board"

Delete the title and insert:

"A bill for an act relating to state government; regulating Web site links to political candidates, committees, or parties; providing exceptions; amending Minnesota Statutes 2005 Supplement, section 10.60, subdivisions 3, 4."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3387, A bill for an act relating to data practices; modifying the manner of obtaining parental consent to genetic testing of children; providing for parental direction to destroy testing results; requiring legislative authorization to revise the kinds of tests to be administered; amending Minnesota Statutes 2004, sections 144.125, subdivisions 2, 3, by adding a subdivision; 144.128.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 144.125, subdivision 3, is amended to read:

Subd. 3. **Objection of parents to test.** Persons with a duty to perform testing under subdivision 1 shall advise parents of infants (1) that the blood or tissue samples used to perform testing thereunder as well as the results of such testing may be retained by the Department of Health indefinitely, (2) the benefit of retaining the blood or tissue sample, and (3) that the following options are available to them with respect to the testing: (i) to decline to have the tests, or (ii) to elect to have the tests but to require that all blood samples and records of test results be destroyed within 24 months of the testing. If the parents of an infant object in writing to testing for heritable and congenital disorders or elect to require that blood samples and test results be destroyed, the objection or election shall be recorded on a form that is signed by a parent or legal guardian and made part of the infant's medical record. A written objection exempts an infant from the requirements of this section and section 144.128.

Sec. 2. Minnesota Statutes 2004, section 144.125, is amended by adding a subdivision to read:

Subd. 4. **Request to destroy samples and test results.** The commissioner shall prepare a separate form for use by parents or by adults who were tested as minors to direct that blood samples and test results be destroyed. The commissioner shall comply with the destruction request within 45 days after receiving it.

Sec. 3. Minnesota Statutes 2004, section 144.125, is amended by adding a subdivision to read:

Subd. 5. **Newborn screening Web site.** The Department of Health newborn screening Web site shall contain a list of all tests currently being performed. By April 1 of each year, the department shall post the total number of newborn screening results held by the department on the previous December 31 and shall provide the following information for the previous calendar year:

- (1) the number of screenings performed;
- (2) the number of individuals who opted out of screening;
- (3) the number of samples destroyed;
- (4) the number of individuals whose test results were destroyed; and
- (5) the number of samples released for research.

Sec. 4. Minnesota Statutes 2004, section 144.128, is amended to read:

**144.128 COMMISSIONER'S DUTIES.**

The commissioner shall:

- (1) notify the physicians of newborns tested of the results of the tests performed;
- (2) make referrals for the necessary treatment of diagnosed cases of heritable and congenital disorders when treatment is indicated;
- (3) maintain a registry of the cases of heritable and congenital disorders detected by the screening program for the purpose of follow-up services; ~~and~~



(4) notify parents or adults who were tested as minors and who request destruction of samples and test results that the samples and test results have been destroyed; and

(5) adopt rules to carry out sections 144.125 to 144.128."

Delete the title and insert:

"A bill for an act relating to health; regulating genetic testing; requiring certain notices and information sharing; providing for the destruction of certain samples and test results; amending Minnesota Statutes 2004, sections 144.125, subdivision 3, by adding subdivisions; 144.128."

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. 3447, A bill for an act relating to consumer protection; regulating the use of motor vehicle event data recorders; requiring certain disclosures; restricting the use of certain data; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

The report was adopted.

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

H. F. No. 3488, 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 3.736, subdivision 8; 13.322, subdivision 3; 13.355, by adding a subdivision; 13.6905, by adding a subdivision; 16B.85, subdivision 5; 45.011, subdivision 1; 62D.03, subdivision 4; 62D.30, subdivision 8; 62Q.19, subdivision 2; 82.50, subdivision 7; 97A.445, subdivision 3; 103F.205, subdivision 1; 103G.293; 115A.0716, subdivision 3; 145A.09, subdivision 4; 168.187, subdivision 12; 169.781, subdivision 1; 253B.045, subdivision 2; 256.9831, subdivision 1; 256B.0917, subdivision 13; 256B.093, subdivision 3a; 256J.88; 260C.007, subdivision 6; 273.03, subdivision 3; 273.111, subdivision 3; 290.48, subdivision 10; 295.50, subdivision 10b; 297E.01, subdivision 8; 299A.292, subdivision 2; 299A.80, subdivision 1; 299C.091, subdivision 2; 349.12, subdivision 21; 353.27, subdivision 9; 353.33, subdivision 1; 353.656, subdivision 8; 354.05, subdivision 13; 466.06; 581.02; 609.652, subdivision 2; 609.671, subdivision 1; 626.5572, subdivision 2; Minnesota Statutes 2005 Supplement, sections 16C.33, subdivision 3; 116J.575, subdivision 1; 138.17, subdivision 10; 144.225, subdivision 7; 144.335, subdivision 1; 144.602, subdivision 1; 148B.60, subdivision 3; 148D.240, subdivision 5; 168.128, subdivision 2; 168.33, subdivision 2; 169.18, subdivision 11; 216B.1612, subdivision 2; 237.763; 245C.15, subdivision 3; 256B.441, subdivision 13; 270C.96; 289A.42, subdivision 1; 296A.22, subdivision 9; 325E.61, subdivision 5; 349.153; 357.021, subdivision 1a; 604A.33, subdivision 1; Laws 2005, chapter 20, article 2, section 1; Laws 2005, chapter 88, article 3, section 10; Laws 2005, First Special Session chapter 6, article 3, section 95; repealing Minnesota Statutes 2004, sections 155A.03, subdivision 11; 299J.061; 309.50, subdivision 8; 326.991, subdivision 2; Laws 2001, First Special Session chapter 5, article 12, sections 31; 32; Laws 2005, chapter 156, article 5, section 20; Laws 2005, First Special Session chapter 4, article 5, section 14.

Reported the same back with the following amendments:

Page 17, lines 22 and 31, delete "contained in" and insert "governed by"

Page 17, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2004, section 13.322, is amended by adding a subdivision to read:

Subd. 5. Use of Social Security numbers. Certain restrictions on the use of Social Security numbers are governed by section 325E.59."

Correct the title numbers accordingly

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. 3496, A bill for an act relating to the environment; modifying exemptions to noise standards; amending Minnesota Statutes 2004, section 116.07, subdivision 2a.

Reported the same back with the following amendments:

Page 1, line 18, delete "Noise generating" and insert "Motor vehicle race events"

Page 1, line 19, delete "activities"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3525, A bill for an act relating to construction codes; recodifying and modifying construction codes and licensing provisions; modifying the State Building Code; providing penalties for enforcement; instructing the revisor to renumber statutory provisions; amending Minnesota Statutes 2004, sections 16B.60, subdivisions 4, 7, 8, 11; 16B.61, as amended; 16B.615, subdivision 4; 16B.617; 16B.6175; 16B.63; 16B.65; 16B.70; 16B.72; 16B.73; 16B.735; 16B.74, subdivision 2; 16B.744; 16B.745, subdivisions 1, 4; 16B.747; 16B.748; 16B.76; 31.175; 103I.621, subdivision 3; 136F.61; 144.99, subdivision 1; 175.16, subdivision 1; 183.38; 183.39, subdivision 1; 183.411, subdivision 2; 183.45; 183.46; 183.465; 183.466; 183.48; 183.501; 183.505; 183.51, as amended; 183.54, subdivisions 1, 3; 183.56; 183.59; 183.60; 183.61, subdivisions 2, 4; 214.01, subdivision 3; 214.04, subdivision 3; 299F.011, subdivision 1; 325E.58; 326.01, subdivisions 2, 3, 4, 5, 6, 6a, 6b, 6c, 6e, 6f, 6g, 6j, 6k, 7, 8, 9; 326.241; 326.242, as amended; 326.243; 326.244, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 326.2441, subdivisions 2, 7, 8, 10, 11; 326.245; 326.247; 326.248; 326.37; 326.38; 326.39; 326.40; 326.401; 326.405; 326.42, as amended; 326.46; 326.461, by adding subdivisions; 326.47, subdivisions 1, 6; 326.48; 326.50; 326.57, subdivision 1; 326.58; 326.59; 326.60; 326.601; 326.61, subdivisions 1, 2, 3, 4; 326.62; 326.65; 326.83, subdivisions 6, 7, 11, 18, 19, 20; 326.84; 326.841; 326.842; 326.86; 326.87; 326.88; 326.89; 326.90, subdivision 1; 326.91, subdivision 1; 326.92; 326.921; 326.93; 326.94; 326.95, subdivision 2; 326.96; 326.97; 326.992; 327.20,

subdivision 1; 327.31, subdivisions 2, 3, 4, 7, 15, by adding a subdivision; 327.32, subdivision 8; 327.33, subdivisions 2, 6, 7; 327.34, subdivision 3; 327.35, subdivisions 1, 2; 327A.01, subdivision 2; 327B.01, subdivisions 4, 5, 7, 17, by adding subdivisions; 327B.04, subdivisions 1, 4, 7, 8; 363A.40, subdivision 1; 462.357, subdivision 6a; 462A.07, subdivision 8; 471.465; 471.466; 471.467; 471.471; Minnesota Statutes 2005 Supplement, sections 16B.04, subdivision 2; 144.122; 183.42; 183.545, by adding a subdivision; 183.57, subdivisions 1, 2, 5, 6; 214.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 327B; proposing coding for new law as Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2004, sections 16B.665; 16B.747, subdivision 4; 45.027, subdivisions 1, 1a, 2, 3, 4, 7, 7a, 8, 9, 11, 12; 183.001; 183.02; 183.375, subdivisions 1, 2, 3, 4, 6; 183.41, subdivisions 1, 2, 3; 183.44, subdivisions 2, 3; 183.52; 183.54, subdivision 2; 183.61, subdivisions 1, 3, 5, 6; 326.01, subdivisions 6h, 10, 11, 12, 13; 326.242, subdivisions 9, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 10; 326.244, subdivision 6; 326.246; 326.2461; 326.41; 326.44; 326.45; 326.461, subdivision 3; 326.47, subdivisions 2, 5; 326.51; 326.52; 326.521; 326.64; 326.83, subdivisions 3, 4, 12, 13; 326.85; 326.875; 326.91, subdivisions 2, 3, 4; 326.945; 326.975, subdivisions 1a, 1b, 2, 3; 326.98; 326.991; 327B.05, subdivisions 2, 3, 4, 5, 6; Minnesota Statutes 2005 Supplement, sections 183.41, subdivision 4; 183.44, subdivision 1; 183.545, subdivision 9; 326.975, subdivision 1; Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650; 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600; 4715.5900; 4717.7000, subpart 1, item I; 5225.8600, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9; 5230.0010; 5230.0020; 5230.0040.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### REVISOR'S INSTRUCTION

##### Section 1. **REVISOR'S INSTRUCTION.**

(a) In Minnesota Rules, parts 3800.3500 to 3800.3885, the revisor of statutes shall change the terms "board" and "Board of Electricity" to "commissioner of labor and industry."

(b) In Minnesota Rules, parts 4715.0150 to 4715.6000, the revisor of statutes shall change the terms "commissioner" and "commissioner of health" to the term "commissioner of labor and industry"; and shall change the terms "department" and "Department of Health" to "Department of Labor and Industry."

(c) In Minnesota Rules, chapters 1300, 1301, 1305, 1306, 1307, 1309, 1311, 1315, 1346, 1350, 1360, and 7672, the revisor of statutes shall:

(1) change the term "commissioner of administration" to "commissioner of labor and industry";

(2) change the term "Department of Administration" to "Department of Labor and Industry";

(3) change the term "Department of Administration's Building Codes and Standards Division" to "Department of Labor and Industry"; and

(4) change the term "director of the Building Codes and Standards Division of the Department of Administration" to "individual appointed by the commissioner of labor and industry to administer the code."

(d) In Minnesota Statutes, sections 326.01, subdivisions 2, 3, 4, 5, 6, 6a, 6b, 6c, and 6k; 326.242; 326.244; 326.2441; and 326.245, the revisor of statutes shall change the terms "board," "Board of Electricity," and "State Board of Electricity" to "commissioner of labor and industry."

(e) In Minnesota Statutes, sections 326.37 to 326.45 and 326.57 to 326.65, the revisor of statutes shall change the terms "commissioner," "commissioner of health," and "state commissioner of health" to "commissioner of labor and industry," and shall change the terms "department," "Department of Health," and "State Department of Health" to "Department of Labor and Industry."

(f) In Minnesota Statutes, sections 16B.59 to 16B.76, 326.992, 327.31 to 327.36, and 327B.01 to 327B.12, the revisor of statutes shall change the terms "commissioner" and "commissioner of administration" to "commissioner of labor and industry," and shall change the terms "department" and "Department of Administration" to "Department of Labor and Industry."

(g) In Minnesota Statutes, sections 326.83 to 326.86 and 326.875 to 326.991, the revisor of statutes shall change the terms "commissioner" and "commissioner of commerce" to "commissioner of labor and industry," and shall change the terms "department" and "Department of Commerce" to "Department of Labor and Industry."

(h) In Minnesota Rules, part 3800.3840, the revisor of statutes shall change the term "technical program committee" to "commissioner of labor and industry or designee."

## ARTICLE 2

### CONSTRUCTION CODES AND LICENSING

Section 1. Minnesota Statutes 2004, section 299F.011, subdivision 1, is amended to read:

Subdivision 1. **Uniform Fire Code rulemaking authority.** The commissioner of ~~public safety through the Division of Fire Marshal~~ may labor and industry, in consultation with the fire marshal, shall promulgate a Uniform Fire Code and make amendments thereto in accordance with the Administrative Procedure Act in chapter 14. The code and its amendments shall conform insofar as practicable to model fire codes generally accepted and in use throughout the United States, with consideration given to existing statewide specialty codes presently in use in the state of Minnesota. Statewide specialty codes and model codes with necessary modifications may be adopted by reference in accordance with section 14.07, subdivision 4.

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

Sec. 2. **[326B.01] DEFINITIONS.**

Subdivision 1. **Scope.** The definitions in this section apply to chapter 326B.

Subd. 2. **ASME.** "ASME" means the American Society of Mechanical Engineers.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of labor and industry or a duly designated representative of the commissioner who is either an employee of the Department of Labor and Industry or a person working under contract with the department.

Subd. 4. **Department.** "Department" means the Department of Labor and Industry.

Subd. 5. **Day.** "Day" means calendar day unless otherwise provided.

Subd. 6. **Individual.** "Individual" means a human being.

Subd. 7. **Person.** "Person" means any individual, limited liability company, corporation, partnership, incorporated or unincorporated association, sole proprietorship, joint stock company, or any other legal or commercial entity.

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

Sec. 3. **[326B.02] POWERS.**

Subdivision 1. **Transfer of responsibilities.** The responsibilities of the commissioner of administration relating to the state building code, sections 16B.59 to 16B.76; construction of low-cost manufactured home park storm shelters, section 327.205; manufactured homes, sections 327.31 to 327.36 and 327B.01 to 327B.12; and statutory warranties in connection with the sale of dwellings and home improvement work, chapter 327A, are transferred under section 15.039 to the commissioner of labor and industry as amended. The responsibilities of the commissioner of health relating to the state plumbing code and licensing, sections 16B.61, 144.122, paragraph (f), 144.99 to 144.993, and 326.37 to 326.45, and water conditioning contractors and installers, sections 144.122, paragraph (f), 144.99 to 144.993, and 326.57 to 326.65, are transferred under section 15.039 to the commissioner of labor and industry as amended. The responsibilities of the commissioner of commerce relating to residential contractors, residential remodelers, residential roofers, manufactured home installers, and the contractor's recovery fund under sections 45.027 to 45.23 and 326.83 to 326.992 are transferred under section 15.039 to the commissioner of labor and industry as amended. The responsibilities of the Board of Electricity relating to the state electrical code and licensing, sections 16B.61 and 326.241 to 326.248, are transferred under section 15.039 to the commissioner of labor and industry as amended.

Subd. 2. **Definition of responsibilities.** For purposes of subdivision 1, responsibilities include powers, duties, rights, obligations, and other authority imposed by law on the commissioner and the department.

Subd. 3. **State fire marshal cooperation.** The state fire marshal shall work with the commissioner to improve the delivery of services to the public through the coordination of services and utilization of technology.

Subd. 4. **General rulemaking authority.** The commissioner may, under the rulemaking provisions of chapter 14 and as otherwise provided by this chapter, adopt, amend, suspend, and repeal rules relating to the commissioner's responsibilities.

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

ARTICLE 3

ENFORCEMENT

Section 1. **[326B.081] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of sections 326B.081 to 326B.085, the terms defined in this section have the meanings given them.

Subd. 2. **Administrative order.** "Administrative order" means an order issued under section 326B.082, subdivision 7.

Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections 45.027 to 45.23, 326.241 to 326.248, 326.37 to 326.521, 326.57 to 326.65, 326.83 to 326.992, 326B.084, 327.205, 327.31 to 327.36, and 327B.01 to 327B.12, and chapters 183 and 327B, and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted, issued, or enforced by the department under sections 45.027 to 45.23, 326.241 to 326.248, 326.37 to 326.521, 326.57 to 326.65, 326.83 to 326.992, 326B.084, 327.205, 327.31 to 327.36, or 327B.01 to 327B.12, or chapter 183 or 327B.

Subd. 4. **Document or documents.** "Document" or "documents" includes papers; books; records; memoranda; data; contracts; drawings; graphs; charts; photographs; digital, video, and audio recordings; records; accounts; files; statements; letters; e-mails; invoices; bills; notes; and calendars maintained in any form or manner.

Subd. 5. **Final.** "Final" when used to describe any order issued under section 326B.082 means that:

(1) no request for hearing in connection with the order was filed in the manner and within the time provided by section 326B.082;

(2) all requests for hearing have been withdrawn;

(3) a settlement agreement in connection with the order has been signed by all the parties; or

(4) after the filing of a request for hearing, an order has been issued by the commissioner, the Court of Appeals, or the Supreme Court, and all appeals have been pursued or forgone.

Subd. 6. **Licensing order.** "Licensing order" means an order issued under section 326B.082, subdivision 12, paragraph (a).

Subd. 7. **Minimum qualifications.** "Minimum qualifications" means the educational, experience, fee, examination, application, and other eligibility requirements that an applicant must meet in order to obtain a license, registration, certificate, or permit under the applicable law. For an applicant that is not an individual, the minimum qualifications include the requirement that an employee or other individual associated with the applicant hold a license.

Subd. 8. **Stop order.** "Stop order" means an order issued under section 326B.082, subdivision 10.

## Sec. 2. **[326B.082] ENFORCEMENT.**

Subdivision 1. **Remedies available.** The commissioner may enforce all applicable law under this section. The commissioner may use any enforcement provision in this section, including the assessment of penalties, against a person required to hold a license, registration, certificate, or permit under the applicable law based on conduct that would provide grounds for action against a licensee, registrant, certificate holder, or permit holder under the applicable law. The use of an enforcement provision in this section shall not preclude the use of any other enforcement provision in this section or otherwise provided by law.

Subd. 2. **Access to information and property; subpoenas.** (a) In order to carry out the purposes of the applicable law, the commissioner may:

(1) administer oaths and affirmations, certify official acts, interview, question, take oral or written statements, and take depositions;

(2) request, examine, take possession of, test, sample, measure, photograph, record, and copy any documents, apparatus, devices, equipment, or materials;

(3) at a time and place indicated by the commissioner, request persons to appear before the commissioner to give testimony and produce documents, apparatus, devices, equipment, or materials;

(4) issue subpoenas to compel persons to appear before the commissioner to give testimony and produce documents, apparatus, devices, equipment, or materials; and

(5) with or without notice, enter without delay upon any property, public or private, for the purpose of taking any action authorized under this subdivision or the applicable law, including obtaining information, taking steps to remedy violations, or conducting surveys, inspections, or investigations.

(b) Persons requested by the commissioner to give testimony or produce documents, apparatus, devices, equipment, or materials shall respond within the time and in the manner specified by the commissioner. If no time to respond is specified in the request, then a response shall be submitted within 30 days of the commissioner's service of the request.

(c) Upon the refusal or anticipated refusal of a property owner, lessee, property owner's representative, or lessee's representative to permit the commissioner's entry onto the property as provided in paragraph (a), the commissioner may apply for an administrative inspection order in the Ramsey County District Court or, at the commissioner's discretion, in the district court in the county in which the property is located. The commissioner may anticipate that a property owner will refuse entry if the property owner or the property owner's representative has refused to permit entry on a prior occasion or has informed the commissioner that entry will be refused. Upon showing of administrative probable cause by the commissioner, the district court shall issue an administrative inspection order that compels the property owner to permit the commissioner to enter the property for the purposes specified in paragraph (a).

(d) Upon the application of the commissioner, a district court shall treat the failure of any person to obey a subpoena lawfully issued by the commissioner under this subdivision as a contempt of court.

Subd. 3. **Service.** Unless otherwise specified, service of a document on a person under this section or section 326B.083 may be by mail, by personal service, or in accordance with any consent to service filed with the commissioner. Service by mail shall be accomplished in the manner provided in Minnesota Rules, part 1400.5550, subpart 2. Personal service shall be accomplished in the manner provided in Minnesota Rules, part 1400.5550, subpart 3.

Subd. 4. **Fax transmission.** Whenever this section or section 326B.083 permits a request for reconsideration or request for hearing to be faxed to the commissioner, the fax cannot exceed 15 pages in length. The request will be considered timely if the fax is received by the commissioner, at the fax number identified by the commissioner in the order or notice of violation, no later than 4:30 p.m. on the last day permitted for faxing the request. Where the quality or authenticity of the request is at issue, the commissioner may require the original request to be filed. Where the commissioner has not identified quality or authenticity as an issue and the request has been faxed in accordance with this subdivision, the person faxing the request does not need to provide the original request to the commissioner.

Subd. 5. **Time computation.** In computing any period of time prescribed or allowed by this section, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday.

Subd. 6. **Notices of violation.** (a) The commissioner may issue a notice of violation to any person who has committed a violation of the applicable law. The notice of violation must state a summary of the facts that constitute the violation and the applicable law violated. The notice of violation may require the person to correct the violation. If correction is required, the notice of violation must state the time by which the violation must be corrected.

(b) The commissioner shall issue the notice of violation by:

(1) serving the notice of violation on the property owner or on the person who committed the violation; or

(2) posting the notice of violation at the address where the violation occurred.

(c) If the person to whom the commissioner has issued the notice of violation believes that the information contained in the notice is in error, the person may request that the commissioner reconsider the parts of the notice that are alleged to be in error. The request for reconsideration must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the notice of violation on or before the tenth day after the commissioner issues the notice of violation. The date on which a request for reconsideration is served by mail shall be the postmark date on the envelope in which the request for reconsideration is mailed. The request for reconsideration must:

(1) specify which parts of the notice of violation are alleged to be in error;

(2) explain why they are in error; and

(3) provide documentation to support the allegation of error.

The commissioner must respond in writing to requests made under this paragraph within 15 days after receiving a request. A request for reconsideration does not stay any obligation to correct as set forth in the notice of violation. After reviewing the request for reconsideration, the commissioner may affirm, modify, or rescind the notice of violation. The commissioner's disposition of a request for reconsideration is final and may not be reviewed by any court or agency.

**Subd. 7. Administrative orders; correction; assessment of monetary penalties.** (a) The commissioner may issue an administrative order to any person who has committed a violation of the applicable law. The commissioner shall serve the administrative order on the person. The administrative order may include a requirement that the violation be corrected, may require the person to cease and desist from committing the violation, and may include an assessment of monetary penalties. The procedures in section 326B.083 must be followed when issuing administrative orders. Except as provided in paragraph (b), the commissioner may issue to each person a monetary penalty of up to \$10,000 for each violation of applicable law committed by that person. The commissioner may specify in the order that some or all of the monetary penalty will be forgiven if the person who is subject to the order demonstrates to the commissioner before the 31st day after the order is issued that the person has corrected the violation or has developed a correction plan acceptable to the commissioner.

(b) If the commissioner issues an administrative order for failure to correct a violation by the deadline stated in a final administrative order issued under paragraph (a), then each day after the deadline during which the violation remains uncorrected is a separate violation for purposes of calculating the maximum penalty amount.

(c) If the commissioner issues an administrative order to a corporation, the persons subject to the order include all owners and officers of the corporation. For any administrative order issued under this section, the naming of a corporation as a person subject to the order constitutes the naming of the owners and officers as persons subject to the order, and service of the administrative order on the corporation shall constitute service upon the owners and officers.

(d) Upon the application of the commissioner, a district court shall treat the failure of any person to complete any correction required in a final administrative order lawfully issued by the commissioner under this subdivision as a contempt of court.

**Subd. 8. Hearings related to administrative orders.** (a) Within 30 days after the commissioner serves an administrative order or within 20 days after the commissioner serves notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the person subject to an administrative order may request an expedited hearing, using the procedures of Minnesota Rules, parts 1400.8510 to 1400.8612, to review the commissioner's action. The request for



hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner on or before the 30th day after the commissioner served the administrative order or the 20th day after the commissioner served the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the order will become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. The hearing request must specifically state the reasons for seeking review of the order. The person to whom the order is issued and the commissioner are the parties to the expedited hearing. The commissioner must notify the person to whom the order is issued of the time and place of the hearing at least 15 days before the hearing. The expedited hearing must be held within 45 days after a request for hearing has been filed with the commissioner unless the parties agree to a later date.

(b) All written arguments must be submitted within ten days following the close of the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this section.

(c) The administrative law judge shall issue a report making findings of fact, conclusions of law, and a recommended order to the commissioner within 30 days following the close of the record.

(d) If the administrative law judge makes a finding that the hearing was requested solely for purposes of delay or that the hearing request was frivolous, the commissioner may add to the amount of the penalty the costs charged to the department by the Office of Administrative Hearings for the hearing.

(e) If a hearing has been held, the commissioner shall not issue a final order until at least five days after the date of the administrative law judge's report. Any person aggrieved by the administrative law judge's report may, within those five days, serve written comments to the commissioner on the report and the commissioner shall consider the comments. The commissioner's final order may be appealed in the manner provided in sections 14.63 to 14.69.

Subd. 9. **Injunctive relief.** In addition to any other remedy provided by law, the commissioner may bring an action for injunctive relief in the Ramsey County District Court or, at the commissioner's discretion, in the district court in the county in which a violation of the applicable law has occurred or is about to occur to enjoin the violation. A temporary restraining order and other injunctive relief shall be granted by the district court whenever it appears that any person has engaged in or is about to engage in any act, conduct, or practice constituting a violation of the applicable law. The commissioner shall not be required to show irreparable harm.

Subd. 10. **Stop orders.** (a) Whenever based on an inspection or investigation it appears to the commissioner that a person has committed or is about to commit an act, conduct, or practice that violates the applicable law, the commissioner may issue to the person a stop order requiring the person to cease and desist from committing the act, conduct, or practice.

(b) Whenever based on an inspection or investigation it appears to the commissioner that a condition exists on real property that violates the applicable law, the commissioner may issue a stop order to the owner or lessee of the real property to correct the condition that is in violation.

(c) The commissioner shall issue the stop work order by:

(1) serving the order on the person who has committed or is about to commit the violation;

(2) posting the order at the location where the violation was committed or is about to be committed or where the violating condition exists; or

(3) serving the order on any owner or lessee of the real property where the violating condition exists.

(d) A stop order shall:

(1) describe the act, conduct, or practice committed or about to be committed, or the condition, and include a reference to the applicable law that the act, conduct, practice, or condition violates or would violate; and

(2) provide notice that any person aggrieved by the stop order may request a hearing as provided in paragraph (e).

(e) Within 30 days after the commissioner issues a stop order, any person aggrieved by the order may request an expedited hearing, using the procedures of Minnesota Rules, parts 1400.8510 to 1400.8612, to review the commissioner's action. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner on or before the 30th day after the commissioner issued the stop work order, the order will become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is mailed is the postmark date on the envelope in which the request for hearing is mailed. The hearing request must specifically state the reasons for seeking review of the order. The person who requested the hearing and the commissioner are the parties to the expedited hearing. The hearing shall be commenced within ten days after the commissioner receives the request for hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision. The administrative law judge shall issue a report containing findings of fact, conclusions of law, and a recommended order within ten days after the conclusion of the hearing. Any party aggrieved by the administrative law judge's report shall have five days after the date of the administrative law judge's report to submit exceptions and argument to the commissioner. Within 15 days after receiving the administrative law judge's report, the commissioner shall issue an order vacating, modifying, or making permanent the stop order. The commissioner and the person requesting the hearing may by agreement lengthen any time periods described in this paragraph. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this subdivision.

(f) A stop work order issued under this subdivision shall be in effect until it is modified or vacated by the commissioner or an appellate court. The administrative hearing provided by this subdivision and any appellate judicial review as provided in chapter 14 shall constitute the exclusive remedy for any person aggrieved by a stop order.

(g) Upon the application of the commissioner, a district court shall treat the failure of any person to obey a final stop order lawfully issued by the commissioner under this subdivision as a contempt of court.

**Subd. 11. Licensing orders; grounds; reapplication.** (a) The commissioner may deny a permit, license, registration, or certificate if the applicant does not meet or fails to maintain the minimum qualifications for holding the permit, license, registration, or certificate, or has any unresolved violations or unpaid fees or penalties related to the activity for which the permit, license, registration, or certificate was issued.

(b) The commissioner may condition the grant of a permit, license, registration, or certificate on a demonstration by the applicant that actions required by the applicable law have been taken, or may place conditions on or issue a limited permit, license, registration, or certificate.

(c) The commissioner may deny, suspend, limit, place conditions on, or revoke a permit, license, registration, or certificate, or censure the person holding the permit, license, registration, or certificate, for:

(1) committing one or more violations of the applicable law;

(2) submitting false or misleading information to the state in connection with activities for which the permit, license, registration, or certificate is issued, or in connection with the application for the permit, license, registration, or certificate;

(3) allowing the alteration or use of one's own permit, license, registration, or certificate by another person;

(4) within the previous five years, conviction of a crime in connection with activities for which the permit, license, registration, or certificate was issued;

(5) violating a final administrative order issued under subdivision 7 or a final stop order issued under subdivision 10;

(6) failing to cooperate with a commissioner's request to give testimony, to produce documents, things, apparatus, devices, equipment, or materials, or to access property under subdivision 2;

(7) retaliating in any manner against any employee or person who is questioned by, cooperates with, or provides information to the commissioner or an employee or agent authorized by the commissioner who seeks access to property or things under subdivision 2;

(8) engaging in any fraudulent, deceptive, or dishonest act or practice; or

(9) the applicant's, permit holder's, licensee's, registrant's, or certificate holder's incompetence, untrustworthiness, or financial irresponsibility in the conduct of that person's affairs, including but not limited to the performance of work in connection with the permit, license, registration, or certificate.

(d) If the commissioner revokes a person's permit, license, registration, or certificate under paragraph (c), the person is prohibited from making a new application for the same type of permit, license, registration, or certificate for at least two years after the effective date of the revocation. The commissioner may, as a condition of reapplication, require the applicant to obtain a bond or comply with additional reasonable conditions of permitting, licensing, registration, or certification that the commissioner considers necessary to protect the public.

(e) If a permit, license, registration, or certificate expires, or is surrendered, withdrawn, or terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within two years after the permit, license, registration, or certificate was last effective and enter a revocation or suspension order as of the last date on which the permit, license, registration, or certificate was in effect.

**Subd. 12. Issuance of licensing orders; hearings related to licensing orders.** (a) If the commissioner determines that a permit, license, registration, or certificate should be conditioned, limited, suspended, revoked, or denied under subdivision 11, or that the permit holder, licensee, registrant, or certificate holder should be censured under subdivision 11, then the commissioner shall serve on the person an order denying, conditioning, limiting, suspending, or revoking the person's permit, license, registration, or certificate, or censuring the permit holder, licensee, registrant, or certificate holder.

(b) Any order issued under paragraph (a) that is based in whole or in part on the violation of any applicable law may include an assessment of monetary penalties and may require the person to cease and desist from committing the violation. The monetary penalty may be up to \$10,000 for each violation of applicable law committed by the person. The procedures in section 326B.083 must be followed when issuing orders under paragraph (a). If the commissioner issues an order under paragraph (a) to a corporation, the persons subject to the order include all owners and officers of the corporation. For any order issued under paragraph (a), the naming of a corporation as a person subject to the order constitutes the naming of the owners and officers as persons subject to the order, and service of the order on the corporation shall constitute service upon the owners and officers.

(c) The permit holder, licensee, registrant, certificate holder, or applicant on whom the commissioner serves an order under paragraph (a) shall have 30 days after service of the order to request a hearing. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order on or before the 30th day after service of the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner on or before the 30th day after service of the order, the order shall become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. If the person submits to the commissioner a timely request for hearing, a contested case hearing shall be held in accordance with chapter 14.

(d) Paragraph (c) does not apply to summary suspension under subdivision 13.

Subd. 13. **Summary suspension.** In any case where the commissioner has issued an order to revoke or suspend a license, registration, certificate, or permit under subdivision 12, the commissioner may summarily suspend the person's permit, license, registration, or certificate before the order becomes final. The commissioner shall issue a summary suspension order only when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, or dishonest acts against the public. The summary suspension shall not affect the deadline for submitting a request for hearing under subdivision 12. If the commissioner summarily suspends a person's permit, license, registration, or certificate, a timely request for hearing submitted under subdivision 12 shall also be considered a timely request for hearing on continuation of the summary suspension. If the commissioner summarily suspends a person's permit, license, registration, or certificate under this subdivision and the person submits a timely request for a hearing, then a hearing on continuation of the summary suspension must be held within ten days after the commissioner receives the request for hearing unless the parties agree to a later date.

Subd. 14. **Plan for assessing penalties.** The commissioner may prepare a plan for assessing penalties in orders issued under subdivision 7 or 12. The commissioner shall provide a 30-day period for public comment on any such plan. Penalties assessed by the commissioner in accordance with the plan shall be presumed reasonable.

Subd. 15. **Effect on other laws.** Nothing in this section shall be construed to limit the application of other state or federal laws, including specifically but not exclusively section 270C.72, that require suspension of, revocation of, denial of, or refusal to renew a permit, license, registration, or certificate issued by the commissioner.

Subd. 16. **Misdemeanor penalties.** Except as otherwise provided by law, a person who violates an applicable law is guilty of a misdemeanor.

Subd. 17. **Revocation and suspension of license.** If a person fails to pay a penalty owed under this section or section 326B.083, the commissioner may revoke or deny any or all licenses, permits, certificates, and registrations issued by the department.

Sec. 3. **[326B.083] AMOUNT OF PENALTY; CONTENTS OF ADMINISTRATIVE AND LICENSING ORDERS.**

Subdivision 1. **Amount of penalty; considerations.** In determining the amount of a penalty assessed under section 326B.082, subdivision 7 or 12, the commissioner shall consider the factors described in section 14.045, subdivision 3.

Subd. 2. **Contents of administrative order and licensing order.** (a) An administrative order and a licensing order must include:

(1) a summary of the facts that constitute the violation or violations;

(2) a reference to the applicable law that has been violated; and

(3) a statement of the person's right to request a hearing.

(b) An administrative order may include a requirement that the violation be corrected. If the order includes a requirement that the violation be corrected, then the order must include, in addition to any statements required under paragraphs (a) and (c), the deadline by which the violation must be corrected.

(c) An administrative order or a licensing order may assess monetary penalties. If the order assesses monetary penalties, then the order must include, in addition to any statements required under paragraphs (a) and (b):

(1) a statement of the amount of the monetary penalty imposed;

(2) a statement that, when the order becomes final, the commissioner may file and enforce the unpaid portion of a penalty as a judgment in district court without further notice or additional proceedings; and

(3) if the order is an administrative order, a statement of the amount of the penalty, if any, that will be forgiven if the person who is subject to the order demonstrates to the commissioner before the 31st day after the order is served that the person has corrected the violation or has developed a correction plan acceptable to the commissioner.

Subd. 3. **Penalty.** (a) If an administrative order includes a penalty assessment, then the penalty is due and payable on the date the administrative order becomes final unless some or all of the penalty is forgivable. If a licensing order includes a penalty assessment, then the penalty is due and payable on the date the licensing order becomes final.

(b) This paragraph applies if an administrative order includes a penalty assessment and all or a portion of the penalty is forgivable.

(1) If any portion of the penalty is not forgivable, that portion of the penalty is due and payable ten days after the date the administrative order becomes final.

(2) The commissioner shall forgive the forgivable portion of the penalty if the commissioner determines that the violation has been corrected within the time set by the order or the person to whom the order was issued has developed a correction plan acceptable to the commissioner within the time set by the order.

(3) If the commissioner determines that the person to whom the order was issued has failed to correct the violation within the time set by the order or has failed to develop a correction plan acceptable to the commissioner within the time set by the order, then the forgivable portion of the penalty is due and payable ten days after the commissioner serves notice of the determination on the person or on the date the administrative order becomes final, whichever is later.

(c) This paragraph applies if an administrative order or a licensing order includes a penalty assessment and if the person subject to the order has requested a hearing. The administrative law judge may not recommend a change in the amount of the penalty if the penalty was assessed in accordance with a plan prepared under section 326B.082, subdivision 14. If the commissioner has not prepared a plan under section 326B.082, subdivision 14, then the administrative law judge may not recommend a change in the amount of the penalty unless the administrative law judge determines that, based on the factors in section 14.045, subdivision 3, the amount of the penalty is unreasonable.

(d) The assessment of a penalty does not preclude the use of other enforcement provisions, under which penalties are not assessed, in connection with the violation for which the penalty was assessed.

Sec. 4. **[326B.084] FALSE INFORMATION.**

A person subject to any of the requirements in the applicable law may not make a false material statement, representation, or certification in; omit material information from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan, or other document required under the applicable law.

Sec. 5. **[326B.085] RECOVERY OF LITIGATION COSTS AND EXPENSES.**

In any action brought by the commissioner for enforcement of an order issued under section 326B.082 for injunctive relief, or to compel performance pursuant to the applicable law, if the state finally prevails, the state, in addition to other penalties provided by law, may be allowed an amount determined by the court to be the reasonable value of all or part of the litigation expenses incurred by the state. In determining the amount of the litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

ARTICLE 4

BUILDING CODE

Section 1. Minnesota Statutes 2005 Supplement, section 16B.04, subdivision 2, is amended to read:

Subd. 2. **Powers and duties, general.** Subject to other provisions of this chapter, the commissioner is authorized to:

- (1) supervise, control, review, and approve all state contracts and purchasing;
- (2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;
- (3) investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;
- (4) manage and control state property, real and personal;
- (5) maintain and operate all state buildings, as described in section 16B.24, subdivision 1;
- (6) supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;
- (7) provide central duplicating, printing, and mail facilities;
- (8) oversee publication of official documents and provide for their sale;
- (9) manage and operate parking facilities for state employees and a central motor pool for travel on state business; and
- ~~(10) establish and administer a State Building Code; and~~
- ~~(11)~~ (10) provide rental space within the capitol complex for a private day care center for children of state employees. The commissioner shall contract for services as provided in this chapter. The commissioner shall report back to the legislature by October 1, 1984, with the recommendation to implement the private day care operation.

Sec. 2. Minnesota Statutes 2004, section 16B.61, subdivision 2, is amended to read:

Subd. 2. **Enforcement by certain bodies.** Under the direction and supervision of the commissioner, the provisions of the code relating to electrical installations ~~shall be enforced by the State Board of Electricity, pursuant to the Minnesota Electrical Act, the provisions relating to, plumbing shall be enforced by the commissioner of health, the provisions relating to, boilers, high pressure steam piping and appurtenances, and ammonia refrigeration piping shall be enforced by the Department of Labor and Industry.~~ Fees for inspections conducted by the ~~State Board of Electricity commissioner~~ shall be paid in accordance with the rules of the ~~State Board of Electricity department.~~ Under direction of the commissioner of public safety, the state fire marshal shall enforce the Minnesota ~~Uniform State~~ Fire Code as provided in chapter 299F. The commissioner, ~~in consultation with the commissioner of labor and industry,~~ shall adopt amendments to the mechanical code portion of the State Building Code to implement standards for process piping.

Sec. 3. Minnesota Statutes 2004, section 16B.63, subdivision 5, is amended to read:

Subd. 5. **Interpretative authority.** To achieve uniform and consistent application of the State Building Code, the state building official has final interpretative authority applicable to all codes adopted as part of the State Building Code ~~except for the Plumbing Code and the Electrical Code when enforced by the State Board of Electricity.~~ A final interpretative committee composed of seven members, consisting of three building officials, two inspectors from the affected field, and two construction industry representatives, shall review requests for final interpretations relating to that field. A request for final interpretation must come from a local or state level building code board of appeals. The state building official must establish procedures for membership of the interpretative committees. The appropriate committee shall review the request and make a recommendation to the state building official for the final interpretation within 30 days of the request. The state building official must issue an interpretation within ten business days from the recommendation from the review committee. A final interpretation may be appealed within 30 days of its issuance to the commissioner under section 16B.67. The final interpretation must be published within ten business days of its issuance and made available to the public. Municipal building officials shall administer all final interpretations issued by the state building official until the final interpretations are considered for adoption as part of the State Building Code.

Sec. 4. Minnesota Statutes 2004, section 16B.748, is amended to read:

#### **16B.748 RULES.**

The commissioner may adopt rules for the following purposes:

(1) to establish minimum qualifications for elevator inspectors that must include possession of a current elevator constructor electrician's license issued by the ~~State Board of Electricity department~~ and proof of successful completion of the national elevator industry education program examination or equivalent experience;

(2) to establish criteria for the qualifications of elevator contractors;

(3) to establish elevator standards under sections 16B.61, subdivisions 1 and 2, and 16B.64;

(4) to establish procedures for appeals of decisions of the commissioner under chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek advice from the elevator trade, building owners or managers, and others knowledgeable in the installation, construction, and repair of elevators; and

(5) to establish requirements for the registration of all elevators.

Sec. 5. Minnesota Statutes 2004, section 327.35, subdivision 1, is amended to read:

Subdivision 1. **Civil Penalty.** Notwithstanding section 326B.082, subdivisions 7 and 12, any person who violates any provision of this section is liable to the state of Minnesota for a ~~civil~~ penalty of not to exceed \$1,000 for each ~~offense violation~~. Each violation involving a separate manufactured home or involving a separate failure or refusal to allow or perform any act required by this section constitutes a separate ~~offense violation~~, except that the maximum ~~civil~~ penalties for any related series of violations occurring within one year from the date of the first violation may not exceed \$1,000,000.

Sec. 6. Minnesota Statutes 2004, section 327B.05, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may by order deny, suspend, limit, place conditions on, or revoke ~~any the application or license on~~ ~~finding (1) that the order is in the public interest and (2) that the~~ of any applicant or licensee or any of its directors, officers, limited or general partners, controlling shareholders or affiliates for any of the following grounds:

~~(a) has filed an application for a license or a license renewal which fails to disclose any material information or contains any statement which is false or misleading with respect to any material fact;~~

~~(b)~~ (a) has violated any of the provisions of sections 327B.01 to 327B.12 or any rule or order issued by the commissioner or any prior law providing for the licensing of manufactured home dealers or manufacturers;

~~(c)~~ (b) has had a previous manufacturer or dealer license revoked in this or any other state;

~~(d)~~ (c) has engaged in acts or omissions which have been adjudicated or amount to a violation of any of the provisions of section 325D.44, 325F.67 or 325F.69;

~~(e)~~ (d) has sold or brokered the sale of a home containing a material violation of sections 327.31 to 327.35 about which the dealer knew or which should have been obvious to a reasonably prudent dealer;

~~(f)~~ (e) has failed to make or provide all listings, notices and reports required by the commissioner;

~~(g)~~ (f) has failed to pay a civil penalty assessed under subdivision 5 within ten days after the assessment becomes final;

~~(h)~~ (g) has failed to pay to the commissioner or other responsible government agency all taxes, fees and arrearages due;

~~(i)~~ (h) has failed to duly apply for license renewal;

~~(j)~~ (i) has violated any applicable manufactured home building or safety code;

~~(k)~~ (j) has failed or refused to honor any express or implied warranty as provided in section 327B.03;

~~(l)~~ (k) has failed to continuously occupy a permanent, established place of business licensed under section 327B.04;

~~(m)~~ (l) has, without first notifying the commissioner, sold a new and unused manufactured home other than the make of manufactured home described in a franchise or contract filed with the application for license or license renewal;



(n) (m) has wrongfully failed to deliver a certificate of title to a person entitled to it;

(o) (n) is insolvent or bankrupt;

(p) (o) holds an impaired or canceled bond;

(q) (p) has failed to notify the commissioner of bankruptcy proceedings within ten days after a petition in bankruptcy has been filed by or against the dealer or manufacturer;

(r) (q) has, within the previous ten years, been convicted of a crime that either related directly to the business of the dealer or manufacturer or involved fraud, misrepresentation or misuse of funds;

(s) (r) has suffered a judgment within the previous five years in a civil action involving fraud, misrepresentation or misuse of funds; or

(t) (s) has failed to reasonably supervise any employee or agent of the dealer or manufacturer, resulting in injury or harm to the public.

The commissioner may establish rules pursuant to section 327B.10 further specifying, defining or establishing standards of conduct for manufactured home dealers and manufacturers.

## ARTICLE 5

### ELECTRICAL

Section 1. Minnesota Statutes 2004, section 326.241, is amended to read:

#### **326.241 BOARD OF ELECTRICITY ELECTRICAL ADVISORY COUNCIL; POWERS OF COMMISSIONER.**

Subdivision 1. **Composition Electrical Advisory Council.** ~~The Board of Electricity~~ Electrical Advisory Council shall consist of 11 members, residents of the state, appointed by the ~~governor~~ commissioner of labor and industry, of whom two shall be representatives of the electrical suppliers in the rural areas of the state, two shall be master electricians, who shall be contractors, two journeyman electricians, one registered consulting electrical engineer, two power limited technicians, who shall be technology system contractors primarily engaged in the business of installing technology circuits or systems, and two public members as defined by section 214.02. ~~Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214. The Electrical Advisory Council shall be organized and administered according to section 15.059, except that, notwithstanding any other law to the contrary, the Electrical Advisory Council shall not expire. At the request of the commissioner of labor and industry, the Electrical Advisory Council shall provide advice to the commissioner of labor and industry on issues regarding the electrical code.~~

Subd. 2. **Powers of commissioner.** ~~The board, or the complaint committee on behalf of the board where authorized by law,~~ commissioner of labor and industry shall have power to:

(1) ~~Elect its own officers.~~

(2) Engage and fix the compensation of inspectors, and hire employees. ~~The salary of the executive secretary shall be established pursuant to chapter 43A.~~ All agents and employees other than contract inspectors shall be in the classified service and shall be compensated pursuant to chapter 43A. All inspectors shall hold licenses as master or journeyman electricians under section 326.242, subdivision 1(1) or 2(1), and shall give bond in an amount fixed by the ~~board~~ commissioner of labor and industry, conditioned upon the faithful performance of their duties.

(3) ~~Pay such other expenses as it may deem necessary in the performance of its duties, including rent, supplies, and such like.~~

(4) (2) Enforce the provisions of sections 326.241 to 326.248, and provide, upon request, such additional voluntary inspections and reviews as ~~it~~ the commissioner of labor and industry may deem appropriate.

(5) ~~Issue, renew, refuse to renew, suspend, temporarily suspend, and revoke licenses, censure licensees, assess civil penalties, issue cease and desist orders, and seek injunctive relief and civil penalties in court as authorized by section 326.242 and other provisions of Minnesota law.~~

(6) (3) Adopt reasonable rules to carry out ~~its~~ the duties of the commissioner of labor and industry under sections 326.241 to 326.248 and to provide for the amount and collection of fees for inspection and other services. All rules shall be adopted in accordance with chapter 14.

Subd. 3. **Fees and finances; disposition.** All fees collected under the provisions of sections 326.241 to 326.248 are to be credited to a special account in the state treasury. Money in the account is appropriated to the ~~Board of Electricity~~ Department of Labor and Industry to administer and enforce sections 326.241 to 326.248, to pay indirect costs, to compensate contract electrical inspectors for inspections performed, and to make refunds.

Sec. 2. Minnesota Statutes 2004, section 326.242, subdivision 9i, is amended to read:

Subd. 9i. **Cooperation required.** A person who is the subject of an investigation, or who is questioned in connection with an investigation, by or on behalf of the ~~board or its complaint committee~~ commissioner of labor and industry shall cooperate fully with the investigation. Cooperation includes, but is not limited to:

(1) responding fully and promptly to questions raised by or on behalf of the ~~board or its complaint committee~~ commissioner of labor and industry relating to the subject of the investigation;

(2) providing copies of records in the person's possession related to the matter under investigation as requested by the ~~board, its complaint committee, commissioner of labor and industry~~ or the attorney general within the time limit set by the ~~board, its complaint committee, commissioner of labor and industry~~ or the attorney general;

(3) assisting the ~~board, its complaint committee, commissioner of labor and industry~~ or the attorney general in its investigation; and

(4) appearing at conferences or hearings scheduled by the ~~board or its complaint committee~~ commissioner of labor and industry.

Sec. 3. Minnesota Statutes 2004, section 326.243, is amended to read:

### **326.243 SAFETY STANDARDS.**

All electrical wiring, apparatus and equipment for electric light, heat and power, technology circuits or systems shall comply with the rules of the ~~department of Commerce or the Department of Labor and Industry, as applicable,~~ and be installed in conformity with accepted standards of construction for safety to life and property. For the

purposes of this chapter, the rules and safety standards stated at the time the work is done in the then most recently published edition of the National Electrical Code as adopted by the National Fire Protection Association, Inc. and approved by the American National Standards Institute, and the National Electrical Safety Code as published by the Institute of Electrical and Electronics Engineers, Inc. and approved by the American National Standards Institute, shall be prima facie evidence of accepted standards of construction for safety to life and property; provided further, that in the event a Minnesota Building Code is formulated pursuant to section 16B.61, containing approved methods of electrical construction for safety to life and property, compliance with said methods of electrical construction of said Minnesota Building Code shall also constitute compliance with this section, and provided further, that nothing herein contained shall prohibit any political subdivision from making and enforcing more stringent requirements than set forth herein and such requirements shall be complied with by all licensed electricians working within the jurisdiction of such political subdivisions.

Sec. 4. Minnesota Statutes 2004, section 326.247, is amended to read:

### **326.247 CONTINUITY.**

~~Persons~~ Individuals now members of the ~~board~~ Electrical Advisory Council shall remain ~~in office on the~~ Electrical Advisory Council until the expiration of the terms to which they were appointed. ~~Board rules, forms, policies and classifications of special electricians now in effect, and not in conflict herewith, shall continue until lawfully modified or repealed.~~

## ARTICLE 6

### PLUMBING

Section 1. Minnesota Statutes 2004, section 326.42, subdivision 1, is amended to read:

Subdivision 1. **Application.** Applications for plumber's license shall be made to the ~~state~~ commissioner of ~~health~~ labor and industry, with fee. Unless the applicant is entitled to a renewal, the applicant shall be licensed by the ~~state~~ commissioner of ~~health~~ labor and industry only after passing a satisfactory examination by the examiners showing fitness. Examination fees for both journeyman and master plumbers shall be in an amount ~~prescribed by the state commissioner of health pursuant to set forth in~~ section 144.122, paragraph (f). Upon being notified that of having successfully passed the examination for original license the applicant shall submit an application, with the license fee herein provided. License fees shall be in an amount ~~prescribed by the state commissioner of health pursuant to set forth in~~ section 144.122, paragraph (f). Licenses shall expire and be renewed as prescribed in rule by the commissioner ~~pursuant to section 144.122 of labor and industry~~.

## ARTICLE 7

### WATER CONDITIONING CONTRACTORS AND INSTALLERS

Section 1. Minnesota Statutes 2004, section 326.57, subdivision 1, is amended to read:

Subdivision 1. **Rules.** The ~~state~~ commissioner of ~~health~~ labor and industry shall, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new water conditioning servicing and water conditioning installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building or any other place of business, regardless of location or the population of the city, county or town in which located. ~~Such rules, upon approval of the attorney general and their legal publication, shall have the force of law, and the violation of any part thereof shall constitute a misdemeanor and may be enjoined by the attorney general.~~

Sec. 2. Minnesota Statutes 2004, section 326.60, subdivision 3, is amended to read:

Subd. 3. **Rules.** The ~~state~~ commissioner of ~~health~~ labor and industry shall:

(a) prescribe rules, not inconsistent herewith, for the licensing of water conditioning contractors and installers;

(b) license water conditioning contractors and installers;

(c) prescribe rules not inconsistent herewith for the examining of water conditioning contractors and installers prior to first granting a license as a water conditioning contractor or water conditioning installer; and

(d) collect an examination fee from each examinee for a license as a water conditioning contractor and a fee from each examinee for a license as a water conditioning installer in an amount ~~prescribed by the state commissioner of health pursuant to set forth in~~ section 144.122, paragraph (f). A water conditioning installer must successfully pass the examination for water conditioning contractors before being licensed as a water conditioning contractor.

## ARTICLE 8

### RESIDENTIAL BUILDING CONTRACTOR AND REMODELER STATUTES

Section 1. Minnesota Statutes 2004, section 326.87, subdivision 1, is amended to read:

Subdivision 1. **Standards.** The commissioner of labor and industry, in consultation with the council, may adopt standards for continuing education requirements and course approval. The standards must include requirements for continuing education in the implementation of energy codes applicable to buildings and other building codes designed to conserve energy. Except for the course content, the standards must be consistent with the standards established for real estate agents and other professions licensed by the Department of Commerce. At a minimum, the content of one hour of any required continuing education must contain information on lead abatement rules and safe lead abatement procedures.

Sec. 2. Minnesota Statutes 2004, section 326.91, subdivision 1, is amended to read:

Subdivision 1. **Cause Grounds.** ~~The commissioner may by order deny, suspend, or revoke any license or may censure a licensee, and may impose a civil penalty as provided for in section 45.027, subdivision 6, if the commissioner finds that the order is in the public interest, and that the applicant, licensee, or affiliate of an applicant or licensee, or other agent, owner, partner, director, governor, shareholder, member, officer, qualifying person, or managing employee of the applicant or licensee or any person occupying a similar status or performing similar functions. In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a license or certificate of exemption, or may censure the person holding the license or certificate of exemption, if the applicant, licensee, certificate of exemption holder, qualified person, or affiliate of an applicant, licensee, or certificate of exemption holder, or other agent owner has:~~

(1) has filed an application for ~~a license licensure or a certificate of exemption~~ which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent, deceptive, or dishonest practice;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the business;

(4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons, or has performed negligently or in breach of contract, so as to cause injury or harm to the public;

(5) has violated or failed to comply with any provision of sections 326.83 to 326.98 ~~or~~ any rule or order under sections 326.83 to 326.98 or any other law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

~~(6) has been shown to be incompetent, untrustworthy, or financially irresponsible;~~

~~(7) (6) has been convicted of a violation of the State Building Code or, in jurisdictions that do not enforce the State Building Code, has refused to comply with a notice of violation or stop order issued by a certified building official, or in local jurisdictions that have not adopted the State Building Code has refused to correct a violation of the State Building Code when the violation has been certified—documented or a notice of violation or stop order issued by a Minnesota licensed structural engineer certified building official has been received;~~

~~(8) (7) has failed to use the proceeds of any payment made to the licensee for the construction of, or any improvement to, residential real estate, as defined in section 326.83, subdivision 17, for the payment of labor, skill, material, and machinery contributed to the construction or improvement, knowing that the cost of any labor performed, or skill, material, or machinery furnished for the improvement remains unpaid;~~

~~(9) (8) has not furnished to the person making payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for an improvement, or a payment bond in the basic amount of the contract price for the improvement conditioned for the prompt payment to any person or persons entitled to payment;~~

~~(10) (9) has engaged in conduct which was the basis for a contractor's recovery fund payment pursuant to section 326.975, which payment has not been reimbursed;~~

~~(11) (10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a civil lawsuit or arbitration arising out of their activities as a licensee or certificate of exemption holder under this chapter;~~

~~(12) (11) has had a judgment entered against them for failure to make payments to employees or subcontractors, or suppliers, that the licensee has failed to satisfy and all appeals of the judgment have been exhausted or the period for appeal has expired;~~

~~(13) (12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious license number or the license number of another, or, if licensed, has knowingly allowed an unlicensed person to use the licensee's license number for the purpose of fraudulently obtaining a building permit; or has applied for or obtained a building permit for an unlicensed person.~~

~~(14) (13) has made use of a forged mechanics' mechanic's lien waivers waiver under chapter 514;~~

~~(14) has provided false, misleading or incomplete information to the commissioner or has refused to allow a reasonable inspection of records or premises;~~

~~(15) has engaged in an act or practice whether or not the act or practice directly involves the business for which the person is licensed, that demonstrates that the applicant or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act under the license granted by the commissioner; or~~

(16) has failed to comply with requests for information, documents, or other requests from the department within the time specified in the request or, if no time is specified, within 30 days of the mailing of the request by the department.

Sec. 3. Minnesota Statutes 2004, section 326.93, is amended to read:

**326.93 SERVICE OF PROCESS; ~~NONRESIDENT LICENSING.~~**

~~Subdivision 1. **License.** A nonresident of Minnesota may be licensed as a residential building contractor or residential remodeler upon compliance with all the provisions of sections 326.83 to 326.991.~~

~~Subd. 2. **Service of process.** Service of process upon a person performing work in the state of a type that would require a license under sections 326.83 to 326.98 may be made as provided in section 45.028.~~

Subd. 3. **Procedure.** Every applicant for licensure or certificate of exemption under sections 326.83 to 326.98, shall file with the commissioner, on such form as the commissioner may prescribe, an irrevocable consent appointing the commissioner and successors in office to be the applicant's agent to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant or a successor, executor, or administrator which arises under section 326.83 to 326.98 or any rule or order thereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. Service under this section shall be made in compliance with subdivision 5.

Subd. 4. **Service on commissioner.** (a) When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by sections 326.83 to 326.98, or any rule or order under those sections, and the person has not filed a consent to service of process under subdivision 3, that conduct is equivalent to an appointment of the commissioner and successors in office as the person's agent to receive service of process in any noncriminal suit, action, or proceeding against the person that is based on that conduct and is brought under sections 326.83 to 326.98, or any rule or order under those sections, with the same force and validity as if served personally on the person filing the consent. Service under this section shall be made in compliance with subdivision 5.

(b) Subdivision 5 applies in all other cases in which a person, including a nonresident of this state, has filed a consent to service of process. This paragraph supersedes any inconsistent provision of law.

(c) Subdivision 5 applies in all cases in which service of process is allowed to be made on the commissioner.

(d) Subdivision 5 applies to any document served by the commissioner or the department under section 326B.08.

Subd. 5. **How made.** Service of process under this section may be made by leaving a copy of the process in the office of the commissioner, or by sending a copy of the process to the commissioner by certified mail, and is not effective unless:

(1) the plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last known address; and

(2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or before the return day of the process, if any, or within further time as the court allows.

## ARTICLE 9

## BOILERS; PRESSURE VESSELS; BOATS

Section 1. Minnesota Statutes 2004, section 183.44, subdivision 3, is amended to read:

Subd. 3. **Suspension, revocation.** In addition to the grounds set forth in section 326B.082, subdivision 11, the Division of Boiler Inspection may suspend or revoke the license of any master, pilot or engineer found under the influence of drugs or alcohol when on duty or who otherwise disregards the provisions of sections 183.375 to 183.62 or any rule promulgated thereunder.

## ARTICLE 10

## CONFORMING CHANGES

Section 1. **REVISOR'S INSTRUCTION.**

(a) In Minnesota Statutes, section 31.175, the revisor of statutes shall change the term "Department of Health" to "Department of Labor and Industry."

(b) In Minnesota Statutes, section 103I.621, subdivision 3, paragraph (b), clause (2), the revisor of statutes shall change the term "commissioner" to "commissioner of labor and industry."

(c) In Minnesota Statutes, section 327.20, subdivision 1, clause (5), the revisor of statutes shall change the term "commissioner of health" to "commissioner of labor and industry."

(d) In Minnesota Statutes, section 327.205, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(e) In Minnesota Statutes, section 327A.01, subdivision 2, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(f) In Minnesota Statutes, section 462A.07, subdivision 8, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(g) In Minnesota Statutes, section 471.465, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(h) In Minnesota Statutes, section 471.466, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(i) In Minnesota Statutes, section 471.467, subdivision 1, the revisor of statutes shall change the term "commissioner of administration" to "commissioner of labor and industry."

(j) In Minnesota Statutes, section 471.471, the revisor of statutes shall change the term "Building Code and Standards Division of the Department of Administration" to "Department of Labor and Industry," and shall change the term "commissioner of administration" to "commissioner of labor and industry."

Sec. 2. Minnesota Statutes 2004, section 144.99, subdivision 1, is amended to read:

Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14), and (15); 144.1201 to 144.1204; 144.121; 144.1222; 144.35; 144.381 to 144.385; 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9509; 144.992; ~~326.37 to 326.45; 326.57~~ 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted or issued by the department or under any other law now in force or later enacted for the preservation of public health may, in addition to provisions in other statutes, be enforced under this section.

Sec. 3. Minnesota Statutes 2004, section 175.16, subdivision 1, is amended to read:

Subdivision 1. **Established.** The Department of Labor and Industry shall consist of the following divisions: Division of Workers' Compensation, Division of ~~Boiler Inspection~~ Construction Codes and Licensing, Division of Occupational Safety and Health, Division of Statistics, ~~Division of Steamfitting Standards~~, Division of Labor Standards and Apprenticeship, and such other divisions as the commissioner of the Department of Labor and Industry may deem necessary and establish. Each division of the department and persons in charge thereof shall be subject to the supervision of the commissioner of the Department of Labor and Industry and, in addition to such duties as are or may be imposed on them by statute, shall perform such other duties as may be assigned to them by the commissioner. Notwithstanding any other law to the contrary, the commissioner is the administrator and supervisor of all of the department's dispute resolution functions and personnel and may delegate authority to compensation judges and others to make determinations under sections 176.106, 176.238, and 176.239 and to approve settlement of claims under section 176.521.

Sec. 4. Minnesota Statutes 2004, section 214.01, subdivision 3, is amended to read:

Subd. 3. **Non-health-related licensing board.** "Non-health-related licensing board" means the Board of Teaching established pursuant to section 122A.07, the Board of Barber Examiners established pursuant to section 154.22, the Board of Assessors established pursuant to section 270.41, the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design established pursuant to section 326.04, ~~the Board of Electricity established pursuant to section 326.241~~, the Private Detective and Protective Agent Licensing Board established pursuant to section 326.33, the Board of Accountancy established pursuant to section 326A.02, and the Peace Officer Standards and Training Board established pursuant to section 626.841.

Sec. 5. Minnesota Statutes 2005 Supplement, section 214.04, subdivision 1, is amended to read:

Subdivision 1. **Services provided.** (a) ~~The commissioner of administration with respect to the Board of Electricity; the commissioner of education with respect to the Board of Teaching; the commissioner of public safety with respect to the Board of Private Detective and Protective Agent Services; the panel established pursuant to section 299A.465, subdivision 7; the Board of Peace Officer Standards and Training; and the commissioner of revenue with respect to the Board of Assessors, shall provide suitable offices and other space, joint conference and hearing facilities, examination rooms, and the following administrative support services: purchasing service, accounting service, advisory personnel services, consulting services relating to evaluation procedures and techniques, data processing, duplicating, mailing services, automated printing of license renewals, and such other similar services of a housekeeping nature as are generally available to other agencies of state government. Investigative services shall be provided the boards by employees of the Office of Attorney General. The commissioner of health with respect to the health-related licensing boards shall provide mailing and office supply services and may provide other facilities and services listed in this subdivision at a central location upon request of the health-related licensing boards. The commissioner of commerce with respect to the remaining non-health-related licensing boards shall provide the above facilities and services at a central location for the remaining non-health-related licensing boards. The legal and investigative services for the boards shall be provided by employees~~



of the attorney general assigned to the departments servicing the boards. Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation. Persons providing legal and investigative services shall to the extent practicable provide the services on a regular basis to the same board or boards.

(b) The requirements in paragraph (a) with respect to the panel established in section 299A.465, subdivision 7, expire July 1, 2008.

Sec. 6. Minnesota Statutes 2004, section 214.04, subdivision 3, is amended to read:

Subd. 3. **Officers; staff.** The executive director of each health-related board and the executive secretary of each non-health-related board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director or executive secretary shall maintain the records of the board, account for all fees received by it, supervise and direct employees servicing the board, and perform other services as directed by the board. The executive directors, executive secretaries, and other employees of the following boards shall be hired by the board, and the executive directors or executive secretaries shall be in the unclassified civil service, except as provided in this subdivision:

- (1) Dentistry;
- (2) Medical Practice;
- (3) Nursing;
- (4) Pharmacy;
- (5) Accountancy;
- (6) Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design;
- (7) Barber Examiners;
- (8) Cosmetology;
- ~~(9) Electricity;~~
- ~~(10) (9) Teaching;~~
- ~~(11) (10) Peace Officer Standards and Training;~~
- ~~(12) (11) Social Work;~~
- ~~(13) (12) Marriage and Family Therapy;~~
- ~~(14) (13) Dietetics and Nutrition Practice; and~~
- ~~(15) (14) Licensed Professional Counseling.~~

The executive directors or executive secretaries serving the boards are hired by those boards and are in the unclassified civil service, except for part-time executive directors or executive secretaries, who are not required to be in the unclassified service. Boards not requiring full-time executive directors or executive secretaries may

employ them on a part-time basis. To the extent practicable, the sharing of part-time executive directors or executive secretaries by boards being serviced by the same department is encouraged. Persons providing services to those boards not listed in this subdivision, except executive directors or executive secretaries of the boards and employees of the attorney general, are classified civil service employees of the department servicing the board. To the extent practicable, the commissioner shall ensure that staff services are shared by the boards being serviced by the department. If necessary, a board may hire part-time, temporary employees to administer and grade examinations.

Sec. 7. Minnesota Statutes 2004, section 327.20, subdivision 1, is amended to read:

Subdivision 1. **Rules.** No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No wastewater from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state Department of Health.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of ~~health~~ labor and industry and the provisions of the Minnesota Plumbing Code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. The park owner shall provide each resident with a copy of the approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c. Nothing in this paragraph requires the Department of Health to review

or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the Department of Health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the Department of Health. The park owner shall provide each resident with a copy of the approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.

(8) A manufactured home park with ten or more manufactured homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205, except that for manufactured home parks established as temporary, emergency housing in a disaster area declared by the President of the United States or the governor, an approved evacuation plan may be provided in lieu of a shelter for a period not exceeding 18 months.

(9) For the purposes of this subdivision, "park owner" and "resident" have the meaning given them in section 327C.01.

## ARTICLE 11

### REPEALER; EFFECTIVE DATE

#### Section 1. **REPEALER.**

(a) Minnesota Statutes 2004, sections 183.52; 183.61, subdivisions 1, 3, 5, and 6; 326.01, subdivision 6h; 326.242, subdivisions 9, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9j, and 9k; 326.244, subdivision 6; 326.246; 326.2461; 326.51; 326.521; and 327B.05, subdivisions 2, 3, 4, 5, and 6, are repealed.

Minnesota Rules, parts 3800.2650; 3800.3580; 3800.3750; 3800.3835; 4715.5600; and 4717.7000, subpart 1, item I, are repealed.

#### Sec. 2. **EFFECTIVE DATE.**

This act is effective December 1, 2006, except when another date is specified. The revisor's instructions contained in this act shall be implemented for the 2006 edition of Minnesota Statutes."

Amend the title as follows:

Page 1, line 4, delete "renumber statutory provisions" and insert "change certain terms; making conforming changes"

Page 1, line 5, delete the first "amending"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3578, A bill for an act relating to employment; establishing a pilot project to encourage the licensure of foreign-trained health care professionals in Minnesota; appropriating money for a pilot program to encourage the licensure of foreign-trained health care professionals.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Jobs and Economic Opportunity Policy and Finance.

The report was adopted.

Gunther from the Committee on Jobs and Economic Opportunity Policy and Finance to which was referred:

H. F. No. 3597, A bill for an act relating to child protection; providing time frames under which an unharmed newborn may be left at a hospital with a hospital employee; providing that a relative search must not be conducted; amending Minnesota Statutes 2004, sections 145.902, subdivision 1; 260C.212, subdivision 5; 260C.217, subdivision 1.

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.

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

H. F. No. 3656, A bill for an act relating to transportation; commuter rail; authorizing the commissioner to contract for use of railroad right-of-way; regulating civil liability; amending Minnesota Statutes 2004, section 174.82.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 174.82, is amended to read:

**174.82 COMMISSIONER'S DUTIES.**

The planning, development, construction, operation, and maintenance of commuter rail track, facilities, and services are governmental functions, serve a public purpose, and are a matter of public necessity. The commissioner shall be responsible for all aspects of planning, developing, constructing, operating, and maintaining commuter rail, including system planning, advanced corridor planning, preliminary engineering, final design, construction, negotiating with railroads, and developing financial and operating plans. The commissioner may enter into a memorandum of understanding or agreement with a public or private entity, including a regional railroad authority, a joint powers board, and a railroad, to carry out these activities. The commissioner, or public entity contracting with the commissioner, may contract with a railroad that is a Class I railroad under federal law for the joint or shared use of the railroad's right-of-way or the construction, operation, or maintenance of rail track, facilities, or services for commuter rail purposes. Notwithstanding section 3.732, subdivision 1, clause (2), or 466.01, subdivision 6, the liability of a Class I railroad and its employees arising from the joint or shared use of the railroad right-of-way or the provision of commuter rail construction, operation, or maintenance services pursuant to a contract with the

commissioner or a public entity contracting with the commissioner shall be governed by sections 466.04 and 466.06. Notwithstanding any law to the contrary, a contract with the Class I railroad for any commuter rail service, or joint or shared use of the railroad's right-of-way, may also provide for the allocation of financial responsibility, indemnification, and the procurement of insurance for the parties of all types of claims or damages. A contract entered into under this section does not affect rights of employees under the Federal Employers Liability Act."

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. 3691, A bill for an act relating to dogs; modifying notice requirements for unlicensed dogs that are seized; amending Minnesota Statutes 2004, section 347.14, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 18, strike "shall" and insert "may"

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. 3710, A bill for an act relating to elections; allowing an elected official access to multiple unit dwellings unaccompanied by a candidate; amending Minnesota Statutes 2004, section 211B.20, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 211B.20, subdivision 1, is amended to read:

Subdivision 1. **Prohibition.** It is unlawful for a person, either directly or indirectly, to deny access to an apartment house, dormitory, nursing home, manufactured home park, other multiple unit facility used as a residence, or an area in which two or more single-family dwellings are located on private roadways to a candidate who has filed for election to public office under section 204B.06 or to campaign workers accompanied by the candidate campaigning within the territory from which the candidate has filed for office, if the candidate and workers seeking admittance to the facility do so solely for the purpose of campaigning. A violation of this section is a petty misdemeanor."

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. 3715, A bill for an act relating to elections; providing that the receipt of an absentee ballot after the close of the polls on election day does not delay the reclassification of a voter to inactive status; amending Minnesota Statutes 2004, section 201.171.

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

The report was adopted.

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

H. F. No. 3747, A bill for an act relating to commerce; regulating motor fuel franchises; providing an exemption from certain regulation; amending Minnesota Statutes 2004, section 80C.01, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 80C.

Reported the same back with the following amendments:

Page 2, line 32, after "(f)" insert "For purposes of paragraph (a), clause (2)."

Page 3, line 3, delete "unless otherwise agreed to."

Page 3, line 4, after "signage" insert ", provided, however, this circumstance is not changed by a voluntary decision by the retailer to identify the buildings on the premises in the manner selected by the retailer."

Page 3, line 5, delete ", unless otherwise agreed to"

Page 3, line 6, after "sales" insert "provided this circumstance is not changed by a voluntary decision by the retailer to purchase nonmotor vehicle fuel products from the franchisor or an affiliate of the franchisor"

Page 3, delete lines 8 and 9

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. 3776, A bill for an act relating to child protection; including opium in the list of controlled substances used during pregnancy for purposes of civil commitment and child maltreatment reporting; amending Minnesota Statutes 2004, section 253B.02, subdivision 2.

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

The report was adopted.

Olson from the Committee on Local Government to which was referred:

H. F. No. 3779, A bill for an act relating to adults-only businesses; requiring notice to be given to a city or county of intent to conduct adults-only businesses in certain circumstances; authorizing cities and counties certain zoning authority as it relates to adults-only businesses; proposing coding for new law in Minnesota Statutes, chapter 617.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[617.441] NOTICE TO CITY OF PROPOSED ADULTS-ONLY BUSINESS.**

At least 60 days before opening a business to provide live performances of sexually-oriented entertainment open only to persons at least 18 years of age or older, the owner or operator of the proposed business must give written notice by certified mail to the chief clerical officer of the statutory or home-rule charter city stating the date on which the business intends to begin operating."

Delete the title and insert:

"A bill for an act relating to adults-only businesses; requiring notice by certified mail to the appropriate statutory or home-rule charter city under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 617."

With the recommendation that when so amended the bill pass.

The report was adopted.

Buesgens from the Committee on Education Policy and Reform to which was referred:

H. F. No. 3854, A bill for an act relating to education; raising K-12 academic achievement through increased student participation in advanced placement and international baccalaureate programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 120B.

Reported the same back with the following amendments:

Page 1, delete lines 13 to 17 and insert:

"(a) must have a three-year plan approved by the local school board to establish a new international baccalaureate program leading to international baccalaureate authorization, or expand an existing program that leads to international baccalaureate authorization, or expand an existing authorized international baccalaureate program; or

(b) must have a three-year plan approved by the local school board to create a new or expand an existing program to implement the college board advanced placement courses and exams or pre-advanced placement initiative; and"

Page 3, line 24, delete "application"

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

The report was adopted.

Buesgens from the Committee on Education Policy and Reform to which was referred:

H. F. No. 3860, A bill for an act relating to education; pursuing educational reform that fosters innovation, accelerates change, and implements systemwide improvement in high school students' achievement in science, technology, engineering, and mathematics; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124D.

Reported the same back with the following amendments:

Page 2, line 16, after "information" insert "and counseling"

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

The report was adopted.

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

H. F. No. 3865, A bill for an act relating to elections; prohibiting any changes in polling places between primary and general elections for the same offices; providing an exception; amending Minnesota Statutes 2004, section 205A.11, subdivision 2.

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

The report was adopted.

Olson from the Committee on Local Government to which was referred:

H. F. No. 3876, A bill for an act relating to counties; removing limit in county expenditures for soldiers' rest; amending Minnesota Statutes 2004, section 375.36, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.



Buesgens from the Committee on Education Policy and Reform to which was referred:

H. F. No. 3910, A bill for an act relating to education; proposing a Chinese language curriculum project to systematically develop Chinese language programs in Minnesota; appropriating money.

Reported the same back with the following amendments:

Page 1, lines 12 and 13, after "Chinese" insert "language"

Page 2, line 6, after "Chinese" insert "language"

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

The report was adopted.

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

H. F. No. 3948, A bill for an act relating to elections; exempting on a onetime basis municipalities in a county that filed a county plan pursuant to Laws 2005, chapter 162, section 35, from the requirements of Minnesota Statutes, section 206.82; implementing in law the requirements of a federal court order regarding the use of tribal identification; providing for a registration deadline for special elections; providing for a uniform and consistent oath to be signed by voters in an election; amending Minnesota Statutes 2004, section 201.061, subdivision 1; Minnesota Statutes 2005 Supplement, sections 201.061, subdivision 3; 204C.10; 206.82, subdivision 2.

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

The report was adopted.

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

S. F. No. 762, A bill for an act relating to the environment; creating the Clean Water Legacy Act; providing authority, direction, and funding to achieve and maintain water quality standards for Minnesota's surface waters in accordance with section 303(d) of the federal Clean Water Act; appropriating money; amending Laws 2005, chapter 20, article 1, section 39; proposing coding for new law in Minnesota Statutes, chapter 446A; proposing coding for new law as Minnesota Statutes, chapter 114D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 103C.501, subdivision 5, is amended to read:

Subd. 5. **Contracts by districts.** (a) A district board may contract on a cost-share basis to furnish financial aid to a land occupier or to a state agency for permanent systems for erosion or sedimentation control or water quality improvement that are consistent with the district's comprehensive and annual work plans.

(b) The duration of the contract ~~may~~ must, at a minimum, be the time required to complete the planned systems. A contract must specify that the land occupier is liable for monetary damages, ~~not to exceed the~~ and penalties in an amount of up to 150 percent of the financial assistance received from the district, for failure to complete the systems or practices in a timely manner or maintain the systems or practices as specified in the contract.

(c) A contract may provide for cooperation or funding with federal agencies. A land occupier or state agency may provide the cost-sharing portion of the contract through services in kind.

(d) The state board or the district board may not furnish any financial aid for practices designed only to increase land productivity.

(e) When a district board determines that long-term maintenance of a system or practice is desirable, the board may require that such maintenance be made a covenant upon the land for the effective life of the practice. A covenant under this subdivision shall be construed in the same manner as a conservation restriction under section 84.65.

Sec. 2. **[114D.05] CITATION.**

This chapter may be cited as the "Clean Water Legacy Act."

Sec. 3. **[114D.10] LEGISLATIVE PURPOSE AND FINDINGS.**

Subdivision 1. **Purpose.** The purpose of the Clean Water Legacy Act is to protect, restore, and preserve the quality of Minnesota's surface waters by providing authority, direction, and resources to achieve and maintain water quality standards for surface waters as required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d), and applicable federal regulations.

Subd. 2. **Findings.** The legislature finds that:

(1) there is a close link between protecting, restoring, and preserving the quality of Minnesota's surface waters and the ability to develop the state's economy, enhance its quality of life, and protect its human and natural resources;

(2) achieving the state's water quality goals will require long-term commitment and cooperation by all state and local agencies, and other public and private organizations and individuals, with responsibility and authority for water management, planning, and protection; and

(3) all persons and organizations whose activities affect the quality of waters, including point and nonpoint sources of pollution, have a responsibility to participate in and support efforts to achieve the state's water quality goals.

Sec. 4. **[114D.15] DEFINITIONS.**

Subdivision 1. **Application.** The definitions provided in this section apply to the terms used in this chapter.

Subd. 2. **Citizen monitoring.** "Citizen monitoring" means monitoring of surface water quality by individuals and nongovernmental organizations that is consistent with section 115.06, subdivision 4, and Pollution Control Agency guidance on monitoring procedures, quality assurance protocols, and data management.

Subd. 3. **Clean Water Council.** "Clean Water Council" or "council" means the Clean Water Council created pursuant to section 114D.30, subdivision 1.

Subd. 4. **Federal TMDL requirements.** "Federal TMDL requirements" means the requirements of section 303(d) of the Clean Water Act, United States Code, title 33, section 1313(d), and associated regulations and guidance.

Subd. 5. **Impaired water.** "Impaired water" means surface water that does not meet applicable water quality standards.

Subd. 6. **Public agencies.** "Public agencies" means all state agencies, political subdivisions, joint powers organizations, and special purpose units of government with authority, responsibility, or expertise in protecting, restoring, or preserving the quality of surface waters, managing or planning for surface waters and related lands, or financing waters-related projects. Public agencies includes the University of Minnesota and other public education institutions.

Subd. 7. **Restoration.** "Restoration" means actions, including effectiveness monitoring, that are taken to achieve and maintain water quality standards for impaired waters in accordance with a TMDL that has been approved by the United States Environmental Protection Agency under federal TMDL requirements.

Subd. 8. **Surface waters.** "Surface waters" means waters of the state as defined in section 115.01, subdivision 22, excluding groundwater as defined in section 115.01, subdivision 6.

Subd. 9. **Third-party TMDL.** "Third-party TMDL" means a TMDL by the Pollution Control Agency that is developed in whole or in part by a qualified public entity other than the Pollution Control Agency consistent with the goals, policies, and priorities in section 114D.20.

Subd. 10. **Total maximum daily load or TMDL.** "Total maximum daily load" or "TMDL" means a scientific study that contains a calculation of the maximum amount of a pollutant that may be introduced into a surface water and still ensure that applicable water quality standards for that water are restored and maintained. A TMDL also is the sum of the pollutant load allocations for all sources of the pollutant, including a wasteload allocation for point sources, a load allocation for nonpoint sources and natural background, an allocation for future growth of point and nonpoint sources, and a margin of safety to account for uncertainty about the relationship between pollutant loads and the quality of the receiving surface water. "Natural background" means characteristics of the water body resulting from the multiplicity of factors in nature, including climate and ecosystem dynamics, that affect the physical, chemical, or biological conditions in a water body, but does not include measurable and distinguishable pollution that is attributable to human activity or influence. A TMDL must take into account seasonal variations.

Subd. 11. **TMDL implementation plan.** "TMDL implementation plan" means a document detailing restoration activities needed to meet the approved TMDL's pollutant load allocations for point and nonpoint sources.

Subd. 12. **Water quality standards.** "Water quality standards" for Minnesota surface waters are found in Minnesota Rules, chapters 7050 and 7052.

Sec. 5. **[114D.20] IMPLEMENTATION; COORDINATION; GOALS; POLICIES; AND PRIORITIES.**

Subdivision 1. **Coordination and cooperation.** In implementing this chapter, public agencies and private entities shall take into consideration the relevant provisions of local and other applicable water management, conservation, land use, land management, and development plans and programs. Public agencies with authority for local water management, conservation, land use, land management, and development plans shall take into consideration the manner in which their plans affect the implementation of this chapter. Public agencies shall identify opportunities to participate and assist in the successful implementation of this chapter, including the funding or technical assistance needs, if any, that may be necessary. In implementing this chapter, public agencies shall endeavor to engage the cooperation of organizations and individuals whose activities affect the quality of surface

waters, including point and nonpoint sources of pollution, and who have authority and responsibility for water management, planning, and protection. To the extent practicable, public agencies shall endeavor to enter into formal and informal agreements and arrangements with federal agencies and departments to jointly utilize staff and educational, technical, and financial resources to deliver programs or conduct activities to achieve the intent of this chapter, including efforts under the federal Clean Water Act and other federal farm and soil and water conservation programs.

**Subd. 2. Goals for implementation.** The following goals must guide the implementation of this chapter:

(1) to identify impaired waters in accordance with federal TMDL requirements within ten years after the effective date of this section and thereafter to ensure continuing evaluation of surface waters for impairments;

(2) to submit TMDL's to the United States Environmental Protection Agency for all impaired waters in a timely manner in accordance with federal TMDL requirements;

(3) to set a reasonable time for implementing restoration of each identified impaired water;

(4) to provide assistance and incentives to prevent waters from becoming impaired and to improve the quality of waters which are listed as impaired but have no approved TMDL addressing the impairment;

(5) to promptly seek the delisting of waters from the impaired waters list when those waters are shown to achieve the designated uses applicable to the waters; and

(6) to achieve compliance with federal Clean Water Act requirements in Minnesota.

**Subd. 3. Implementation policies.** The following policies must guide the implementation of this chapter:

(1) develop regional and watershed TMDL's and TMDL implementation plans, and TMDL's and TMDL implementation plans for multiple pollutants, where reasonable and feasible;

(2) maximize use of available organizational, technical, and financial resources to perform sampling, monitoring, and other activities to identify impaired waters, including use of citizen monitoring;

(3) maximize opportunities for restoration of impaired waters, by prioritizing and targeting of available programmatic, financial, and technical resources and by providing additional state resources to complement and leverage available resources;

(4) use existing regulatory authorities to achieve restoration for point and nonpoint sources of pollution where applicable, and promote the development and use of effective nonregulatory measures to address pollution sources for which regulations are not applicable;

(5) use restoration methods that have a demonstrated effectiveness in reducing impairments and provide the greatest long-term positive impact on water quality protection and improvement and related conservation benefits while incorporating innovative approaches on a case-by-case basis;

(6) identify for the legislature any innovative approaches that may strengthen or complement existing programs;

(7) identify and encourage implementation of measures to prevent waters from becoming impaired and to improve the quality of waters that are listed as impaired but have no approved TMDL addressing the impairment using the best available data and technology, and establish and report outcome-based performance measures that monitor the progress and effectiveness of protection and restoration measures; and

(8) monitor and enforce cost-sharing contracts and impose monetary damages in an amount up to 150 percent of the financial assistance received for failure to comply.

Subd. 4. **Priorities for identifying impaired waters.** The Pollution Control Agency, in accordance with federal TMDL requirements, shall set priorities for identifying impaired waters, giving consideration to:

(1) waters where impairments would pose the greatest potential risk to human or aquatic health; and

(2) waters where data developed through public agency or citizen monitoring or other means, provides scientific evidence that an impaired condition exists.

Subd. 5. **Priorities for preparation of TMDL's.** The Clean Water Council shall recommend priorities for scheduling and preparing TMDL's and TMDL implementation plans, taking into account the severity of the impairment, the designated uses of those waters, and other applicable federal TMDL requirements. In recommending priorities, the council shall also give consideration to waters and watersheds:

(1) with impairments that pose the greatest potential risk to human health;

(2) with impairments that pose the greatest potential risk to threatened or endangered species;

(3) with impairments that pose the greatest potential risk to aquatic health;

(4) where other public agencies and participating organizations and individuals, especially local, basinwide, watershed, or regional agencies or organizations, have demonstrated readiness to assist in carrying out the responsibilities, including availability and organization of human, technical, and financial resources necessary to undertake the work; and

(5) where there is demonstrated coordination and cooperation among cities, counties, watershed districts, and soil and water conservation districts in planning and implementation of activities that will assist in carrying out the responsibilities.

Subd. 6. **Priorities for restoration of impaired waters.** In implementing restoration of impaired waters, in addition to the priority considerations in subdivision 5, the Clean Water Council shall give priority in its recommendations for restoration funding from the clean water legacy account to restoration projects that:

(1) coordinate with and utilize existing local authorities and infrastructure for implementation;

(2) can be implemented in whole or in part by providing support for existing or ongoing restoration efforts;

(3) most effectively leverage other sources of restoration funding, including federal, state, local, and private sources of funds;

(4) show a high potential for early restoration and delisting based upon scientific data developed through public agency or citizen monitoring or other means; and

(5) show a high potential for long-term water quality and related conservation benefits.

Subd. 7. **Priorities for funding prevention actions.** The Clean Water Council shall apply the priorities applicable under subdivision 6, as far as practicable, when recommending priorities for funding actions to prevent waters from becoming impaired and to improve the quality of waters that are listed as impaired but have no approved TMDL.

Sec. 6. **[114D.25] ADMINISTRATION; POLLUTION CONTROL AGENCY.**

Subdivision 1. **General duties and authorities.** (a) The Pollution Control Agency, in accordance with federal TMDL requirements, shall:

(1) identify impaired waters and propose a list of the waters for review and approval by the United States Environmental Protection Agency;

(2) develop and approve TMDL's for listed impaired waters and submit the approved TMDL's to the United State Environmental Protection Agency for final approval; and

(3) propose to delist waters from the Environmental Protection Agency impaired waters list.

(b) A TMDL must include a statement of the facts and scientific data supporting the TMDL and a list of potential implementation options, including a range of estimates of the cost of implementation and individual wasteload data for any point sources addressed by the TMDL.

(c) The implementation information need not be sent to the United States Environmental Protection Agency for review and approval.

Subd. 2. **Administrative procedures for TMDL approval.** The approval of a TMDL by the Pollution Control Agency is a final decision of the agency for purposes of section 115.05, and is subject to the contested case procedures of sections 14.57 to 14.62 in accordance with agency procedural rules. The agency shall not submit an approved TMDL to the United States Environmental Protection Agency until the time for commencing judicial review has run or the judicial review process has been completed. A TMDL is not subject to the rulemaking requirements of chapter 14, including section 14.386.

Subd. 3. **TMDL submittal requirement.** Before submitting a TMDL to the United States Environmental Protection Agency, the Pollution Control Agency shall comply with the notice and procedure requirements of this section. If a contested case proceeding is not required for a proposed TMDL, the agency may submit the TMDL to the United States Environmental Protection Agency no earlier than 30 days after the notice required in subdivision 4. If a contested case proceeding is required for a TMDL, the TMDL may be submitted to the United States Environmental Protection Agency after the contested case proceeding and appeal process is completed.

Subd. 4. **TMDL notice; contents.** The Pollution Control Agency shall give notice of its intention to submit a TMDL to the United States Environmental Protection Agency. The notice must be given by publication in the State Register and by United States mail to persons who have registered their names with the agency. The notice must include either a copy of the proposed TMDL or an easily readable and understandable description of its nature and effect and an announcement of how free access to the proposed TMDL can be obtained. In addition, the agency shall make reasonable efforts to notify persons or classes of persons who may be significantly affected by the TMDL by giving notice of its intention in newsletters, newspapers, or other publications, or through other means of communication. The notice must include a statement informing the public:

(1) that the public has 30 days in which to submit comment in support of or in opposition to the proposed TMDL and that comment is encouraged;

(2) that each comment should identify the portion of the proposed TMDL addressed, the reason for the comment, and any change proposed;

(3) of the manner in which persons must request a contested case proceeding on the proposed TMDL;

(4) that the proposed TMDL may be modified if the modifications are supported by the data and views submitted; and

(5) the date on which the 30-day comment period ends.

Subd. 5. **Third-party TMDL development.** The Pollution Control Agency may enter into agreements with any qualified public agency setting forth the terms and conditions under which that entity is authorized to develop a third-party TMDL. In determining whether the public agency is qualified to develop a third-party TMDL, the Pollution Control Agency shall consider the technical and administrative qualifications of the public agency, cost, and shall avoid any potential organizational conflict of interest, as defined in section 16C.02, subdivision 10a, of the public agency with respect to the development of the third-party TMDL. A third-party TMDL is subject to modification and approval by the Pollution Control Agency, and must be approved by the Pollution Control Agency before it is submitted to the United States Environmental Protection Agency. The Pollution Control Agency shall only consider authorizing the development of third-party TMDL's consistent with the goals, policies, and priorities determined under section 116.384.

Sec. 7. **[114D.30] CLEAN WATER COUNCIL.**

Subdivision 1. **Creation; duties.** A Clean Water Council is created to advise the Pollution Control Agency and other implementing public agencies on the administration and implementation of this chapter, and foster coordination and cooperation as described in section 114D.20, subdivision 1. The council may also advise on the development of appropriate processes for expert scientific review as described in section 114D.35, subdivision 2. The Pollution Control Agency shall provide administrative support for the council with the support of other member agencies. The members of the council shall elect a chair from the nonagency members of the council.

Subd. 2. **Membership; appointment.** The governor must appoint the members of the council. The governor must appoint one person from each of the following agencies: the Department of Natural Resources, the Department of Agriculture, the Pollution Control Agency, and the Board of Water and Soil Resources. The governor must appoint 18 additional nonagency members of the council as follows:

(1) two members representing statewide farm organizations;

(2) two members representing business organizations;

(3) two members representing environmental organizations;

(4) one member representing soil and water conservation districts;

(5) one member representing watershed districts;

(6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;

(7) two members representing organizations of county governments;

(8) two members representing organizations of city governments;

(9) one member representing the Metropolitan Council established under section 473.123;

(10) one member representing an organization of township governments;

(11) one member representing the interests of tribal governments; and

(12) two members representing statewide hunting organizations.

In making appointments, the governor must attempt to provide for geographic balance.

Subd. 3. **Terms; compensation; removal.** The initial terms of members representing state agencies and the Metropolitan Council expire on the first Monday in January, 2007. Thereafter, the terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of council members is as provided in section 15.059, subdivisions 3 and 4. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Subd. 4. **Implementation plan.** The Clean Water Council shall prepare a plan for implementation of this chapter. The plan shall address general procedures and timeframes for implementing this chapter, and shall include a more specific implementation work plan for the next fiscal biennium and a framework for setting priorities to address impaired waters consistent with section 114D.45, subdivisions 2 to 7. The council shall issue the first implementation plan under this subdivision by December 1, 2006, and shall issue a revised work plan by December 1 of each even-numbered year thereafter.

Subd. 5. **Recommendations on appropriation of funds.** The Clean Water Council shall recommend to the governor the manner in which money from the clean water legacy account should be appropriated for the purposes identified in section 114D.45, subdivision 3. The council's recommendations must be consistent with the purposes, policies, goals, and priorities in sections 114D.05 to 114D.35, and shall allocate adequate support and resources to identify impaired waters, develop TMDL's, develop TMDL implementation plans, implement restoration of impaired waters, and provide assistance and incentives to prevent waters from becoming impaired and improve the quality of waters which are listed as impaired but have no approved TMDL. The council must recommend methods of ensuring that awards of grants, loans, or other funds from the clean water legacy account specify the outcomes to be achieved as a result of the funding, and specify standards to hold the recipient accountable for achieving the desired outcomes.

Subd. 6. **Biennial report to legislature.** By December 1 of each even-numbered year, the council shall submit a report to the legislature on the activities for which money has been or will be spent for the current biennium, the activities for which money is recommended to be spent in the next biennium, and the impact on economic development of the implementation of the impaired waters program. The report due on December 1, 2014, must include an evaluation of the progress made through June 30, 2014, in implementing this chapter, the need for funding of future implementation of those sections, and recommendations for the sources of funding.

Sec. 8. **[114D.35] PUBLIC AND STAKEHOLDER PARTICIPATION; SCIENTIFIC REVIEW; EDUCATION.**

Subdivision 1. **Public and stakeholder participation.** Public agencies and private entities involved in the implementation of this chapter shall encourage participation by the public and stakeholders, including local citizens, landowners and managers, and public and private organizations, in the identification of impaired waters, in developing TMDL's, and in planning, priority setting, and implementing restoration of impaired waters. In particular, the Pollution Control Agency shall make reasonable efforts to provide timely information to the public and to stakeholders about impaired waters that have been identified by the agency. The agency shall seek broad and early public and stakeholder participation in scoping the activities necessary to develop a TMDL, including the scientific models, methods, and approaches to be used in TMDL development, and to implement restoration pursuant to section 114D.15, subdivision 7.



Subd. 2. **Expert scientific advice.** The Clean Water Council and public agencies and private entities shall make use of available public and private expertise from educational, research, and technical organizations, including the University of Minnesota and other higher education institutions, to provide appropriate independent expert advice on models, methods, and approaches used in identifying impaired waters, developing TMDL's, and implementing prevention and restoration.

Subd. 3. **Education.** The Clean Water Council shall develop strategies for informing, educating, and encouraging the participation of citizens, stakeholders, and others regarding the identification of impaired waters, development of TMDL's, development of TMDL implementation plans, and implementation of restoration for impaired waters. Public agencies shall be responsible for implementing the strategies.

Sec. 9. Minnesota Statutes 2005 Supplement, section 116.182, subdivision 2, is amended to read:

Subd. 2. **Applicability.** This section governs the commissioner's certification of projects seeking financial assistance under section 103F.725, subdivision 1a; 446A.07; 446A.072; ~~or~~ 446A.073; 446A.074; or 446A.075.

Sec. 10. **[446A.074] CLEAN WATER LEGACY PHOSPHORUS REDUCTION GRANTS.**

Subdivision 1. **Creation of fund.** The authority shall establish a clean water legacy capital improvement fund and shall make grants from the fund as provided in this section.

Subd. 2. **Grants.** The authority shall award grants from the clean water legacy capital improvement fund to governmental units for the capital costs of wastewater treatment facility projects or a portion thereof that will reduce the discharge of total phosphorus from the facility to one milligram per liter or less. A project is eligible for a grant if it meets the following requirements:

(1) the applicable phosphorus discharge limit is incorporated in a permit issued by the agency for the wastewater treatment facility on or after March 28, 2000, the grantee agrees to comply with the applicable limit as a condition of receiving the grant, or the grantee made improvements to a wastewater treatment facility on or after March 28, 2000, that include infrastructure to reduce the discharge of total phosphorus to one milligram per liter or less;

(2) the governmental unit has submitted a facilities plan for the project to the agency and a grant application to the authority on a form prescribed by the authority; and

(3) the agency has approved the facilities plan, and certified the eligible costs for the project to the authority.

Subd. 3. **Eligible capital costs.** Eligible capital costs for phosphorus reduction grants under subdivision 4, paragraph (a), include the as-bid construction costs and engineering planning and design costs for phosphorus treatment. Eligible capital costs for phosphorus reduction grants under subdivision 4, paragraph (b), include the final, incurred construction, engineering, planning, and design costs for phosphorus treatment.

Subd. 4. **Grant amounts and priorities.** (a) Priority must be given to projects that start construction on or after July 1, 2006. If a facility's plan for a project is approved by the agency before July 1, 2010, the amount of the grant is 75 percent of the eligible capital cost of the project. If a facility's plan for a project is approved by the agency on or after July 1, 2010, the amount of the grant is 50 percent of the eligible capital cost of the project. Priority in awarding grants under this paragraph must be based on the date of approval of the facility's plan for the project.

(b) Projects that meet the eligibility requirements in subdivision 2 and have started construction before July 1, 2006, are eligible for grants to reimburse up to 75 percent of the eligible capital cost of the project, less any amounts previously received in grants from other sources. Application for a grant under this paragraph must be submitted to the authority no later than June 30, 2008. Priority for award of grants under this paragraph must be based on the date of agency approval of the facility plan.

(c) In each fiscal year that money is available for grants, the authority shall first award grants under paragraph (a) to projects that met the eligibility requirements of subdivision 2 by May 1 of that year. The authority shall use any remaining money available that year to award grants under paragraph (b). Grants that have been approved but not awarded in a previous fiscal year carry over and must be awarded in subsequent fiscal years in accordance with the priorities in this paragraph.

(d) Disbursements of grants under this section by the authority to recipients must be made for eligible project costs as incurred by the recipients, and must be made by the authority in accordance with the project financing agreement and applicable state law.

Subd. 5. **Fees.** The authority may charge the grant recipient a fee for its administrative costs not to exceed one-half of one percent of the grant amount, to be paid upon execution of the grant agreement.

Sec. 11. **[446A.075] SMALL COMMUNITY WASTEWATER TREATMENT PROGRAM.**

Subdivision 1. **Creation of fund.** The authority shall establish a small community wastewater treatment fund and shall make loans and grants from the fund as provided in this section. Money in the fund is annually appropriated to the authority and does not lapse. The fund shall be credited with all loan repayments and investment income from the fund, and servicing fees assessed under section 446A.04, subdivision 5. The authority shall manage and administer the small community wastewater treatment fund, and for these purposes, may exercise all powers provided in this chapter.

Subd. 2. **Loans and grants.** (a) The authority shall award loans as provided in paragraph (b) and grants as provided in paragraphs (c) and (d) to governmental units from the small community wastewater treatment fund for projects to replace noncomplying individual sewage treatment systems with a community wastewater treatment system or systems meeting the requirements of section 115.55. A governmental unit receiving a loan or loan and grant from the fund shall own the community wastewater treatment systems built under the program and shall be responsible, either directly or through a contract with a private vendor, for all inspections, maintenance, and repairs necessary to ensure proper operation of the systems.

(b) Loans may be awarded for up to 100 percent of eligible project costs as described in this section.

(c) When the area to be served by a project has a median household income below the state average median household income, the governmental unit may receive 50 percent of the funding provided under this section in the form of a grant. An applicant may submit income survey data collected by an independent party if it believes the most recent United States census does not accurately reflect the median household income of the area to be served.

(d) If requested, a governmental unit receiving funding under this section may receive a grant equal to ten percent of its first year's award, up to a maximum of \$30,000, to contract for technical assistance services from the University of Minnesota Extension Service to develop the technical, managerial, and financial capacity necessary to build, operate, and maintain the systems.

Subd. 3. **Project priority list.** Governmental units seeking loans or loans and grants from the small community wastewater treatment program shall first submit a project proposal to the agency on a form prescribed by the agency. A project proposal shall include the compliance status for all individual sewage treatment systems in the project area. The agency shall rank project proposals on its project priority list used for the water pollution control revolving fund under section 446A.07.

Subd. 4. **Applications.** Governmental units with projects on the project priority list shall submit applications to the authority on forms prescribed by the authority. The application shall include:

(1) a list of the individual sewage treatment systems proposed to be replaced over a period of up to three years;

(2) a project schedule and cost estimate for each year of the project;

(3) a financing plan for repayment of the loan; and

(4) a management plan providing for the inspection, maintenance, and repairs necessary to ensure proper operation of the systems.

Subd. 5. **Awards.** The authority shall award loans or loans and grants as provided in subdivision 2 to governmental units with approved applications based on their ranking on the agency's project priority list. The total amount awarded shall be based on the estimated project costs for the portion of the project expected to be completed within one year, up to an annual maximum of \$500,000. For projects expected to take more than one year to complete, the authority may make a multiyear commitment for a period not to exceed three years, contingent on the future availability of funds. Each year of a multiyear commitment must be funded by a separate loan or loan and grant agreement meeting the terms and conditions in subdivision 6. A governmental unit receiving a loan or loan and grant under a multiyear commitment shall have priority for additional loan and grant funds in subsequent years.

Subd. 6. **Loan terms and conditions.** Loans from the small community wastewater treatment fund shall comply with the following terms and conditions:

(1) principal and interest payments must begin no later than two years after the loan is awarded;

(2) loans shall carry an interest rate of one percent;

(3) loans shall be fully amortized within ten years of the first scheduled payment or, if the loan amount exceeds \$10,000 per household, shall be fully amortized within 20 years but not to exceed the expected design life of the system;

(4) a governmental unit receiving a loan must establish a dedicated source or sources of revenues for repayment of the loan and must issue a general obligation note to the authority for the full amount of the loan; and

(5) each property owner to be served by a community wastewater treatment system under this program must provide an easement to the governmental unit to allow access to the system for management and repairs.

Subd. 7. **Special assessment deferral.** (a) A governmental unit receiving a loan under this section that levies special assessments to repay the loan may defer payment of the assessments under the provisions of sections 435.193 to 435.195.

(b) A governmental unit that defers payment of special assessments for one or more properties under paragraph (a) may request deferral of that portion of the debt service on its loan, and the authority shall accept appropriate amendments to the general obligation note of the governmental unit. If special assessment payments are later received from properties that received a deferral, the funds received shall be paid to the authority with the next scheduled loan payment.

Subd. 8. **Eligible costs.** Eligible costs for small community wastewater treatment loans and grants shall include the costs of technical assistance as provided in subdivision 2, paragraph (d), planning, design, construction, legal fees, administration, and land acquisition.

Subd. 9. **Disbursements.** Loan and grant disbursements by the authority under this section must be made for eligible project costs as incurred by the recipients, and must be made in accordance with the project loan or grant and loan agreement and applicable state law.

Subd. 10. **Audits.** A governmental unit receiving a loan under this section must annually provide to the authority for the term of the loan a copy of its annual independent audit or, if the governmental unit is not required to prepare an independent audit, a copy of the annual financial reporting form it provides to the state auditor.

Sec. 12. **APPROPRIATIONS.**

Subdivision 1. **General provisions.** The appropriations in this section are from the general fund and are available for the fiscal year ending June 30, 2007. Unless otherwise specified in this section, these appropriations do not cancel and remain available until June 30, 2007. Appropriations in this section that are encumbered under contract, including grant contract, on or before June 30, 2007, are available until June 30, 2009.

Subd. 2. **Pollution Control Agency.** The following amounts are appropriated to the Pollution Control Agency for the purposes stated:

(1) \$1,860,000 for statewide assessment of surface water quality and trends; of these amounts, up to \$1,010,000 is available for grants or contracts to support citizen monitoring of surface waters; and

(2) \$3,170,000 is available to develop TMDL's and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved 2004 impaired waters list; of this appropriation, up to \$1,740,000 is available for grants or contracts to develop TMDL's.

Subd. 3. **Agriculture Department.** The following amounts are appropriated to the Department of Agriculture for the purposes stated:

(1) \$2,200,000 is for agricultural best management practices loan program; this appropriation remains available until spent; of this amount, \$2,000,000 is for pass-through to local governments and lenders for low-interest loans to producers and rural landowners;

(2) \$800,000 is available to expand technical assistance to producers and conservation professionals on nutrient and pasture management; target practices to sources of water impairments; coordinate federal and state farm conservation programs to fully utilize federal conservation funds; and expand conservation planning assistance for producers; of this amount, \$210,000 is available for grants or contracts to develop nutrient and conservation planning assistance information materials; and

(3) \$1,000,000 is available for research, evaluation, and effectiveness monitoring of agricultural practices in restoring impaired waters.

Subd. 4. **Board of Water and Soil Resources.** The following amounts are appropriated to the Board of Water and Soil Resources for restoration and prevention actions. All of the money appropriated in this subdivision as grants to local governments will be administered through the Board of Water and Soil Resources' Local Water Resources Protection and Management Program under Minnesota Statutes, section 103B.3369:

(1) \$2,500,000 is for targeted nonpoint restoration cost-share and incentive payments; of these amounts, up to \$2,400,000 in fiscal year 2007 is available for grants;

(2) \$4,000,000 is for targeted nonpoint restoration technical, compliance, and engineering assistance activities; up to \$3,800,000 in fiscal year 2007 is available for grants;

(3) \$200,000 in fiscal year 2007 is for reporting and evaluation of applied soil and water conservation practices;

(4) \$730,000 is for grants for implementation of county individual sewage treatment system programs; and

(5) \$1,500,000 is for grants to support local nonpoint source protection activities related to lake and river protection and management.

Subd. 5. **Department of Natural Resources.** The following amounts are appropriated to the Department of Natural Resources for the purposes stated:

(1) \$280,000 in fiscal year 2007 is for statewide assessment of surface water quality and trends; and

(2) \$1,900,000 is available for restoration of impaired waters and actions to prevent waters from becoming impaired; of these amounts, up to \$1,400,000 in fiscal year 2007 is available for grants and contracts for forest stewardship planning and implementation, and for research, compliance, and monitoring.

Sec. 13. **EFFECTIVE DATE.**

Sections 1 to 12 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the environment; modifying provisions for cost-sharing contracts for erosion control and water management; creating the Clean Water Legacy Act; providing authority, direction, and funding to achieve and maintain water quality standards according to section 303(d) of the federal Clean Water Act; creating grant and loan programs; appropriating money; amending Minnesota Statutes 2004, section 103C.501, subdivision 5; Minnesota Statutes 2005 Supplement, section 116.182, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 446A; proposing coding for new law as Minnesota Statutes, chapter 114D."

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

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 295, 587, 1375, 1464, 1596, 2460, 2721, 2806, 3049, 3079, 3171, 3178, 3194, 3384, 3387, 3447, 3488, 3496, 3525, 3656, 3691, 3710, 3715, 3747, 3776, 3779, 3865, 3876 and 3948 were read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Thissen introduced:

H. F. No. 4021, A bill for an act relating to education; creating a unified administrative structure for early learning opportunities; amending Minnesota Statutes 2004, section 124D.02, subdivision 1.

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

Paymar introduced:

H. F. No. 4022, A bill for an act relating to landlord and tenant; allowing tenant enforcement of no smoking lease provisions; proposing coding for new law in Minnesota Statutes, chapter 504B.

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

Paymar and Greiling introduced:

H. F. No. 4023, A bill for an act relating to crime; implementing mental health assessments for presentence investigations; amending Minnesota Statutes 2004, sections 609.115, by adding a subdivision; 609.135, by adding a subdivision.

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

Paulsen introduced:

H. F. No. 4024, A bill for an act relating to the legislature; reducing the number of members of the senate and house of representatives; amending Minnesota Statutes 2004, sections 2.021; 2.031, subdivision 1.

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

Hortman, Zellers and Smith introduced:

H. F. No. 4025, A bill for an act relating to state lands; authorizing conveyance of certain tax-forfeited land that borders public water or wetlands in Hennepin County.

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

Dill introduced:

H. F. No. 4026, A bill for an act relating to local government; authorizing a hospital district to agree to include territory of the Bois Forte Band of Minnesota Chippewa in the district.

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

Mullery introduced:

H. F. No. 4027, A bill for an act relating to education; establishing a pilot program to prepare and support newly licensed teachers to effectively teach a diverse student population; appropriating money.

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

Demmer and Bradley introduced:

H. F. No. 4028, A bill for an act relating to education; providing nonpublic school student health services.

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

Carlson and Latz introduced:

H. F. No. 4029, A bill for an act relating to capital improvements; appropriating money for a flood hazard mitigation grant for the city of Golden Valley; authorizing the sale and issuance of state bonds.

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

Clark introduced:

H. F. No. 4030, A bill for an act relating to public safety; expanding the penalty enhancement statute for certain misdemeanor offenses; amending Minnesota Statutes 2004, section 609.153, subdivision 1.

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

Thissen introduced:

H. F. No. 4031, A bill for an act relating to capital improvements; creating a state grant program to pay for a portion of the facility costs of certain community partnership programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 123B.

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

Urdahl, Cox, Pelowski, Haws, Nornes, Latz, Abeler and Dempsey introduced:

H. F. No. 4032, A bill for an act relating to higher education; proposing a study to address the costs of textbooks.

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

Fritz and Ruth introduced:

H. F. No. 4033, A bill for an act relating to capital improvements; appropriating money for an off-highway vehicle (OHV) recreational site in Steele County; authorizing the sale and issuance of state bonds.

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

Zellers, Dill, Charron, Sertich and Rukavina introduced:

H. F. No. 4034, A bill for an act relating to taxation; providing for a sales tax exemption for personal property used in the preproduction, production, and postproduction of movies, television shows, documentaries, and music videos; amending Minnesota Statutes 2004, section 297A.68, by adding a subdivision.

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

### **MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2709, A bill for an act relating to financial institutions; authorizing a detached facility in Shamrock Township under certain conditions.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2749, 2621 and 2818.

PATRICK E. FLAHAVEN, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 2749, A bill for an act relating to counties; removing limit in county expenditures for soldiers' rest; amending Minnesota Statutes 2004, section 375.36, subdivision 1.

The bill was read for the first time.

Finstad moved that S. F. No. 2749 and H. F. No. 3876, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2621, A bill for an act relating to health; requiring programs to meet an average yearly pass rate for EMT certification; amending Minnesota Statutes 2004, section 144E.285, subdivision 1.

The bill was read for the first time.

Powell moved that S. F. No. 2621 and H. F. No. 2731, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.



S. F. No. 2818, A bill for an act relating to domestic abuse; authorizing extension of the domestic fatality review team pilot project in the fourth judicial district; amending Laws 2002, chapter 266, section 1, as amended.

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

### **CALENDAR FOR THE DAY**

Paulsen moved that the Calendar for the Day be continued. The motion prevailed.

### **MOTIONS AND RESOLUTIONS**

Thissen moved that the name of Dorn be added as an author on H. F. No. 132. The motion prevailed.

Abrams moved that the name of Urdahl be added as an author on H. F. No. 263. The motion prevailed.

Welti moved that the name of Lillie be added as an author on H. F. No. 2567. The motion prevailed.

Severson moved that the name of Atkins be added as an author on H. F. No. 2921. The motion prevailed.

Smith moved that the name of Fritz be added as an author on H. F. No. 3004. The motion prevailed.

Kelliher moved that the name of Sieben be added as an author on H. F. No. 3098. The motion prevailed.

Bradley moved that the name of Kelliher be added as an author on H. F. No. 3144. The motion prevailed.

Paymar moved that his name be stricken as an author on H. F. No. 3158. The motion prevailed.

Clark moved that the name of Sieben be added as an author on H. F. No. 3204. The motion prevailed.

Tingelstad moved that the name of Sieben be added as an author on H. F. No. 3244. The motion prevailed.

Slawik moved that the name of Dorn be added as an author on H. F. No. 3259. The motion prevailed.

Paymar moved that the name of Meslow be added as an author on H. F. No. 3320. The motion prevailed.

Gunther moved that the name of Ruth be added as an author on H. F. No. 3396. The motion prevailed.

Demmer moved that the name of Wardlow be added as an author on H. F. No. 3411. The motion prevailed.

Smith moved that the name of Simon be added as an author on H. F. No. 3586. The motion prevailed.

Abrams moved that the name of Latz be added as an author on H. F. No. 3698. The motion prevailed.

Tingelstad moved that the name of Lillie be added as an author on H. F. No. 3764. The motion prevailed.

Dauids moved that the name of Welti be added as an author on H. F. No. 3778. The motion prevailed.

Magnus moved that the name of Moe be added as an author on H. F. No. 3932. The motion prevailed.

Erhardt moved that the name of Kahn be added as an author on H. F. No. 3999. The motion prevailed.

Lenczewski moved that the name of Clark be added as an author on H. F. No. 4012. The motion prevailed.

Juhnke moved that H. F. No. 3442, now on the General Register, be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance. The motion prevailed.

Erhardt moved that H. F. No. 3523 be recalled from the Committee on Transportation and be re-referred to the Committee on Taxes. The motion prevailed.

Westrom moved that H. F. No. 3856 be recalled from the Committee on Jobs and Economic Opportunity Policy and Finance and be re-referred to the Committee on Capital Investment. The motion prevailed.

#### ANNOUNCEMENT BY THE CHAIR OF THE COMMITTEE ON WAYS AND MEANS

Pursuant to House Rule 4.03, Knoblach reported to the House the adoption on Wednesday, March 29, 2006, of the following 2006 Budget Resolution by the Committee on Ways and Means:

A resolution of the Ways and Means Committee of the House of Representatives; setting the limit on changes in expenditures for the biennium in accordance with House Rule 4.03.

*Be It Resolved* by the Ways and Means Committee of the House of Representatives that net expenditures from the general fund for fiscal years 2006 and 2007 are decreased by an amount of at least \$228,361,000 as compared to expenditures projected in the general fund forecast issued February 28, 2006. This net expenditures amount is the sum of spending of \$88,355,000 and a transfer into the general fund from the tax relief account of \$316,716,000.

*Be It Further Resolved* that the Ways and Means Committee of the House of Representatives finds that a cash flow account of \$351,000,000 and a budget reserve of \$652,000,000 are necessary.

#### ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, March 30, 2006. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and Speaker pro tempore Abrams declared the House stands adjourned until 3:00 p.m., Thursday, March 30, 2006.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives