

## STATE OF MINNESOTA

## EIGHTY-FOURTH SESSION — 2005

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 THIRTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 4, 2005

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

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

A quorum was present.

Thissen and Westrom were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Hoppe 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 CHIEF CLERK

S. F. No. 1625 and H. F. No. 1779, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Cybart moved that S. F. No. 1625 be substituted for H. F. No. 1779 and that the House File be indefinitely postponed. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Steve Sviggum  
Speaker of the House of Representatives

The Honorable James P. Metzen  
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2005 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2005</i>	<i>Date Filed 2005</i>
1210		14	10:45 a.m. March 24	March 25

Sincerely,

MARY KIFFMEYER  
Secretary of State

### REPORTS OF STANDING COMMITTEES

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

H. F. No. 61, A bill for an act relating to human services; providing support to caregivers; appropriating money; amending Minnesota Statutes 2004, sections 181.9413; 256B.0917, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 290.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 181.9413, is amended to read:

181.9413 [~~SICK OR INJURED CHILD CARE LEAVE BENEFITS; USE TO CARE FOR CERTAIN RELATIVES.~~]

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, spouse, sibling, parent, grandparent, or stepparent for such reasonable periods as the employee's attendance with the child may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

[EFFECTIVE DATE.] This section is effective August 1, 2005, and applies to sick leave used on or after that date.

Sec. 2. Minnesota Statutes 2004, section 256B.0911, subdivision 3, is amended to read:

Subd. 3. [LONG-TERM CARE CONSULTATION TEAM.] (a) A long-term care consultation team shall be established by the county board of commissioners. Each local consultation team shall consist of at least one social worker and at least one public health nurse from their respective county agencies. The board may designate public health or social services as the lead agency for long-term care consultation services. If a county does not have a public health nurse available, it may request approval from the commissioner to assign a county registered nurse with at least one year experience in home care to participate on the team. Two or more counties may collaborate to establish a joint local consultation team or teams.

(b) The team is responsible for providing long-term care consultation services to all persons located in the county who request the services, regardless of eligibility for Minnesota health care programs.

(c) For applicants for a credit under section 290.0676, the team must certify in accordance with procedures established by the commissioner that the care provided by the caregiver:

(1) qualifies as personal care assistant services under section 256B.0627, subdivision 4;

(2) is needed and provided in person on a daily basis;

(3) is appropriate based on the service recipient's needs and is likely to delay or avoid transferring the person to an out-of-home placement; and

(4) has been given a score using the caregiver burden scale under section 256B.0917, subdivision 6b.

Sec. 3. Minnesota Statutes 2004, section 256B.0917, is amended by adding a subdivision to read:

Subd. 6a. [INTERNET-BASED CAREGIVER SUPPORT PROGRAM.] The Minnesota Board on Aging shall develop and implement an Internet-based caregiver support program. The goal of the program shall be to provide family caregivers with the information and tools needed to self-manage, plan, purchase, coordinate, monitor, and

evaluate the day-to-day activities and care outcomes of family members to whom they provide care. The program must complement Internet-based information services that are currently available. The program must include the following components:

(1) direct connectivity to statewide systems, including, but not limited to, Senior LinkAge Line, MinnesotaHelp.info, RXConnect, and long-term care consultation and to vendors and providers of goods and services, including, but not limited to, respite care, coach services, pharmaceutical vendors, medical supply vendors, grocers, personal care vendors, and electronic assistive technology vendors;

(2) access to online resources, including connectivity to daily living and clinical monitoring devices and audio and visual contact between the care recipient, the caregiver, services providers, and others for tracking or conducting service visits, care meetings, and other service provisions;

(3) message boards related to caregiver news, information, and events;

(4) data collection, including surveys, and reporting and registration functions as required by state and federal programs; and

(5) an individual data profile accessible by designated parties to view, add, share, or edit information as needed to support informal caregiving.

Sec. 4. Minnesota Statutes 2004, section 256B.0917, is amended by adding a subdivision to read:

Subd. 6b. [DUTIES WITH RESPECT TO HOME CARE CREDIT; APPLICATIONS.] (a) The commissioner shall develop by December 1, 2005, a caregiver burden scale to score applicants for the home care credit under section 290.0676. The score shall measure hours per week of care provided, the volume and types of assistance provided, and other criteria determined by the commissioner to be pertinent.

(b) Each caregiver applying for a credit under section 290.0676 must apply to the commissioner. The commissioner shall rank applicants on the score developed under paragraph (a). The commissioner shall limit approvals under this paragraph in order to keep the credit payments under section 290.0676 within the limits of appropriations made specifically for this purpose.

(c) In each calendar year, the commissioner shall accept until February 15 applications for a caregiver burden scale score for the previous calendar year. By March 15 of each calendar year, the commissioner must issue approvals for credits under section 290.0676, based on each applicant's score on the scale and the appropriations available for credits. The commissioner may develop procedures to delegate to appropriate organizations the responsibility to assign burden scale scores to applicants.

(d) The commissioner shall be exempt from chapter 14 for purposes of this subdivision.

Sec. 5. [290.0676] [MINNESOTA HOME CARE CREDIT.]

Subdivision 1. [DEFINITIONS.] The terms used in this section have the following meanings unless otherwise provided for by text.

Subd. 2. [CAREGIVER.] "Caregiver" means an individual who provides unpaid assistance on a daily basis that qualifies as personal care assistant services under section 256B.0627, subdivision 4, to a service recipient in either the individual's home or the service recipient's home.

Subd. 3. [SERVICE RECIPIENT.] "Service recipient" means an individual age 65 or older who:

(1) is the spouse, parent, stepparent, sibling, stepsibling, child, stepchild, grandparent, or stepgrandparent of the taxpayer;

(2) does not reside in a setting licensed or registered by the commissioner of health or human services; and

(3) has been screened by a county long-term care consultation team and determined by that team to be eligible for placement in a nursing home.

Subd. 4. [CREDIT ALLOWED.] (a) An individual is allowed a credit against the tax imposed by this chapter equal to \$200 for each month during the tax year that the individual is a caregiver for a service recipient. The maximum credit in a tax year shall be \$2,400.

(b) The commissioner shall require individuals claiming the credit to certify that the individual and the service recipient satisfy all the requirements of this section.

(c) An individual may claim only one credit in any tax year. Only one credit may be claimed for each service recipient in any tax year.

(d) For a nonresident or part-year resident, the credit must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

Subd. 5. [CREDIT LIMITATIONS.] (a) Eligibility for the credit in subdivision 4 is limited to persons with total household income, as defined in section 290A.03, subdivision 5, that does not exceed the maximum household income level eligible for a refund under section 290A.04, subdivision 2.

(b) Eligibility for the credit in subdivision 4 is limited to persons who have been approved by the commissioner of human services under section 256B.0917, subdivision 6b.

(c) The credit in subdivision 4 is reduced to \$100 for any month in which a service recipient receives more than four hours per day on average of federal, state, or county-funded home care services as specified in section 256B.0627, subdivision 2.

Subd. 6. [CREDIT REFUNDABLE.] If the amount of the credit under this section exceeds the individual's tax liability under this chapter, the commissioner shall refund the excess amount to the claimant.

Subd. 7. [CAREGIVER TRAINING.] For each year in which a credit is claimed under this section, the caregiver must attend at least eight hours of (1) caregiver training, education, or counseling, or (2) caregiver support group sessions.

**[EFFECTIVE DATE.] This section is effective for taxable years beginning after December 31, 2004.**

Sec. 6. [APPROPRIATIONS.]

(a) \$..... is appropriated from the general fund to the commissioner of human services for the biennium beginning July 1, 2005, for the purposes of section 2.

(b) \$750,000 in fiscal year 2006 and \$200,000 in fiscal year 2007 are appropriated from the general fund to the commissioner of human services for the purposes of section 3.

(c) \$4,800,000 is appropriated from the general fund to the commissioner of revenue for the biennium beginning July 1, 2005, for purposes of section 5."

Delete the title and insert:

"A bill for an act relating to human services; modifying use of personal sick leave benefits; establishing an Internet-based caregiver support program; establishing a home care tax credit; appropriating money; amending Minnesota Statutes 2004, sections 181.9413; 256B.0911, subdivision 3; 256B.0917, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 290."

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

The report was adopted.

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

H. F. No. 68, A bill for an act relating to education; providing for opportunity to respond to nonrenewal of certain coaching contracts; amending Minnesota Statutes 2004, section 122A.33.

Reported the same back with the following amendments:

Page 2, line 7, delete "and" and insert " Upon request, the board must"

Page 2, line 8, delete "public" and after "meeting" insert "; however, any portion of that meeting at which educational data are discussed must be disclosed under section 13D.05, subdivision 2"

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. 221, A bill for an act relating to civil actions; regulating liability on land used for recreational purposes; modifying the definition of recreational purpose; amending Minnesota Statutes 2004, section 604A.21, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 604A.21, subdivision 5, is amended to read:

Subd. 5. [RECREATIONAL PURPOSE.] "Recreational purpose" includes, but is not limited to, hunting; trapping; fishing; swimming; boating; camping; picnicking; hiking; rock climbing; cave exploring; bicycling; horseback riding; firewood gathering; pleasure driving, including snowmobiling and the operation of any motorized vehicle or conveyance upon a road or upon or across land in any manner, including recreational trail use; nature

study; water skiing; winter sports; and viewing or enjoying historical, archaeological, scenic, or scientific sites. "Rock climbing" means the climbing of a naturally exposed rock face. "Cave exploring" means the planned exploration of naturally occurring cavities in rock, including passage through any structures placed for the purpose of safe access, access control, or conservation, but does not include the exploration of other, manmade cavities such as tunnels, mines, and sewers.

[EFFECTIVE DATE.] This section is effective August 1, 2005, and applies to causes of action arising on or after that date."

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. 309, A bill for an act relating to taxation; adjusting long-term care insurance credit; amending Minnesota Statutes 2004, section 290.0672, subdivision 2.

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

The report was adopted.

Holberg from the Committee on Transportation Finance to which was referred:

H. F. No. 310, A bill for an act relating to state lands; authorizing transfer of certain property interests in Ramsey County.

Reported the same back with the following amendments:

Page 2, lines 2 and 3, delete "by quit claim deed without consideration" and insert "for consideration according to paragraph (d)"

Page 2, line 9, delete everything after the period

Page 2, delete lines 10 and 11

Page 2, line 12, before "If" insert "If the city of Mounds View enters into a fully executed development agreement to redevelop the land described in paragraph (a) by January 1, 2007, the city shall pay the commissioner of transportation \$1,000,000 for deposit in the trunk highway fund."

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. 399, A bill for an act relating to hospital districts; providing for board membership in the Yellow Medicine County Hospital District; amending Laws 1963, chapter 276, section 2, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 433, A bill for an act relating to the senate; prohibiting action on confirmation of an appointment after adjournment; amending Minnesota Statutes 2004, section 15.066, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 10, before the period, insert "except that if an appointment is submitted within 20 days before the adjournment of a regular session, the senate may act on the appointment within 20 days after the beginning of the next regular annual session"

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. 514, A bill for an act relating to gaming; establishing a lottery board; regulating card clubs and establishing a director of card clubs; amending Minnesota Statutes 2004, sections 240.03; 240.04, by adding a subdivision; 240.23; 240.30, subdivisions 2, 7; 349A.01, by adding a subdivision; 349A.08, subdivision 7; 349A.11; 349A.14; proposing coding for new law in Minnesota Statutes, chapter 349A.

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. 517, A bill for an act relating to insurance; creating a statewide health insurance pool for school district employees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Page 3, after line 31, insert:

"(i) Effective July 1, 2005, no contract entered into between an eligible employer and an eligible employee or the exclusive representative of an eligible employee shall contain provisions that establish cash payment in lieu of health insurance to an eligible employee if the employee is not receiving such payment on or before June 30, 2005. Nothing in this section shall prevent any eligible employee who otherwise qualifies for payment of cash in lieu of insurance on June 30, 2005, to continue to receive this payment.



Subd. 5. [MCHA MEMBERSHIP AND ASSESSMENTS.] The board is a contributing member of the Minnesota Comprehensive Health Association and must pay assessments made by the association on its premium revenues, as provided in section 62E.11, subdivision 5, paragraph (b).

Subd. 6. [PREMIUM TAX OBLIGATIONS.] The board must pay taxes on premiums as provided in section 297I.05, subdivision 5, paragraph (c)."

Page 3, line 32, delete "5" and insert "7"

Page 4, line 3, delete "6" and insert "8"

Page 4, after line 12, insert:

"Sec. 2. Minnesota Statutes 2004, section 62E.02, subdivision 23, is amended to read:

Subd. 23. [CONTRIBUTING MEMBER.] "Contributing member" means those companies regulated under chapter 62A and offering, selling, issuing, or renewing policies or contracts of accident and health insurance; health maintenance organizations regulated under chapter 62D; nonprofit health service plan corporations regulated under chapter 62C; community integrated service networks regulated under chapter 62N; fraternal benefit societies regulated under chapter 64B; the Minnesota employees insurance program established in section 43A.317, effective July 1, 1993; ~~and~~ joint self-insurance plans regulated under chapter 62H; and the Minnesota School Employee Insurance Board created under section 62A.662. For the purposes of determining liability of contributing members pursuant to section 62E.11 payments received from or on behalf of Minnesota residents for coverage by a health maintenance organization ~~or~~ a community integrated service network, or the Minnesota School Employee Insurance Board shall be considered to be accident and health insurance premiums.

Sec. 3. Minnesota Statutes 2004, section 62E.10, subdivision 1, is amended to read:

Subdivision 1. [CREATION; TAX EXEMPTION.] There is established a Comprehensive Health Association to promote the public health and welfare of the state of Minnesota with membership consisting of all insurers; self-insurers; fraternal; joint self-insurance plans regulated under chapter 62H; the Minnesota employees insurance program established in section 43A.317, effective July 1, 1993; the Minnesota School Employee Insurance Board created under section 62A.662; health maintenance organizations; and community integrated service networks licensed or authorized to do business in this state. The Comprehensive Health Association is exempt from the taxes imposed under chapter 297I and any other laws of this state and all property owned by the association is exempt from taxation.

Sec. 4. Minnesota Statutes 2004, section 62E.11, subdivision 5, is amended to read:

Subd. 5. [ALLOCATION OF LOSSES.] (a) Each contributing member of the association shall share the losses due to claims expenses of the comprehensive health insurance plan for plans issued or approved for issuance by the association, and shall share in the operating and administrative expenses incurred or estimated to be incurred by the association incident to the conduct of its affairs. Claims expenses of the state plan which exceed the premium payments allocated to the payment of benefits shall be the liability of the contributing members. Contributing members shall share in the claims expense of the state plan and operating and administrative expenses of the association in an amount equal to the ratio of the contributing member's total accident and health insurance premium, received from or on behalf of Minnesota residents as divided by the total accident and health insurance premium, received by all contributing members from or on behalf of Minnesota residents, as determined by the commissioner. Payments made by the state to a contributing member for medical assistance, MinnesotaCare, or general assistance medical care services according to chapters 256, 256B, and 256D shall be excluded when determining a contributing member's total premium.

(b) In making the allocation of losses provided in paragraph (a), the association's assessment against the Minnesota School Employee Insurance Board must equal the product of (1) the percentage of premiums assessed against other association members; (2) .3885; and (3) premiums received by the Minnesota School Employee Insurance Board. For purposes of this calculation, premiums of the board used must be net of rate credits and retroactive rate refunds on the same basis as the premiums of other association members.

Sec. 5. Minnesota Statutes 2004, section 297I.05, subdivision 5, is amended to read:

Subd. 5. [HEALTH MAINTENANCE ORGANIZATIONS, NONPROFIT HEALTH SERVICE PLAN CORPORATIONS, ~~AND~~ COMMUNITY INTEGRATED SERVICE NETWORKS, AND THE MINNESOTA SCHOOL EMPLOYEE INSURANCE BOARD.] (a) Health maintenance organizations, community integrated service networks, and nonprofit health care service plan corporations are exempt from the tax imposed under this section for premiums received in calendar years 2001 to 2003.

(b) For calendar years after 2003, a tax is imposed on health maintenance organizations, community integrated service networks, and nonprofit health care service plan corporations. The rate of tax is equal to one percent of gross premiums less return premiums received in the calendar year.

(c) A tax is imposed on the Minnesota School Employee Insurance Board under section 62A.662. The rate of tax is equal to .36 percent of gross premiums less return premiums received in the calendar year.

(d) In approving the premium rates as required in sections 62L.08, subdivision 8, and 62A.65, subdivision 3, the commissioners of health and commerce shall ensure that any exemption from tax as described in paragraph (a) is reflected in the premium rate.

~~(d)~~ (e) The commissioner shall deposit all revenues, including penalties and interest, collected under this chapter from health maintenance organizations, community integrated service networks, ~~and~~ nonprofit health service plan corporations, and the Minnesota School Employee Insurance Board in the health care access fund. Refunds of overpayments of tax imposed by this subdivision must be paid from the health care access fund. There is annually appropriated from the health care access fund to the commissioner the amount necessary to make any refunds of the tax imposed under this subdivision."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 2004, sections 62E.02, subdivision 23; 62E.10, subdivision 1; 62E.11, subdivision 5; 297I.05, subdivision 5;"

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

The report was adopted.

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

H. F. No. 610, A bill for an act relating to natural resources; modifying disposition of the snowmobile trails and enforcement account; amending Minnesota Statutes 2004, section 84.83, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.

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

H. F. No. 622, A bill for an act relating to elections; providing for equal treatment of voters; proposing coding for new law in Minnesota Statutes, chapter 204B.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"ARTICLE 1  
STATEWIDE POLICY"

Page 1, after line 11, insert:

"ARTICLE 2  
EQUIPMENT FOR PERSONS WITH DISABILITIES

Section 1. [206.585] [STATE VOTING SYSTEMS CONTRACT.]

The secretary of state shall establish a state assistive voting systems contract for purchases of voting systems compliant with Section 301(a)(3) of the Help America Vote Act, Public Law 107-252, and sections 206.57, subdivision 5, and 206.80. The contract should, if practical, include provisions for maintenance of the equipment purchased. Counties and municipalities may only purchase or lease assistive voting systems and obtain related election services from the state contract.

Sec. 2. [APPROPRIATIONS.]

Subdivision 1. [ASSISTIVE VOTING EQUIPMENT.] \$16,000,000 is appropriated from the Help America Vote Act account to the secretary of state for grants to counties to purchase electronic voting systems equipped for individuals with disabilities that meet the requirements of Section 301(a)(3) of the Help America Vote Act, Public Law 107-252, and Minnesota Statutes, sections 206.57, subdivision 5, and 206.80, and have been certified by the secretary of state under Minnesota Statutes, section 206.57. Precincts that share a polling place with other precincts pursuant to Minnesota Statutes, section 204B.14, subdivision 4, may share the assistive voting equipment. Notwithstanding Minnesota Statutes, section 204B.14, upon written request to and approval of the secretary of state, the responsible municipal clerks may combine an unlimited number of noncontiguous precincts located in one or more counties into one polling place which may be located anywhere. To the extent that an election includes offices for more than one jurisdiction, operating costs are to be allocated among those jurisdictions.

Subd. 2. [ASSISTIVE VOTING SYSTEM OPERATING COSTS.] (a) "Operating costs" include actual county and municipal costs for hardware maintenance, election day technical support, software licensing, voting system testing, training of county or municipal staff in the use of the assistive voting system, transportation of the assistive voting systems to and from the polling places, and storage of the assistive voting systems between elections.

(b) \$3,000,000 is appropriated to the secretary of state for grants to counties to defray the operating costs of the assistive voting equipment. Each county may submit a request for no more than \$450 per polling place per biennium until the appropriation is exhausted.

Subd. 3. [AVAILABILITY.] The appropriations in this section are available until June 30, 2009.

Sec. 3. [EFFECTIVE DATE.]

This article is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, before "proposing" insert "appropriating money;"

Page 1, line 4, delete "chapter 204B" and insert "chapters 204B; 206"

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.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 682, A bill for an act relating to the military; providing for special "Support Our Troops" plates; establishing an account; providing funding for certain National Guard incentive programs; providing funding for a World War II veterans memorial and the maintenance and improvement of veterans homes; providing certain income tax benefits; appropriating money; amending Minnesota Statutes 2004, sections 289A.02, subdivision 7; 290.01, subdivisions 19, 19b, 31; 290.06, subdivision 2c; 290.091, subdivision 2; 290A.03, subdivision 15; 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168; 190.

Reported the same back with the following amendments:

Page 14, line 9, delete "(12)" and insert "(13)"

Page 14, line 17, delete "(12)" and insert "(13)"

With the recommendation that when so amended the bill be re-referred to the Committee on Higher Education Finance without further recommendation.

The report was adopted.

Holberg from the Committee on Transportation Finance to which was referred:

H. F. No. 684, A bill for an act relating to natural resources; modifying certain temporary permit provisions for recreational vehicles; allowing refunds for certain registrations, licenses, and titles; extending availability of critical habitat license plates; amending Minnesota Statutes 2004, sections 84.027, subdivision 15; 84.788, subdivision 3, by adding a subdivision; 84.798, by adding a subdivision; 84.82, subdivision 2, by adding a subdivision; 84.922, subdivision 2, by adding a subdivision; 86B.415, by adding a subdivision; 168.1296, subdivision 1.

Reported the same back with the following amendments:

Page 9, after line 4, insert:

"(c) Owners of recreational equipment under paragraph (a), clause (1), are eligible only for special critical habitat license plates for which the designs are approved by the commissioner on or after January 1, 2006.

(d) Special critical habitat license plates, the designs for which are approved by the commissioner on or after January 1, 2006, may be personalized according to section 168.12, subdivision 2a."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 736, A bill for an act relating to natural resources; modifying terms for local recreation grants; amending Minnesota Statutes 2004, section 85.019, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.

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

H. F. No. 751, A bill for an act relating to real property; establishing the Electronic Real Estate Recording Task Force; appropriating money; amending Minnesota Statutes 2004, sections 507.093; 507.24, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 507.

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

The report was adopted.

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

H. F. No. 813, A bill for an act relating to natural resources; providing for evaluation of construction aggregate located on school trust lands; appropriating money; amending Minnesota Statutes 2004, section 16A.125, subdivision 5, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.

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

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

Reported the same back with the following amendments:

Page 2, line 16, delete "record of the"

Page 2, line 17, delete ", and preserves the paper record" and insert "that is preserved"

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.

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

H. F. No. 928, A bill for an act relating to corrections; establishing a parole board; prescribing its membership, duties, and powers; prescribing when an individual is eligible to be considered for parole; authorizing the board to determine if selected Level III sex offenders should be referred to the county attorney for civil commitment; appropriating money; amending Minnesota Statutes 2004, section 244.05, subdivision 7; proposing coding for new law as Minnesota Statutes, chapter 244A.

Reported the same back with the following amendments:

Page 1, delete lines 13 and 14

Page 2, line 10, after the period, insert "Removal of members is governed by section 15.0575, subdivision 3."

Page 2, line 34, before "Except" insert "(a)"

Page 3, after line 19, insert:

"(b) If the corrections board determines an individual is in need of drug treatment to become eligible for parole, the board may send the individual to the challenge incarceration program provided for in section 244.17 or a secure drug treatment facility. If the individual successfully completes drug treatment, the board shall reconsider the individual's petition for parole."

Page 6, line 5, delete "The" and insert "Other than in Community Corrections Act counties, the"

Page 7, delete lines 21 to 29

Page 7, line 30, delete "8" and insert "7"

Page 8, after line 6, insert:

"Sec. 8. [INITIAL TERMS FOR BOARD MEMBERS.]

Two of the four members appointed by the governor to the Board of Corrections shall serve initial terms of six years. The other two members appointed by the governor shall serve terms of four years."

Pages 8 and 9, delete article 2

Amend the title as follows:

Page 1, line 5, delete "authorizing the board to"

Page 1, delete lines 6 and 7

Page 1, line 8, delete "commitment;" and delete "amending Minnesota"

Page 1, delete line 9

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

The report was adopted.

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

H. F. No. 947, A bill for an act relating to health; providing for an optional record of birth resulting in stillbirth; amending Minnesota Statutes 2004, section 144.222, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, line 26, delete "party responsible for filing a"

Page 2, line 1, delete everything before "shall" and insert "parent or parents of the stillbirth"

Page 2, line 7, delete "person who prepares" and insert "parent or parents of the stillbirth"

Page 2, delete line 8

Page 2, line 9, delete "any reference to the name of" and insert "shall file only a last name for"

Page 2, line 36, delete "subdivision 4" and insert "subdivisions 3 and 4 and make this form available on the Department of Health's Web site" and delete "and"

Page 3, line 7, delete the period and insert "; and

(4) create and implement a process for entering, preparing, and handling stillbirth records identical or as close as possible to the processes for birth and fetal death records when feasible, but no later than the date on which the next reprogramming of the Department of Health's database for vital records is completed.

Sec. 2. Minnesota Statutes 2004, section 144.212, subdivision 8, is amended to read:

Subd. 8. [VITAL RECORD.] "Vital record" means a record or report of birth, stillbirth, death, marriage, dissolution and annulment, and data related thereto. The birth record is not a medical record of the mother or the child."

Page 3, line 8, delete "2" and insert "3"

Page 3, after line 26, insert:

"Sec. 4. Minnesota Statutes 2004, section 144.226, subdivision 1, is amended to read:

Subdivision 1. [WHICH SERVICES ARE FOR FEE.] The fees for the following services shall be the following or an amount prescribed by rule of the commissioner:

(a) The fee for the issuance of a certified vital record or a certification that the vital record cannot be found is \$8. No fee shall be charged for a certified birth, stillbirth, or death record that is reissued within one year of the original issue, if an amendment is made to the vital record and if the previously issued vital record is surrendered.

(b) The fee for the replacement of a birth record for all events, except when filing a recognition of parentage pursuant to section 257.73, subdivision 1, is \$20.

(c) The fee for the filing of a delayed registration of birth, stillbirth, or death is \$20.

(d) The fee for the amendment of any vital record when requested more than 45 days after the filing of the vital record is \$20. No fee shall be charged for an amendment requested within 45 days after the filing of the vital record.

(e) The fee for the verification of information from vital records is \$8 when the applicant furnishes the specific information to locate the vital record. When the applicant does not furnish specific information, the fee is \$20 per hour for staff time expended. Specific information includes the correct date of the event and the correct name of the registrant. Fees charged shall approximate the costs incurred in searching and copying the vital records. The fee shall be payable at the time of application.

(f) The fee for issuance of a copy of any document on file pertaining to a vital record or statement that a related document cannot be found is \$8.

Sec. 5. Minnesota Statutes 2004, section 144.226, subdivision 3, is amended to read:

Subd. 3. [BIRTH RECORD SURCHARGE.] In addition to any fee prescribed under subdivision 1, there shall be a nonrefundable surcharge of \$3 for each certified birth or stillbirth record and for a certification that the vital record cannot be found. The local or state registrar shall forward this amount to the commissioner of finance for deposit into the account for the children's trust fund for the prevention of child abuse established under section



119A.12. This surcharge shall not be charged under those circumstances in which no fee for a certified birth or stillbirth record is permitted under subdivision 1, paragraph (a). Upon certification by the commissioner of finance that the assets in that fund exceed \$20,000,000, this surcharge shall be discontinued.

Sec. 6. Minnesota Statutes 2004, section 144.226, subdivision 4, is amended to read:

Subd. 4. [VITAL RECORDS SURCHARGE.] In addition to any fee prescribed under subdivision 1, there is a nonrefundable surcharge of \$2 for each certified and noncertified birth, stillbirth, or death record, and for a certification that the record cannot be found. The local or state registrar shall forward this amount to the commissioner of finance to be deposited into the state government special revenue fund. This surcharge shall not be charged under those circumstances in which no fee for a birth, stillbirth, or death record is permitted under subdivision 1, paragraph (a)."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 144.212, subdivision 8;" and after "1;" insert "144.226, subdivisions 1, 3, 4;"

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. 969, A bill for an act relating to education; licensing teachers of interdisciplinary teaching; providing for rulemaking; amending Minnesota Statutes 2004, section 122A.09, subdivision 4.

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

The report was adopted.

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

H. F. No. 979, A bill for an act relating to medical assistance; requiring medical assistance to cover medication therapy management services; amending Minnesota Statutes 2004, section 256B.0625, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13h. [MEDICATION THERAPY MANAGEMENT CARE.] (a) Medical assistance covers medication therapy management services for a recipient taking four or more prescriptions to treat or prevent two or more chronic medical conditions, or a recipient with a drug therapy problem that is identified or prior authorized by the

commissioner that has resulted or is likely to result in significant nondrug program costs. For purposes of this subdivision, "medication therapy management" means the provision of the following pharmaceutical care services by a licensed pharmacist to optimize the therapeutic outcomes of the patient's medications:

- (1) performing or obtaining necessary assessments of the patient's health status;
- (2) formulating a medication treatment plan;
- (3) monitoring and evaluating the patient's response to therapy, including safety and effectiveness;
- (4) performing a comprehensive medication review to identify, resolve, and prevent medication-related problems, including adverse drug events;
- (5) documenting the care delivered and communicating essential information to the patient's other primary care providers;
- (6) providing verbal education and training designed to enhance patient understanding and appropriate use of the patient's medications;
- (7) providing information, support services, and resources designed to enhance patient adherence with the patient's therapeutic regimens; and
- (8) coordinating and integrating medication therapy management services within the broader health care management services being provided to the patient.

Nothing in this subdivision shall be construed to expand or modify the scope of practice of the pharmacist as defined in section 151.01, subdivision 27.

(b) To be eligible for reimbursement for services under this subdivision, a pharmacist must meet the following requirements:

- (1) have a valid license issued under chapter 151;
- (2) have graduated from an accredited college of pharmacy on or after May 1996, or completed a structured and comprehensive education program approved by the Board of Pharmacy and the American Council of Pharmaceutical Education for the provision and documentation of pharmaceutical care management services that has both clinical and didactic elements;
- (3) be practicing in an ambulatory care setting as part of a multidisciplinary team or have developed a structured patient care process that is offered in a private or semiprivate patient care area that is separate from the commercial business that also occurs in the setting; and
- (4) make use of an electronic patient record system that meets state standards.

(c) For purposes of reimbursement for medication therapy management services, the commissioner may enroll individual pharmacists as medical assistance providers. The commissioner may also establish contact requirements between the pharmacist and recipient, including limiting the number of reimbursable consultations per recipient.

(d) The commissioner, after receiving recommendations from professional medical associations, professional pharmacy associations, and consumer groups, shall convene a nine-member Medication Therapy Management Advisory Committee to advise the commissioner on the implementation and administration of medication therapy

management services. The committee shall be comprised of: two licensed physicians; two licensed pharmacists; two consumer representatives; and three members with expertise in the area of medication therapy management, who may be licensed physicians or licensed pharmacists. The committee is governed by section 15.059, except that committee members do not receive compensation or reimbursement for expenses. The advisory committee expires on June 30, 2007.

(e) The commissioner shall evaluate the effect of medication therapy management on quality of care, patient outcomes, and program costs, and shall include a description of any savings generated in the medical assistance program that can be attributable to this coverage. The evaluation shall be submitted to the legislature by December 15, 2007. The commissioner may contract with a vendor or an academic institution that has expertise in evaluating health care outcomes for the purpose of completing the evaluation."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs.

The report was adopted.

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

H. F. No. 991, A bill for an act relating to taxes; providing a credit for a taxpayer that installs equipment to dispense E85 motor vehicle fuel at retail; appropriating money; amending Minnesota Statutes 2004, section 290.06, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 1003, A bill for an act relating to commerce; regulating service contracts and contract providers; providing exceptions; proposing coding for new law as Minnesota Statutes, chapter 59B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [59B.01] [SCOPE AND PURPOSE.]

(a) The purpose of this chapter is to create a legal framework within which service contracts may be sold in this state.

(b) The following are exempt from this chapter:

(1) warranties;

(2) maintenance agreements;

(3) warranties, service contracts, or maintenance agreements offered by public utilities or their affiliates;

(4) service contracts sold or offered for sale to persons other than consumers;

(5) service contracts on tangible property where the tangible property for which the service contract is sold has a purchase price of \$250 or less exclusive of sales tax; and

(6) motor vehicle service contracts as defined in section 65B.29, subdivision 1, paragraph (1).

(c) The types of agreements referred to in paragraph (b) are not subject to chapters 60A to 79A, except as otherwise specifically provided by law.

Sec. 2. [59B.02] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 2. [ADMINISTRATOR.] "Administrator" means the person who is responsible for the administration of the service contracts or the service contracts plan or who is responsible for any filings required by this chapter.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Subd. 4. [CONSUMER.] "Consumer" means a natural person who buys, other than for purposes of resale, any tangible personal property that is distributed in commerce and that is normally used for personal, family, or household purposes and not for business or research purposes.

Subd. 5. [MAINTENANCE AGREEMENT.] "Maintenance agreement" means a contract of limited duration that provides for scheduled maintenance only.

Subd. 6. [PERSON.] "Person" means an individual, partnership, corporation, incorporated or unincorporated association, joint stock company, reciprocal, syndicate, or any similar entity or combination of entities acting in concert.

Subd. 7. [PREMIUM.] "Premium" means the consideration paid to an insurer for a reimbursement insurance policy.

Subd. 8. [PROVIDER.] "Provider" means a person who is contractually obligated to the service contract holder under the terms of the service contract.

Subd. 9. [PROVIDER FEE.] "Provider fee" means the consideration paid for a service contract.

Subd. 10. [REIMBURSEMENT INSURANCE POLICY.] "Reimbursement insurance policy" means a policy of insurance issued to a provider to either provide reimbursement to the provider under the terms of the insured service contracts issued or sold by the provider or, in the event of the provider's nonperformance, to pay on behalf of the provider all covered contractual obligations incurred by the provider under the terms of the insured service contracts issued or sold by the provider.

Subd. 11. [SERVICE CONTRACT.] "Service contract" means a contract or agreement for a separately stated consideration for a specific duration to perform the repair, replacement, or maintenance of property or indemnification for repair, replacement, or maintenance, for the operational or structural failure due to a defect in

materials, workmanship, or normal wear and tear, with or without additional provisions for incidental payment of indemnity under limited circumstances. Service contracts may provide for the repair, replacement, or maintenance of property for damage resulting from power surges and accidental damage from handling.

Subd. 12. [SERVICE CONTRACT HOLDER OR CONTRACT HOLDER.] "Service contract holder" or "contract holder" means a person who is the purchaser or holder of a service contract.

Subd. 13. [WARRANTY.] "Warranty" means a warranty made solely by the manufacturer, importer, or seller of property or services without consideration, that is not negotiated or separated from the sale of the product, and is incidental to the sale of the product, that guarantees indemnity for defective parts, mechanical or electrical breakdown, labor, or other remedial measures, such as repair or replacement of the property or repetition of services.

Sec. 3. [59B.03] [REQUIREMENTS FOR TRANSACTING BUSINESS.]

Subdivision 1. [APPOINTMENT OF ADMINISTRATOR.] A provider may, but is not required to, appoint an administrator or other designee to be responsible for any or all of the administration of service contracts and compliance with this chapter.

Subd. 2. [CONTRACT COPIES AND RECEIPTS.] Service contracts must not be issued, sold, or offered for sale in this state unless the provider has:

- (1) provided a receipt for, or other written evidence of, the purchase of the service contract to the contract holder;
- (2) provided a copy of the service contract to the service contract holder within a reasonable period of time from the date of purchase; and
- (3) complied with this chapter.

Subd. 3. [REGISTRATION.] Each provider of service contracts sold in this state shall file a registration with the commissioner on a form prescribed by the commissioner. Each provider shall pay to the commissioner a fee in the amount of \$200 annually.

Subd. 4. [FINANCIAL REQUIREMENTS.] In order to ensure the faithful performance of a provider's obligations to its contract holders, each provider is responsible for complying with the requirements of one of the following:

(1) insure all service contracts under a reimbursement insurance policy issued by an insurer authorized to transact insurance in this state, a risk retention group, as that term is defined in United States Code, title 15, section 3901(A)(4), as long as that risk retention group is in full compliance with the federal Liability Risk Retention Act of 1986, United States Code, title 15, section 3901, et al., or issued pursuant to sections 60A.195 to 60A.209, and either:

(i) the insurer or risk retention group shall, at the time the policy is filed with the commissioner, and continuously thereafter, maintain surplus as to policyholders and paid-in capital of at least \$15,000,000, and annually file audited financial statements with the commissioner; or

(ii) the commissioner may authorize an insurer or risk retention group that has surplus as to policyholders and paid-in capital of less than \$15,000,000 but at least equal to \$10,000,000 to issue the insurance required by this section if the insurer or risk retention group demonstrates to the satisfaction of the commissioner that the company maintains a ratio of direct written premiums, wherever written, to surplus as to policyholders and paid-in capital of not greater than 3 to 1; or

(2)(i) maintain a funded reserve account for obligations under contracts issued and outstanding in this state. The reserves must not be less than 40 percent of gross consideration received, less claims paid, on the sale of the service contract for all in-force contracts. The reserve account is subject to examination and review by the commissioner; and

(ii) place in trust with the commissioner a financial security deposit, having a value of not less than five percent of the gross consideration received, less claims paid, on the sale of the service contract for all service contracts issued and in force, but not less than \$25,000, consisting of one of the following:

(A) a surety bond issued by an authorized surety;

(B) securities of the type eligible for deposit by authorized insurers in this state;

(C) cash;

(D) a letter of credit issued by a qualified financial institution containing an evergreen clause which prevents the expiration of the letter without due notice from the issuer; or

(E) another form of security prescribed by rules of the commissioner; or

(3)(i) maintain, or its parent company maintain, a net worth or stockholders' equity of \$100,000,000; and

(ii) upon request, provide the commissioner with a copy of the provider's or the provider's parent company's most recent Form 10-K or Form 20-F filed with the Securities and Exchange Commission (SEC) within the last calendar year, or if the company does not file with the SEC, a copy of the company's audited financial statements, which shows a net worth of the provider or its parent company of at least \$100,000,000. If the provider's parent company's Form 10-K, Form 20-F, or audited financial statements are filed to meet the provider's financial stability requirement, then the parent company shall agree to guarantee the obligations of the provider relating to service contracts sold by the provider in this state.

Subd. 5. [RIGHT OF RETURN.] Service contracts must require the provider to permit the service contract holder to return the service contract within 20 days of the date the service contract was mailed to the service contract holder or within ten days of delivery if the service contract is delivered to the service contract holder at the time of sale or within a longer time period permitted under the service contract. Upon return of the service contract to the provider within the applicable time period, if no claim has been made under the service contract before its return to the provider, the service contract is void and the provider shall refund to the service contract holder, or credit the account of the service contract holder, with the full purchase price of the service contract. The right to void the service contract provided in this paragraph is not transferable and applies only to the original service contract purchaser, and only if no claim has been made before its return to the provider. A ten percent penalty per month must be added to a refund that is not paid or credited within 45 days after return of the service contract to the provider.

Subd. 6. [PREMIUM TAXES.] (a) Provider fees collected on service contracts are not subject to premium taxes.

(b) Premiums for reimbursement insurance policies are subject to applicable taxes.

Subd. 7. [LICENSING EXEMPTION.] Except for the registration requirements in subdivision 3, providers and related service contract sellers, administrators, and other persons marketing, selling, or offering to sell service contracts are exempt from any licensing requirements of this state.

Subd. 8. [INSURANCE EXEMPTION.] The marketing, sale, offering for sale, issuance, making, proposing to make, and administration of service contracts by providers and related service contract sellers, administrators, and other persons are exempt from all other provisions of the insurance laws of this state, except as provided in section 72A.20, subdivision 38.

Sec. 4. [59B.04] [REQUIRED DISCLOSURES; REIMBURSEMENT INSURANCE POLICY.]

Subdivision 1. [RIGHT TO PAYMENT OR REIMBURSEMENT.] Reimbursement insurance policies insuring service contracts issued, sold, or offered for sale in this state shall state that the insurer that issued the reimbursement insurance policy shall either reimburse or pay on behalf of the provider any covered sums the provider is legally obligated to pay or, in the event of the provider's nonperformance, shall provide the service which the provider is legally obligated to perform according to the provider's contractual obligations under the service contracts issued or sold by the provider.

Subd. 2. [RIGHT TO APPLY TO COMPANY.] In the event covered service is not provided by the service contract provider within 60 days of proof of loss by the service contract holder, the contract holder is entitled to apply directly to the reimbursement insurance company.

Sec. 5. [59B.05] [REQUIRED DISCLOSURE; SERVICE CONTRACTS.]

Subdivision 1. [READABILITY AND GENERAL DISCLOSURE.] Service contracts marketed, sold, offered for sale, issued, made, proposed to be made, or administered in this state must be written, printed, or typed in clear, understandable language that is easy to read and must disclose the requirements set forth in this section, as applicable.

Subd. 2. [IDENTITIES OF PARTIES.] Service contracts must state the name and address of the provider, and must identify any administrator if different from the provider, the service contract seller, and the service contract holder to the extent that the name of the service contract holder has been furnished by the service contract holder. The identities of the parties are not required to be preprinted on the service contract and may be added to the service contract at the time of sale.

Subd. 3. [TOTAL PURCHASE PRICE AND SALES TERMS.] Service contracts must state the total purchase price and the terms under which the service contract is sold. The purchase price is not required to be preprinted on the service contract and may be negotiated at the time of sale with the service contract holder.

Subd. 4. [DEDUCTIBLES.] Service contracts must state the existence of any deductible amount, if applicable.

Subd. 5. [COVERAGES, LIMITATIONS, AND EXCLUSIONS.] No particular causes of loss or property are required to be covered, but service contracts must specify the merchandise and services to be provided and, with equal prominence, any limitations, exceptions, or exclusions including, but not limited to, any damage or breakdown not covered by the service contract.

Subd. 6. [RESTRICTIONS ON TRANSFERABILITY.] Service contracts must state any restrictions governing the transferability of the service contract, if applicable.

Subd. 7. [CANCELLATION TERMS.] Service contracts must state the terms, restrictions, or conditions governing cancellation of the service contract prior to the termination or expiration date of the service contract by either the provider or the service contract holder. The provider of the service contract shall mail a written notice to the contract holder at the last known address of the service contract holder contained in the records of the provider at least 15 days before cancellation by the provider. Five days' notice is required if the reason for cancellation is

nonpayment of the provider fee, a material misrepresentation by the service contract holder to the provider, or a substantial breach of duties by the service contract holder relating to the covered product or its use. The notice must state the effective date of the cancellation and the reason for the cancellation.

Subd. 8. [DUTIES OF CONTRACT HOLDER.] Service contracts must set forth all of the obligations and duties of the service contract holder, such as the duty to protect against any further damage and any requirement to follow the owner's manual.

Subd. 9. [EXCLUSIONS; CONSEQUENTIAL DAMAGES AND PREEXISTING CONDITIONS.] Service contracts may exclude coverage for consequential damages or preexisting conditions. These exclusions, if applicable, must be stated in the contract.

Sec. 6. [59B.06] [ADDITIONAL REQUIRED DISCLOSURE; SERVICE CONTRACTS.]

Subdivision 1. [INSURANCE DISCLOSURE.] Service contracts insured under a reimbursement insurance policy pursuant to section 59B.03, subdivision 4, clause (1), must contain a statement in substantially the following form: "Obligations of the provider under this service contract are insured under a service contract reimbursement insurance policy." The service contract must also state the name and address of the insurer.

Subd. 2. [DISCLOSURE OF NO INSURANCE.] Service contracts not insured under a reimbursement insurance policy pursuant to section 59B.03, subdivision 4, clause (1), must contain a statement in substantially the following form: "Obligations of the provider under this service contract are backed by the full faith and credit of the provider."

Sec. 7. [59B.07] [PROHIBITED ACTS.]

Subdivision 1. [DECEPTIVE NAMES.] A provider shall not use in its name the words insurance, casualty, surety, mutual, or any other words descriptive of the insurance, casualty, or surety business; or a name deceptively similar to the name or description of any insurance or surety corporation, or to the name of any other provider. The word "guaranty" or similar word may be used by a provider. This section does not apply to a company that was using any of the prohibited language in its name before the effective date of this chapter. However, a company using the prohibited language in its name shall include in its service contracts a statement in substantially the following form: "This agreement is not an insurance contract."

Subd. 2. [FALSE OR MISLEADING STATEMENTS.] A provider or its representative shall not in its service contracts, literature, or otherwise make, permit, or cause to be made any false or misleading statement or omit any material statement that would be considered misleading if omitted.

Subd. 3. [REQUIRED PURCHASE.] A person, such as a bank, savings association, lending institution, manufacturer, or seller of any product shall not require the purchase of a service contract as a condition of a loan or a condition for the sale of any property.

Sec. 8. [59B.08] [RECORD-KEEPING REQUIREMENTS.]

Subdivision 1. [GENERALLY.] The provider shall keep accurate accounts, books, and records concerning transactions regulated under this chapter.

The provider's accounts, books, and records include the following:

(1) copies of each type of service contracts sold;



(2) the name and address of each service contract holder to the extent that the name and address have been furnished by the service contract holder;

(3) a list of the locations where service contracts are marketed, sold, or offered for sale; and

(4) written claims files which shall contain sufficient information for the commissioner to ascertain whether a claim has been adjusted in conformity with the terms of the service contract, including at least the dates and description of claims related to the service contracts.

Subd. 2. [RETENTION.] (a) Except as provided in paragraph (b), the provider shall retain all records required to be maintained by this section for at least three years after the specified period of coverage has expired.

(b) A provider discontinuing business in this state shall maintain its records until it furnishes the commissioner satisfactory proof that it has discharged all obligations to contract holders in this state.

Subd. 3. [MEDIUM.] The records required by this chapter may be, but are not required to be, maintained on a computer disk or other record-keeping technology. If the records are maintained in other than hard copy, the records must be capable of duplication to legible hard copy at the request of the commissioner.

Sec. 9. [59B.09] [TERMINATION OF REIMBURSEMENT INSURANCE POLICY.]

An insurer that issued a reimbursement insurance policy may not terminate the policy unless the insurer mails or delivers written notice of the termination to the commissioner at least 30 days before the effective date of termination. The termination of a reimbursement insurance policy does not reduce the issuer's responsibility for service contracts issued by providers before the date of the termination.

Sec. 10. [59B.10] [OBLIGATION OF REIMBURSEMENT INSURANCE POLICY INSURERS.]

Insurers issuing reimbursement insurance to providers are deemed to have received the premiums for the insurance upon the payment of provider fees by consumers for service contracts issued by the insured providers.

Nothing in this chapter prevents or limits the right of an insurer which issued a reimbursement insurance policy to seek indemnification or subrogation against a provider if the issuer pays or is obligated to pay the service contract holder sums that the provider was obligated to pay pursuant to the provisions of the service contract.

Sec. 11. [59B.11] [SEVERABILITY PROVISION.]

If any provision of this chapter or the application of the provision to any person or circumstances are held invalid, the remainder of this chapter and the application of the provision to person or circumstances other than those as to which it is held invalid, must not be affected.

Sec. 12. Minnesota Statutes 2004, section 72A.20, is amended by adding a subdivision to read:

Subd. 38. [UNFAIR CLAIMS SERVICE; SERVICE CONTRACTS.] No person shall, in connection with a service contract regulated under chapter 59B:

(1) attempt to settle claims on the basis of an application or any other material document which was altered without notice to, or knowledge or consent of, the service contract holder;

(2) make a material misrepresentation to the warranty holder for the purpose and with the intent of effecting settlement of the claims, loss, or damage under the contract on less favorable terms than those provided in, and contemplated by, the contract; or

(3) commit or perform with such frequency as to indicate a general business practice any of the following practices:

(i) failure to properly investigate claims;

(ii) misrepresentation of pertinent facts or contract provisions relating to coverages at issue;

(iii) failure to acknowledge and act upon communications within a reasonable time with respect to claims;

(iv) denial of claims without conducting reasonable investigations based upon available information;

(v) failure to affirm or deny coverage of claims upon written request of the warranty holder within a reasonable time after proof-of-loss statements have been completed; or

(vi) failure to timely provide a reasonable explanation to the warranty holder of the basis in the contract in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective January 1, 2006, and apply to service contracts issued on or after that date. A provider transacting business in this state on or before the date of the enactment of this chapter, which submits an application for registration as a provider under Minnesota Statutes, section 59B.03, subdivision 3, within 30 days after the commissioner makes the application available, may continue to transact business in this state until final agency action is taken by the commissioner regarding the registration application and all rights to administrative and judicial review related to that final agency action have been exhausted or have expired."

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "amending Minnesota Statutes 2004, section 72A.20, by adding a subdivision;"

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

The report was adopted.

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

H. F. No. 1044, A bill for an act relating to the Metropolitan Council; requiring the Metropolitan Council to carry out metropolitan area water supply planning activities; establishing an advisory committee to assist the council in carrying out the planning activities; abolishing the housing bond credit enhancement program; providing for continued debt reserve and levy authority for bonds issued under the program before its abolishment; providing for

the use of available funds from the abolished housing bond credit enhancement program for the council's metropolitan area water supply planning activities; amending Minnesota Statutes 2004, section 473.197, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 2004, sections 473.156; 473.197, subdivisions 1, 2, 3, 5.

Reported the same back with the following amendments:

Page 3, line 17, after "its" insert "findings, recommendations, and"

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

The report was adopted.

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

H. F. No. 1108, A bill for an act relating to civil commitment; expanding early intervention services; amending Minnesota Statutes 2004, section 253B.065, subdivision 5.

Reported the same back with the following amendments:

Page 2, lines 18 and 19, delete "habitual and"

Page 2, line 20, delete "noncontrolled substances" and insert "alcohol, inhalants, or both"

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

The report was adopted.

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

H. F. No. 1174, A bill for an act relating to local government; authorizing local bonding for personal rapid transit; amending Minnesota Statutes 2004, sections 429.021, subdivision 1; 475.52, subdivisions 1, 3, 4.

Reported the same back with the following amendments:

Page 3, line 15, delete the period and insert ", as defined in section 475.51, subdivision 15."

Sec. 2. Minnesota Statutes 2004, section 475.51, is amended by adding a subdivision to read:

Subd. 15. [PERSONAL RAPID TRANSIT; PRT.] "Personal rapid transit" or "PRT" is a transit system consisting of elevated guideways that allow automated electrically driven vehicles to carry individuals nonstop from any station on the system to any other station on the system."

Page 3, line 35, after the period, insert "The authority to issue bonds or other obligations for personal rapid transit systems expires July 31, 2030."

Page 4, line 14, after the period, insert "The authority to issue bonds or other obligations for personal rapid transit systems expires July 31, 2030."

Page 4, after line 14, insert:

"Sec. 5. Minnesota Statutes 2004, section 475.52, is amended by adding a subdivision to read:

Subd. 7. [LOANS FOR PRT.] A statutory or home rule charter city or a county may issue bonds or other obligations and loan the proceeds, with or without charging interest, to a public or private entity to design, construct, furnish, and equip a personal rapid transit system or a PRT public safety certification and training facility. This subdivision expires July 31, 2030."

Page 4, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "475.51, by adding a subdivision;"

Page 1, line 5, delete "4" and insert "by adding a subdivision"

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

The report was adopted.

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

H. F. No. 1210, A bill for an act relating to education; providing for a unified, Internet-based, student information and reporting system; directing the commissioner of education to contract with a single contractor; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STATEWIDE INFORMATION AND REPORTING SYSTEM WORKING GROUP; STUDY AND REPORT.]

(a) The commissioner of education, in consultation with the commissioner of administration, shall convene a working group composed of representatives of several school districts of diverse size and location, charter schools, area learning centers, the Departments of Education and Administration, and up to three citizens with demonstrated expertise in information technology.

(b) The working group must study and make recommendations for developing an efficient, accurate, and cost-effective Internet-based student information and reporting system that:

(1) serves all Minnesota school districts, at the election of individual districts, without cost to the districts;

(2) meets all MARSS data collection and reporting requirements; and

(3) provides a unified, secure, user-friendly, and Internet-based system able to convert data from various sources.

The working group, in order to facilitate transmission of information among and between school districts and the Department of Education under this paragraph, also must determine whether the system it recommends best operates as a centralized system, what the appropriate structure for the system should be, and the criteria for establishing technical standards, state and local data standards, and local system functionality.

(c) The transmitting of nonpublic student information via the statewide student information and reporting system is governed by the applicable sections of Minnesota Statutes, chapter 13, and related federal law.

(d) The working group must report to the legislature by January 15, 2006. The written report must include recommendations consistent with paragraph (b).

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

Delete the title and insert:

"A bill for an act relating to education; providing for a working group to study and make recommendations for developing a unified, Internet-based, student information and reporting system; requiring a report."

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

The report was adopted.

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

H. F. No. 1316, A bill for an act relating to public employment; including public safety radio communications operators in the definition of essential employee; creating the public safety radio communications operator unit; providing for transition to the new unit; amending Minnesota Statutes 2004, sections 179A.03, subdivision 7; 179A.10, subdivision 2.

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. 1318, A bill for an act relating to commerce; regulating false and deceptive commercial electronic mail messages; prescribing criminal penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

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.

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

H. F. No. 1355, A bill for an act relating to education finance; authorizing a school district to build a school building using design-build construction techniques; amending Minnesota Statutes 2004, sections 123B.52, subdivision 1; 471.345, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 123B.

Reported the same back with the following amendments:

Page 3, after line 21, insert:

"Subd. 3. [CRITERIA DEVELOPER.] "Criteria developer" means an architect or engineer who holds a license under chapter 326."

Page 3, line 22, delete "3" and insert "4"

Page 3, line 28, delete "4" and insert "5"

Page 3, line 32, delete "5" and insert "6"

Page 3, line 35, delete "6" and insert "7"

Page 4, line 5, delete "7" and insert "8"

Page 4, line 8, delete "8" and insert "9"

Page 4, line 12, delete "9" and insert "10"

Page 4, line 15, delete "10" and insert "11"

Page 6, after line 21, insert:

"Subd. 2. [CRITERIA DEVELOPER.] During the phase one RFQ and before solicitation, the school board may hire a criteria developer to help the school board develop the contents of the RFQ. A criteria developer may not participate in the review or discussion of responses to an RFQ or RFP when the member has a financial interest in any of the design-build firms that respond to the RFP. "Financial interest" includes, but is not limited to, being or serving as an owner, employee, partner, limited liability partner, shareholder, joint venturer, family member, officer, or director of a design-build firm responding to an RFP for a specific project, or having any other economic interest in the design-build firm. The criteria developer must be treated as a school district employee in the event of litigation resulting from any action arising out of the criteria developer's service to the school board."

Page 6, line 22, delete "2" and insert "3"

Page 7, line 6, delete "3" and insert "4"

Page 7, line 7, after "developer" insert ", if a criteria developer was hired by the school board,"

With the recommendation that when so amended the bill be re-referred to the Committee on Governmental Operations and Veterans Affairs without further recommendation.

The report was adopted.

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

H. F. No. 1367, A bill for an act relating to landlord and tenant; regulating responsibility for water utility charges; amending Minnesota Statutes 2004, section 325E.025, subdivision 1.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Local Government without further recommendation.

The report was adopted.

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

H. F. No. 1391, A bill for an act relating to environment; providing for the recovery and recycling of waste electronic products; proposing coding for new law in Minnesota Statutes, chapter 116H.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2004, section 116.915, subdivision 3, is amended to read:

Subd. 3. [PROGRESS REPORTS.] The commissioner, in cooperation with the director of the Office of Environmental Assistance, shall submit progress reports to the legislature on October 15, 2001, and October 15, 2005. The reports shall address the state's success in meeting the mercury release reduction goals of subdivision 1, and discuss whether different voluntary or mandatory reduction strategies are needed. The reports shall also discuss whether the reduction goals are still appropriate given the most recent information regarding mercury risks. In the report due October 15, 2005, the commissioner shall describe the reductions made in mercury emissions since 1990 by each individual sector, including, but not limited to, materials processing, energy production, and intentional use, and shall estimate the amount of the reduction achieved in each sector overall and specifically as a result of implementing a voluntary reduction plan. The report must also contain revised estimates of mercury emissions by individual sectors in 1990, 1995, 2000, and 2005."

Page 10, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "amending Minnesota Statutes 2004, section 116.915, subdivision 3;"

With the recommendation that when so amended 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. 1398, A bill for an act relating to commerce; regulating unclaimed property held by cooperatives and the right to receive or recover unclaimed property; modifying public notice requirements; amending Minnesota Statutes 2004, section 308A.711, subdivision 3; 308B.735, subdivision 3; 345.42, subdivision 1; 345.46; repealing Minnesota Statutes 2004, sections 308A.711, subdivisions 1, 2; 308B.735, subdivisions 1, 2; 345.39, subdivision 2; 345.42, subdivisions 2, 3, 4.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 2004, section 308A.711, subdivision 1, is amended to read:

Subdivision 1. [ALTERNATE PROCEDURE TO DISBURSE PROPERTY.] Notwithstanding the provisions of section 345.43, a cooperative may, in lieu of paying or delivering to the commissioner of commerce the unclaimed property specified in its report of unclaimed property, distribute the unclaimed property to a corporation or organization that is exempt from taxation under section 290.05, subdivision 1, paragraph (b), or 2. ~~A cooperative making the election to distribute unclaimed property shall, within 85 days following the publication of lists of abandoned property, file with the commissioner of commerce:~~

~~(1) a verified written explanation of the proof of claim of an owner establishing a right to receive the abandoned property;~~

~~(2) any errors in the presumption of abandonment;~~

~~(3) the name, address, and exemption number of the corporation or organization to which the property was or is to be distributed; and~~

~~(4) the approximate date of distribution."~~

Page 1, after line 27, insert:

"Sec. 3. Minnesota Statutes 2004, section 308B.735, subdivision 1, is amended to read:

Subdivision 1. [ALTERNATE PROCEDURE TO DISBURSE PROPERTY.] A cooperative may, in lieu of paying or delivering to the state the unclaimed property specified in its report of unclaimed property, distribute the unclaimed property to a business entity or organization that is exempt from taxation. ~~A cooperative making the election to distribute unclaimed property shall file with the Department of Commerce:~~

~~(1) a verified written explanation of the proof of claim of an owner establishing a right to receive the abandoned property;~~

~~(2) any error in the presumption of abandonment;~~

~~(3) the name, address, and exemption number of the business entity or organization to which the property was or is to be distributed; and~~

~~(4) the approximate date of distribution."~~

Page 3, line 26, delete "subdivisions 1"



Page 3, line 27, delete the first "and" and insert "subdivision" and delete "subdivisions 1 and" and insert "subdivision"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections" and delete the first "subdivision" and insert "subdivisions 1," and delete the second "subdivision" and insert "subdivisions 1,"

Page 1, line 8, delete "subdivisions 1," and insert "subdivision"

Page 1, line 9, delete "subdivisions 1," and insert "subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1453, A bill for an act relating to agriculture; authorizing family agricultural revitalization zones (FARMZ); promoting value-added processing agricultural products; amending Minnesota Statutes 2004, section 469.310, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469.

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

The report was adopted.

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

H. F. No. 1455, A bill for an act relating to occupations; creating sign specialist licenses to be issued by the Board of Electricity; authorizing rulemaking; amending Minnesota Statutes 2004, sections 326.241, subdivision 1; 326.242, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs.

The report was adopted.

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

H. F. No. 1507, A bill for an act relating to health; modifying provisions for isolation and quarantine of persons exposed to or infected with a communicable disease; amending Minnesota Statutes 2004, sections 144.419, subdivision 1; 144.4195, subdivisions 1, 2, 5; Laws 2002, chapter 402, section 21, as amended; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 3, delete lines 25 to 29 and insert "subdivision 16, may use all necessary and lawful means to apprehend, hold, transport, quarantine, or isolate a person subject to the order if the person flees or forcibly resists the officer. This subdivision is authority to carry out enforcement duties under this section."

Page 3, line 30, delete "1."

Page 5, delete lines 16 to 20 and insert "subdivision 16, may use all necessary and lawful means to apprehend, hold, transport, quarantine, or isolate a person subject to the commissioner's directive if the person flees or forcibly resists the officer. This subdivision is authority to carry out enforcement duties under this section."

Page 5, line 21, delete everything before "The"

Page 5, after line 34, insert:

"(e) This subdivision expires August 1, 2009."

Page 8, delete line 28

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1521, A bill for an act relating to professions; extending the application period for power limited technicians; amending Minnesota Statutes 2004, section 326.242, subdivision 3d.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2004, section 326.242, subdivision 3d, is amended to read:

Subd. 3d. [POWER LIMITED TECHNICIAN.] (a) Except as otherwise provided by law, no person shall install, alter, repair, plan, lay out, or supervise the installing, altering, or repairing of electrical wiring, apparatus, or equipment for technology circuits or systems unless:

(1) the person is licensed by the board as a power limited technician; and

(2) the electrical work is:

(i) for a licensed contractor and the person is an employee, partner, or officer of, or is the licensed contractor; or

(ii) performed under the supervision of a master electrician or power limited technician also employed by the person's employer on technology circuits, systems, apparatus, equipment, or facilities owned or leased by the employer that are located within the limits of property owned or leased, operated, and maintained by the employer.

(b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course in an accredited college or university; or (2) have had at least 36 months' experience, acceptable to the board, in planning for, laying out, supervising, and installing wiring, apparatus, or equipment for power limited systems,

provided however, that the board may by rule provide for the allowance of up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the board.

(c) The board may initially set experience requirements without rulemaking, but must adopt rules before July 1, 2004.

(d) Licensees must attain eight hours of continuing education acceptable to the board every renewal period.

(e) A person who has submitted an application by June 30, 2003, to take the alarm and communications examination administered by the board, and who has achieved a minimal score of 70 percent on the examination by September 30, 2003, may obtain a power limited technician license without further examination by submitting an application and a license fee of \$30.

(f) A company holding an alarm and communication license as of June 30, 2003, may designate one person who may obtain a power limited technician license without passing an examination administered by the board by submitting an application and license fee of \$30.

(g) A person who has submitted an application by September 30, 2005, to take the power limited technician examination administered by the board is not required to meet the qualifications in paragraph (b) above.

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

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

The report was adopted.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 1529, A bill for an act relating to motor vehicles; excluding cost of air bag repair or replacement and related repair costs from motor vehicle damage calculations for salvage title and consumer disclosure purposes; amending Minnesota Statutes 2004, sections 168A.04, subdivision 4; 168A.151, subdivision 1; 325F.6641, subdivisions 1, 2.

Reported the same back with the following amendments:

Page 2, lines 4 and 28, delete "cost" and insert "actual cost incurred"

Page 3, line 5, delete "cost" and insert "actual cost incurred"

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

The report was adopted.

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

H. F. No. 1532, A bill for an act relating to commerce; modifying various requirements for licensees of the Department of Commerce; amending Minnesota Statutes 2004, sections 60K.37, subdivision 1; 60K.38, subdivision 1; 60K.39, subdivision 3; 60K.56, subdivision 6; 82.29, subdivision 8; 82.31, subdivision 5; 82.32; 82B.02, by adding a subdivision; 82B.10, subdivision 4; 82B.11, subdivision 6; 82B.13, subdivisions 1, 3, 4, 5; 82B.14; 82B.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 45; repealing Minnesota Statutes 2004, section 82B.221; Minnesota Rules, part 2808.2200.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [45.21] [APPLICATION FEES.]

Subdivision 1. [FEE REFUNDS.] Refunds must not be given other than for overpayment of fees. Overpayment means any payment of money in excess of a statutory fee or for a license for which a person does not qualify. An overpayment of a fee must be returned upon proper application by the applicant. If an applicant requests a refund of an overpayment, the request must be received by the commissioner within six months of the date of deposit or the overpayment will be forfeited. An overpayment of a fee may be returned to the person entitled to it upon determination by the commissioner that an overpayment was made.

Subd. 2. [WITHDRAWAL OF APPLICATION.] An application that is incomplete is considered withdrawn if the applicant does not submit a complete application within six months of the date the application was received. The application fee is nonrefundable if an application is withdrawn according to this subdivision.

Sec. 2. [45.22] [LICENSE EDUCATION.]

(a) License education courses must be approved in advance by the commissioner. Each sponsor who offers a license education course must have at least one coordinator, approved by the commissioner, who is responsible for supervising the educational program and assuring compliance with all laws and rules. "Sponsor" means any person or entity offering approved education.

(b) For coordinators with an initial approval date before the effective date of this provision, approval will expire on December 31, 2005. For courses with an initial approval date on or before December 31, 2000, approval will expire on April 30, 2006. For courses with an initial approval date after January 1, 2001, but before the effective date of this provision, approval will expire on April 30, 2007.

Sec. 3. Minnesota Statutes 2004, section 60K.36, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION NOT REQUIRED.] A resident individual applying for a limited lines credit insurance, title insurance, travel baggage insurance, mobile telephone insurance, or bail bonds license is not required to take a written examination.

Sec. 4. Minnesota Statutes 2004, section 60K.37, subdivision 1, is amended to read:

Subdivision 1. [RESIDENT INSURANCE PRODUCER.] A person is a resident of this state if that person resides in this state or the principal place of business of that person is maintained in this state. Application for a license claiming residency in this state constitutes an election of residency in this state. A license issued upon an application claiming residency in this state is void if the licensee, while holding a resident license in this state,

obtains a resident license in, or claims to be a resident of, any other state or jurisdiction or if the licensee ceases to be a resident of this state. ~~However, if the applicant is a resident of a community or trade area, the border of which is contiguous with the state line of this state, the applicant may qualify for a resident license in this state and at the same time hold a resident license from the contiguous state.~~

Sec. 5. Minnesota Statutes 2004, section 60K.38, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] (a) Unless denied a license under section 60K.43, a person who has met the requirements of sections 60K.36 and 60K.37 must be issued an insurance producer license. An insurance producer may receive qualification for a license in one or more of the lines of authority in paragraphs (b) and (c).

(b) An individual insurance producer may receive qualification for a license in one or more of the following major lines:

(1) life insurance: coverage on human lives including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

(2) accident and health or sickness insurance: coverage for sickness, bodily injury, or accidental death, and may include benefits for disability income;

(3) property insurance: coverage for the direct or consequential loss or damage to property of every kind;

(4) casualty insurance: coverage against legal liability, including that for death, injury, or disability, or damage to real or personal property;

(5) variable life and variable annuity products insurance: coverage provided under variable life insurance contracts and variable annuities; and

(6) personal lines: property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes.

(c) An individual insurance producer may receive qualification for a license in one or more of the following limited lines:

(1) limited line credit insurance;

(2) farm property and liability insurance;

(3) title insurance;

(4) travel baggage insurance;

(5) mobile telephone insurance; and

(6) bail bonds; and

(6) any other line of insurance permitted under state laws or rules.

Sec. 6. Minnesota Statutes 2004, section 60K.39, subdivision 3, is amended to read:

Subd. 3. [CHANGE OF ADDRESS.] A nonresident producer who moves from one state to another state ~~or a resident producer who moves from this state to another state~~ shall file a change of address and provide certification from the new resident state within ten days of the change of legal residence. No fee or license application is required.

Sec. 7. Minnesota Statutes 2004, section 82.31, subdivision 5, is amended to read:

Subd. 5. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on a salesperson's examination must file an application and obtain the license within one year of the date of successful completion of the examination or a second examination must be taken to qualify for the license. ~~If a new examination is required, prelicense education must be completed in accordance with section 82.29, subdivision 8.~~

Sec. 8. Minnesota Statutes 2004, section 82B.02, is amended by adding a subdivision to read:

Subd. 16. [USPAP.] "USPAP" means the Uniform Standards of Professional Appraisal Practice established by the Appraisal Foundation.

Sec. 9. [82B.095] [APPRAISER QUALIFICATION COMPONENTS.]

The three components required for a real property appraiser license are education, experience, and examination. Applicants for a class of license must document that they have met at least the component criteria that were in effect at the time they completed that component.

Sec. 10. Minnesota Statutes 2004, section 82B.10, subdivision 4, is amended to read:

Subd. 4. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on an examination must file an application and obtain the license within ~~one year~~ two years of the date of successful completion of the examination or a second examination must be taken to qualify for the license.

Sec. 11. Minnesota Statutes 2004, section 82B.11, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY PRACTICE.] (a) The commissioner shall issue a license for temporary practice as a real estate appraiser under subdivision 3, 4, or 5 to a person certified or licensed by another state if:

(1) the property to be appraised is part of a federally related transaction and the person is licensed to appraise property limited to the same transaction value or complexity provided in subdivision 3, 4, or 5;

(2) the appraiser's business is of a temporary nature; and

(3) the appraiser registers with the commissioner to obtain a temporary license before conducting appraisals within the state.

(b) The term of a temporary practice license is the lesser of:

(1) the time required to complete the assignment; or

(2) six months, with one extension allowed.

The appraiser may request one extension of no more than six months on a form provided by the commissioner. If more than 12 months are necessary to complete the assignment, a new temporary application and fee is required.

Sec. 12. Minnesota Statutes 2004, section 82B.13, subdivision 1, is amended to read:

Subdivision 1. [REGISTERED REAL PROPERTY APPRAISER OR LICENSED REAL PROPERTY APPRAISER.] As a prerequisite for licensing as a registered real property appraiser or licensed real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed at least 90 classroom hours of prelicense courses. The courses must consist of 75 hours of general real estate appraisal principles and ~~15 hours related to standards of professional appraisal practice and the provisions of this chapter~~ the 15-hour national USPAP course.

Sec. 13. Minnesota Statutes 2004, section 82B.13, subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S APPROVAL; RULES.] The courses and instruction and procedures of courses must be approved by the commissioner. The commissioner may adopt rules to administer this section. These rules must, to the extent practicable, conform to the rules adopted for real estate and insurance education. The credit hours required under this section may be credited to a person for distance education courses that meet Appraiser Qualifications Board criteria.

Sec. 14. Minnesota Statutes 2004, section 82B.13, subdivision 4, is amended to read:

Subd. 4. [CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER.] As a prerequisite for licensing as a certified residential real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed at least 120 classroom hours of prelicense courses, ~~including 15 hours related to the standards of professional appraisal practice and the provisions of this chapter,~~ with particular emphasis on the appraisal of one to four unit residential properties. Fifteen of the 120 hours must include successful completion of the 15-hour national USPAP course.

Sec. 15. Minnesota Statutes 2004, section 82B.13, subdivision 5, is amended to read:

Subd. 5. [CERTIFIED GENERAL REAL PROPERTY APPRAISER.] As a prerequisite for licensing as a certified general real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed at least 180 classroom hours of prelicense courses, ~~including 15 hours related to the standards of professional appraisal practice and the provisions of this chapter,~~ with particular emphasis on the appraisal of nonresidential properties. Fifteen of the 180 hours must include successful completion of the 15-hour national USPAP course.

Sec. 16. Minnesota Statutes 2004, section 82B.14, is amended to read:

82B.14 [EXPERIENCE REQUIREMENT.]

(a) As a prerequisite for licensing as a licensed real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 2,000 hours of experience in real property appraisal.

As a prerequisite for licensing as a certified residential real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 2,500 hours of experience in real property appraisal obtained in no fewer than 24 months.

As a prerequisite for licensing as a certified general real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 3,000 hours of experience in real property appraisal obtained in no fewer than 30 months. At least 50 percent, or 1,500 hours, must be in nonresidential appraisal work.

(b) Each applicant for license under section 82B.11, subdivision 3, 4, or 5, shall give under oath a detailed listing of the real estate appraisal reports or file memoranda for which experience is claimed by the applicant. Upon request, the applicant shall make available to the commissioner for examination, a sample of appraisal reports that the applicant has prepared in the course of appraisal practice.

(c) Applicants may not receive credit for experience accumulated while unlicensed, if the experience is based on activities which required a license under this section.

Sec. 17. Minnesota Statutes 2004, section 82B.19, subdivision 1, is amended to read:

Subdivision 1. [LICENSE RENEWALS.] A licensed real estate appraiser shall present evidence satisfactory to the commissioner of having met the continuing education requirements of this chapter before the commissioner renews a license.

The basic continuing education requirement for renewal of a license is the completion by the applicant either as a student or as an instructor, during the immediately preceding term of licensing, of at least 30 classroom hours of instruction in courses or seminars that have received the approval of the commissioner. Classroom hour credit must not be accepted for courses of less than two hours. As part of the continuing education requirements of this section, the commissioner shall require that all real estate appraisers ~~receive at least seven hours of training each license period in courses in laws or regulations on standards of professional practice~~ successfully complete the seven-hour national USPAP update course every two years. If the applicant's immediately preceding term of licensing consisted of 12 or more months, but fewer than 24 months, the applicant must provide evidence of completion of 15 hours of instruction during the license period. ~~If the immediately preceding term of licensing consisted of fewer than 12 months, no continuing education need be reported.~~ The credit hours required under this section may be credited to a person for distance education courses that meet Appraiser Qualifications Board criteria.

Sec. 18. [REPEALER.]

(a) Minnesota Statutes 2004, section 82B.221, is repealed.

(b) Minnesota Rules, part 2808.2200, is repealed."

Delete the title and insert:

"A bill for an act relating to commerce; modifying various requirements for licensees of the Department of Commerce; amending Minnesota Statutes 2004, sections 60K.36, subdivision 2; 60K.37, subdivision 1; 60K.38, subdivision 1; 60K.39, subdivision 3; 82.31, subdivision 5; 82B.02, by adding a subdivision; 82B.10, subdivision 4; 82B.11, subdivision 6; 82B.13, subdivisions 1, 3, 4, 5; 82B.14; 82B.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 45; 82B; repealing Minnesota Statutes 2004, section 82B.221; Minnesota Rules, part 2808.2200."

With the recommendation that when so amended 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. 1547, A bill for an act relating to natural resources; regulating off-highway vehicles; requiring rulemaking and modifying certain rulemaking exemptions; modifying certain state trail provisions; modifying designation of state forest roads; modifying forest classification provisions; requiring a study; providing civil penalties; appropriating money; amending Minnesota Statutes 2004, sections 84.775, subdivision 1; 84.780; 84.788, subdivision 3; 84.789, by adding a subdivision; 84.791, subdivision 1; 84.798, subdivision 1; 84.925, subdivision 1, by adding a subdivision; 84.9256, subdivision 1; 84.9257; 84.926; 84.928, subdivisions 1, 2, 6; 85.015, subdivision 13; 89.19, subdivision 2; Laws 2003, chapter 128, article 1, section 167, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 2004, section 84.901.

Reported the same back with the following amendments:

Page 5, after line 2, insert:

"Sec. 5. [84.7851] [WORKER DISPLACEMENT PROHIBITED.]

The commissioner may not enter into any agreement that has the purpose of or results in the displacement of public employees by volunteers participating in an off-highway safety and conservation program. The commissioner must certify to the appropriate bargaining agent that the work performed by a volunteer will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits."

Page 9, delete lines 10 to 14

Page 10, after line 24, insert:

"(c) An individual who is convicted for a second or subsequent excess speed, trespass, or wetland violation in an all-terrain vehicle season, or any conviction for careless or reckless operation of an all-terrain vehicle, must successfully complete the independent study and the testing and operating course components of all-terrain vehicle safety training before continuing operation of an all-terrain vehicle."

Page 10, line 25, delete "(c)" and insert "(d)"

Page 10, line 31, delete "(d)" and insert "(e)"

Pages 13 to 15, delete section 15

Page 16, delete section 17

Page 19, line 20, delete everything after "shall" and insert "maintain their present classification unless the commissioner reclassifies the lands under Minnesota Rules, part 6100.1950."

Page 19, delete line 21

Page 20, delete section 22

Page 20, line 17, delete "3" and insert "4"

Page 20, delete lines 20 to 22

Page 20, line 23, delete "(c)" and insert "(b)"

Page 20, line 28, delete "(d)" and insert "(c)"

Page 20, line 33, delete "(e)" and insert "(d)"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "requiring a study;"

Page 1, lines 13 and 14, delete "subdivisions 1, 2, 6" and insert "subdivision 2"

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

The report was adopted.

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

H. F. No. 1551, A bill for an act relating to education; establishing notice requirements for student surveys and similar instruments; proposing coding for new law in Minnesota Statutes, chapter 121A.

Reported the same back with the following amendments:

Page 1, line 10, delete "a student's parent or guardian" and insert "a parent or guardian of a minor or dependent child"

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

The report was adopted.

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

H. F. No. 1560, A bill for an act relating to agriculture; defining terms; requiring certain payments; establishing a base funding level for rural economic development including ethanol producer payments; amending Minnesota Statutes 2004, section 41A.09, subdivisions 2a, 3a.

Reported the same back with the following amendments:

Page 2, line 5, delete "processing and marketing facilities" and insert "activities, including transportation infrastructure and the servicing of bonded indebtedness for infrastructure."

Page 5, line 1, delete "catch-up" and insert "deficiency"

Page 5, delete lines 7 and 8

Page 5, line 9, delete everything before the comma and insert:

"In addition"

Page 5, line 10, delete "direct" and delete "to producers of" and insert "for"

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

The report was adopted.

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

H. F. No. 1578, A bill for an act relating to spousal maintenance; authorizing the Department of Human Services to collect spousal maintenance; amending Minnesota Statutes 2004, sections 518.54, subdivision 4a; 518.551, subdivision 1.

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.

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

H. F. No. 1669, A bill for an act relating to insurance; regulating certain fees, rate filings, and policy renewals and alterations; regulating the collection of certain information; amending Minnesota Statutes 2004, sections 60A.08, subdivision 3; 60A.14, subdivision 1; 60A.171, subdivisions 1, 2; 60A.351; 60K.46, subdivision 7; 61A.02, subdivision 2, by adding a subdivision; 62A.02, subdivision 1; 70A.06, subdivision 1; 72A.501, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 2004, section 60A.171, subdivision 4.

Reported the same back with the following amendments:

Page 6, line 14, after the period, insert "The memorandum of coverage or binder must be forwarded by mail, unless the insured authorizes facsimile or electronic transmission of it."

Page 9, line 24, after the period, insert "At each renewal of the policy, the insurer must remind the insured in writing that the authorization remains in effect."

Page 9, line 31, after the period, insert "At each renewal of the policy, the insurer must remind the insured in writing that the authorization remains in effect."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1677, A bill for an act relating to natural resources; providing for establishment and disposition of certain issuing fees and an electronic licensing system commission; creating an account; modifying issuance of snowmobile state trail stickers by agents; appropriating money; amending Minnesota Statutes 2004, sections 84.027, subdivision 15; 84.791, subdivision 2; 84.8205, subdivisions 3, 4, 6; 84.86, subdivision 1; 84.925, subdivision 1; 85.055, subdivision 2; 85.43; 88.6435, subdivision 4; 97A.485, subdivision 7; 97B.015, subdivision 7; 97B.025.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.

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

H. F. No. 1692, A bill for an act relating to state government; regulating compensation plans of the State Board of Investment; amending Minnesota Statutes 2004, sections 11A.04; 11A.07, subdivision 4; 15A.0815, subdivision 2; 43A.18, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 1714, A bill for an act relating to state government; Department of Administration; requiring the design and construction of memorials to Coya Knutson on the Capitol grounds and in the city of Oklee; appropriating money.

Reported the same back with the following amendments:

Page 2, delete section 2

Amend the title as follows:

Page 1, line 5, delete "; appropriating money"

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

The report was adopted.

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

H. F. No. 1721, A bill for an act relating to public employers; modifying public employer reimbursement for compensation paid to certain firefighters and peace officers; creating a panel to evaluate claims; amending Minnesota Statutes 2004, sections 214.04, subdivision 1; 299A.465, subdivision 4, by adding subdivisions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Public Safety Policy and Finance.

The report was adopted.

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

H. F. No. 1732, A bill for an act relating to agriculture; changing certain loan provisions; establishing a loan program; changing certain livestock zoning regulations; paying for town road repairs; appropriating money; amending Minnesota Statutes 2004, sections 41B.046, subdivision 5; 41B.049, subdivision 2; 174.52, subdivisions 4, 5; 394.25, subdivision 3c; 462.355, subdivision 4; 462.357, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 2004, section 41B.046, subdivision 3.

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

The report was adopted.

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

H. F. No. 1743, A bill for an act relating to taxation; exempting certain vending machine products from sales tax; amending Minnesota Statutes 2004, section 297A.61, subdivision 3.

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

The report was adopted.

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

H. F. No. 1797, A bill for an act relating to taxation; providing a reduced class rate for certain property bordering public waters; amending Minnesota Statutes 2004, section 273.13, subdivision 23.

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

The report was adopted.

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

H. F. No. 1801, A bill for an act relating to gaming; amending various provisions relating to lawful gambling; amending and providing definitions; making technical, clarifying, and conforming changes; providing for sports-themed tipboard games; providing for electronic bingo; regulating lottery service businesses; authorizing certain video games of chance and social skill games; amending Minnesota Statutes 2004, sections 349.12, subdivisions 5, 25, 33, 34, by adding subdivisions; 349.15, subdivision 1; 349.151, subdivisions 4, 4b, by adding subdivisions; 349.152, subdivision 2; 349.153; 349.154, subdivision 1; 349.155, subdivision 3; 349.16, subdivision 8; 349.161, subdivision 5; 349.162, subdivisions 1, 4, 5; 349.163, subdivision 3; 349.1635, subdivision 4; 349.166, subdivisions 1, 2; 349.167, subdivision 1; 349.168, subdivision 8; 349.17, subdivisions 5, 7; 349.1711, subdivisions 1, 2; 349.173; 349.18, subdivision 1; 349.19, subdivisions 4, 10; 349.211, subdivision 2c, by adding a subdivision; 349.2125, subdivision 1; 349.213; 609.75, subdivisions 1, 8; 609.761, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 299L; repealing Minnesota Statutes 2004, sections 349.162, subdivision 3; 349.164; 349.17, subdivision 1.

Reported the same back with the following amendments:

Page 8, line 6, delete "in whole"

Page 8, delete line 7

Page 8, line 8, delete everything before the period and insert "based upon the last number of the scores at specified intervals of a professional sporting event"

Page 11, line 32, delete everything after "determined"

Page 11, line 33, delete everything before the period and insert "based upon the last number of the scores at specified intervals of a professional sporting event"

Page 26, line 7, delete "in whole or in"

Page 26, delete line 8 and insert "based upon the last number of the scores at specified intervals of a professional sporting event."

Page 31, line 20, delete everything after "determined"

Page 31, line 21, delete everything before "is" and insert "based upon the last number of the scores at specified intervals of a professional sporting event"

Pages 37 to 41, delete article 2 and insert:

## "ARTICLE 2

### LOTTERY SERVICE BUSINESS

Section 1. [299L.09] [LOTTERY SERVICE BUSINESS.]

Subdivision 1. [DEFINITION.] For purposes of this section:

(a) A "lottery service business" is a commercial enterprise that for a fee or commission purchases lottery tickets on behalf of customers or subscribers.

(b) "Division" means the Division of Alcohol and Gambling Enforcement in the Department of Public Safety.

(c) "Commissioner" means the commissioner of public safety acting through the division.

(d) "Disqualifying offense" means any felony, gross misdemeanor, and any criminal offense involving fraud, misrepresentation, or deceit.

Subd. 2. [REGISTRATION REQUIRED.] (a) No person may operate a lottery service business unless the business has registered with the commissioner and the business's registration is in effect. Registration is in effect for one year unless suspended or revoked.

(b) Registration must be on a form that the commissioner prescribes by rule. The form may require any information that the commissioner determines is necessary to carry out the purposes of this section. The form must contain a provision in which the applicant for registration attests that no officer, director, or employee of the business has been convicted of a disqualifying offense. The form must contain a provision in which the business agrees to comply with the provisions of this section.

(c) Notwithstanding section 16A.1283, the commissioner shall by rule provide for an annual fee for registration, no more than \$100 and sufficient to provide for the division's annual costs in administering this section.

Subd. 3. [REVOCAION OF REGISTRATION.] (a) The commissioner may revoke the registration of a lottery service business if the commissioner finds that:

(1) the business made a materially false statement in its application for registration;

(2) an officer, director, or employee of the business has been convicted of a disqualifying offense; or

(3) an officer, director, or employee of the business has violated this section or another section of law governing gambling or a rule or order of the commissioner, or has had a license to conduct business revoked in Minnesota or another jurisdiction.

(b) The commissioner may not take action under this subdivision unless the commissioner has provided the business with notice of intent to revoke together with the reasons for the action and the effective date of the revocation. The notice must provide the business with an opportunity for a public hearing on the revocation before the director within 30 days of the date on which the notice was sent. After the hearing the director may revoke the registration. A revocation of registration is a contested case under sections 14.57 to 14.69.

Subd. 4. [REQUIRED STATEMENTS.] (a) All print advertising in any medium published by or on behalf of a lottery service business, and all print communications intended to solicit members, including Internet solicitations, for each lottery pool or subscription service offered, must contain a clear and prominent statement that discloses to the subscriber, either in print or in electronic format, a statement that describes how much of each subscriber's fees are used to buy tickets.

(b) All advertising and solicitation described in paragraph (a) must contain the following statement in clear and readable type: "This business is not affiliated with and is not an agent of the Minnesota State Lottery."

Subd. 5. [PROHIBITIONS.] (a) A lottery service business may not accept as a customer or subscriber any person under age 18, or make a payment of lottery winnings to a person under age 18.

(b) Except as necessary for the lottery service business to fill a pool, a lottery service business and any officer, director, or employee of the business may not have any stake or own any shares in any lottery pool it creates for customers or subscribers.

Subd. 6. [LOTTERY PRIZE ACCOUNT.] A lottery service business must deposit all money received as winnings from lottery tickets bought for or on behalf of customers or subscribers into a lottery prize account that it maintains separately from all other accounts of the business. The business may expend money from the account, including interest thereon, only to pay winnings to customers or subscribers and to make payments required under subdivision 7.

Subd. 7. [UNCLAIMED PRIZES.] (a) A lottery service business must make all good-faith efforts to distribute money in its lottery prize account to customers and subscribers entitled thereto.

(b) Any money deposited in the lottery prize account that has not been distributed to customers or subscribers as winnings within one year after the date of deposit becomes an unclaimed prize. A lottery service business must transmit all unclaimed prizes, including all interest earned thereon while the prize was in the lottery prize account, to the director of the State Lottery. All unclaimed prizes must be transmitted within four months after the prize became an unclaimed prize. Transmission of unclaimed prizes shall occur on January 15, April 15, July 15, and October 15 of each year. The director of the State Lottery shall deposit all payments under this subdivision in the general fund. This subdivision does not apply if the amount of money in the account is less than \$25.

Subd. 8. [BOOKS AND RECORDS.] A lottery service business must keep a complete accounting and all records necessary to show fully the lottery service business's lottery transactions, including incoming revenue, tickets purchased, and winnings distributed.

[EFFECTIVE DATE.] Article 2 is effective August 1, 2005."

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. 1809, A bill for an act relating to insurance; regulating agency terminations, coverages, fees, forms, disclosures, reports, information security, and premiums; amending Minnesota Statutes 2004, sections 59A.12, subdivision 2; 60A.14, subdivision 1; 60A.171, subdivision 11; 60A.23, subdivision 8; 60A.966; 60A.969; 62A.136; 62A.31, subdivision 1h; 62A.315; 62A.316; 62E.13, subdivision 2; 62L.03, subdivision 3; 62Q.471; 65A.29, subdivision 11; 65B.48, subdivision 3; 72A.20, subdivisions 13, 36; 72A.201, subdivisions 3, 4; 79.40; 79.56, subdivisions 1, 3; 79.62, subdivision 3; 79A.04, subdivision 10; 79A.06, subdivision 5; 79A.12, subdivision 2; 79A.22, subdivision 11, by adding a subdivision; 176.191, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 2004, sections 61A.072, subdivision 2; 62E.03.

Reported the same back with the following amendments:

Page 13, line 14, after "immunizations" insert "not otherwise covered under Part D of the Medicare program"

Page 16, line 17, after "immunizations" insert "not otherwise covered under part D of the Medicare program"



Page 16, line 22, after "diabetes" insert "not otherwise covered under Part D of the Medicare program"

Page 19, after line 18, insert:

"Sec. 14. Minnesota Statutes 2004, section 62E.12, is amended to read:

62E.12 [MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.]

(a) The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan and a number two qualified plan, except that the maximum lifetime benefit on these plans shall be \$2,800,000; and an extended basic Medicare supplement plan and a basic Medicare supplement plan as described in sections 62A.31 to 62A.44. The association may also offer a plan that is identical to a number one and number two qualified plan except that it has a \$2,000 annual deductible and a \$2,800,000 maximum lifetime benefit. The association, subject to the approval of the commissioner, may also offer plans that are identical to the number one or number two qualified plan, except that they have annual deductibles of \$5,000 and \$10,000, respectively; have limitations on total annual out-of-pocket expenses equal to those annual deductibles and therefore cover 100 percent of the allowable cost of covered services in excess of those annual deductibles; and have a \$2,800,000 maximum lifetime benefit. The association, subject to approval of the commissioner, may also offer plans that meet all other requirements of state law except those that are inconsistent with high deductible health plans as defined in sections 220 and 223 of the Internal Revenue Code and supporting regulations. As of January 1, 2006, the association shall no longer be required to offer an extended basic Medicare supplement plan.

(b) The requirement that a policy issued by the association must be a qualified plan is satisfied if the association contracts with a preferred provider network and the level of benefits for services provided within the network satisfies the requirements of a qualified plan. If the association uses a preferred provider network, payments to nonparticipating providers must meet the minimum requirements of section 72A.20, subdivision 15.

(c) The association shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier.

(d) Notwithstanding the provisions of section 62E.06 and unless those charges are billed by a provider that is part of the association's preferred provider network, the state plan shall exclude coverage of services of a private duty nurse other than on an inpatient basis and any charges for treatment in a hospital located outside of the state of Minnesota in which the covered person is receiving treatment for a mental or nervous disorder, unless similar treatment for the mental or nervous disorder is medically necessary, unavailable in Minnesota and provided upon referral by a licensed Minnesota medical practitioner."

Page 21, after line 33, insert:

"Sec. 19. [65A.297] [ACTIVE DUTY MEMBER OF ARMED SERVICES RESERVE OR NATIONAL GUARD; USE IN UNDERWRITING PROHIBITED.]

No insurer, including the Minnesota FAIR plan, shall refuse to renew, decline to offer or write, reduce the limits of, cancel, or charge differential rates for equivalent coverage for any coverage in a homeowner's policy because the dwelling is vacant if the vacancy is caused solely by the insured being called to active duty as a member of the armed services reserve or the National Guard.

Sec. 20. [65B.286] [SNOWMOBILE AUXILIARY LIGHTING SYSTEM DISCOUNT.]

Subdivision 1. [DEFINITION.] For the purposes of this section, the term "auxiliary hazard warning lighting system" means a system installed by the manufacturer of a snowmobile as original equipment or installed in a snowmobile by the manufacturer or an authorized dealer of that manufacturer as an aftermarket system that does the following when activated:

(1) a yellow light emitting diode (L.E.D.) light on the front of the snowmobile that flashes at least once per second and is visible at least one-half mile in front of the snowmobile; and

(2) a red light emitting diode (L.E.D.) light on the rear of the snowmobile that flashes at least once per second and is visible at least one-half mile from behind the snowmobile.

Subd. 2. [REQUIRED REDUCTION.] An insurer must provide an appropriate premium reduction of at least five percent on a policy insuring the snowmobile, or on that portion of a policy insuring a snowmobile that is issued, delivered, or renewed in this state, to the insured whose snowmobile is equipped with an authorized auxiliary hazard warning lighting system. The premium reduction required by this subdivision applies to every snowmobile of the insured that is equipped with an auxiliary hazard warning lighting system."

Page 30, after line 12, insert:

"Sec. 26. Minnesota Statutes 2004, section 79.211, is amended by adding a subdivision to read:

Subd. 4. [EXPERIENCE MODIFICATION FACTOR REVISION FOR CERTAIN CLOSED CLAIMS.] An insurer or an employer insured under a workers' compensation policy subject to an experience rating plan may request in writing of the data service organization computing the policy's experience modification factor that the most recent factor be revised if each of the following criteria is met:

(1) a workers' compensation claim under that policy is closed between the normal valuation date for that claim and the next time that valuation is used in experience modification factor on the policy;

(2) the data service organization receives a revised unit statistical report containing data on the closed claim in a form consistent with its filed unit statistical plan; and

(3) inclusion of the closed claim in the experience modification factor calculation would impact that factor by five percentage points or more."

Page 32, after line 24, insert:

"Sec. 31. Minnesota Statutes 2004, section 79A.03, subdivision 9, is amended to read:

Subd. 9. [FILING REPORTS.] (a) Incurred losses, paid and unpaid, specifying indemnity and medical losses by classification, payroll by classification, and current estimated outstanding liability for workers' compensation shall be reported to the commissioner by each self-insurer on a calendar year basis, in a manner and on forms available from the commissioner. Payroll information must be filed by April 1 of the following year.

(b) Each self-insurer shall, under oath, attest to the accuracy of each report submitted pursuant to paragraph (a). Upon sufficient cause, the commissioner shall require the self-insurer to submit a certified audit of payroll and claim records conducted by an independent auditor approved by the commissioner, based on generally accepted accounting principles and generally accepted auditing standards, and supported by an actuarial review and opinion of the future contingent liabilities. The basis for sufficient cause shall include the following factors: where the

losses reported appear significantly different from similar types of businesses; where major changes in the reports exist from year to year, which are not solely attributable to economic factors; or where the commissioner has reason to believe that the losses and payroll in the report do not accurately reflect the losses and payroll of that employer. If any discrepancy is found, the commissioner shall require changes in the self-insurer's or workers' compensation service company record-keeping practices.

(c) An annual status report due August 1 by each self-insurer shall be filed in a manner and on forms prescribed by the commissioner.

(d) Each individual self-insurer shall, within four months after the end of its fiscal year, annually file with the commissioner its latest 10K report required by the Securities and Exchange Commission. If an individual self-insurer does not prepare a 10K report, it shall file an annual certified financial statement, together with such other financial information as the commissioner may require to substantiate data in the financial statement.

(e) Each member of the group shall, within ~~seven~~ six months after the end of each fiscal year for that group, ~~file~~ submit to a certified public accountant designated by the group, the most recent annual financial statement, reviewed by a certified public accountant in accordance with the Statements on Standards for Accounting and Review Services, Volume 2, the American Institute of Certified Public Accountants Professional Standards, or audited in accordance with generally accepted auditing standards, together with such other financial information the commissioner may require. In addition, the group shall file with the commissioner, within seven months after the end of each fiscal year for that group, combining financial statements of the group members, compiled by a certified public accountant in accordance with the Statements on Standards for Accounting and Review Services, Volume 2, the American Institute of Certified Public Accountants Professional Standards. The combining financial statements shall include, but not be limited to, a balance sheet, income statement, statement of changes in net worth, and statement of cash flow. Each combining financial statement shall include a column for each individual group member along with a total column. Each combined statement shall have a statement from the certified public accountant confirming that each member has submitted the required financial statement as defined in this section. The certified public accountant shall notify the commissioner if any statement is qualified or otherwise conditional. The commissioner may require additional financial information from any group member.

Where a group has 50 or more members, the group shall file, in lieu of the combining financial statements, a combined financial statement showing only the total column for the entire group's balance sheet, income statement, statement of changes in net worth, and statement of cash flow. Additionally, the group shall disclose, for each member, the total assets, net worth, revenue, and income for the most recent fiscal year. The combining and combined financial statements may omit all footnote disclosures.

(f) In addition to the financial statements required by paragraphs (d) and (e), interim financial statements or 10Q reports required by the Securities and Exchange Commission may be required by the commissioner upon an indication that there has been deterioration in the self-insurer's financial condition, including a worsening of current ratio, lessening of net worth, net loss of income, the downgrading of the company's bond rating, or any other significant change that may adversely affect the self-insurer's ability to pay expected losses. Any self-insurer that files an 8K report with the Securities and Exchange Commission shall also file a copy of the report with the commissioner within 30 days of the filing with the Securities and Exchange Commission.

Sec. 32. Minnesota Statutes 2004, section 79A.04, subdivision 2, is amended to read:

Subd. 2. [MINIMUM DEPOSIT.] The minimum deposit is 110 percent of the private self-insurer's estimated future liability. The deposit may be used to secure payment of all administrative and legal costs, and unpaid assessments required by section 79A.12, subdivision 2, relating to or arising from its or other employers' self-insuring. As used in this section, "private self-insurer" includes both current and former members of the self-insurers' security fund; and "private self-insurers' estimated future liability" means the private self-insurers' total of

estimated future liability as determined by an Associate or Fellow of the Casualty Actuarial Society every year for group member private self-insurers and, for a nongroup member private self-insurer's authority to self-insure, every year for the first five years. After the first five years, the nongroup member's total shall be as determined by an Associate or Fellow of the Casualty Actuarial Society at least every two years, and each such actuarial study shall include a projection of future losses during the period until the next scheduled actuarial study, less payments anticipated to be made during that time.

All data and information furnished by a private self-insurer to an Associate or Fellow of the Casualty Actuarial Society for purposes of determining private self-insurers' estimated future liability must be certified by an officer of the private self-insurer to be true and correct with respect to payroll and paid losses, and must be certified, upon information and belief, to be true and correct with respect to reserves. The certification must be made by sworn affidavit. In addition to any other remedies provided by law, the certification of false data or information pursuant to this subdivision may result in a fine imposed by the commissioner of commerce on the private self-insurer up to the amount of \$5,000, and termination of the private self-insurers' authority to self-insure. The determination of private self-insurers' estimated future liability by an Associate or Fellow of the Casualty Actuarial Society shall be conducted in accordance with standards and principles for establishing loss and loss adjustment expense reserves by the Actuarial Standards Board, an affiliate of the American Academy of Actuaries. The commissioner may reject an actuarial report that does not meet the standards and principles of the Actuarial Standards Board, and may further disqualify the actuary who prepared the report from submitting any future actuarial reports pursuant to this chapter. Within 30 days after the actuary has been served by the commissioner with a notice of disqualification, an actuary who is aggrieved by the disqualification may request a hearing to be conducted in accordance with chapter 14. Based on a review of the actuarial report, the commissioner of commerce may require an increase in the minimum security deposit in an amount the commissioner considers sufficient.

Estimated future liability is determined by first taking the total amount of the self-insured's future liability of workers' compensation claims and then deducting the total amount which is estimated to be returned to the self-insurer from any specific excess insurance coverage, aggregate excess insurance coverage, and any supplementary benefits or second injury benefits which are estimated to be reimbursed by the special compensation fund. However, in the determination of estimated future liability, the actuary for the self-insurer shall not take a credit for any excess insurance or reinsurance which is provided by a captive insurance company which is wholly owned by the self-insurer. Supplementary benefits or second injury benefits will not be reimbursed by the special compensation fund unless the special compensation fund assessment pursuant to section 176.129 is paid and the reports required thereunder are filed with the special compensation fund. In the case of surety bonds, bonds shall secure administrative and legal costs in addition to the liability for payment of compensation reflected on the face of the bond. In no event shall the security be less than the last retention limit selected by the self-insurer with the Workers' Compensation Reinsurance Association, provided that the commissioner may allow former members to post less than the Workers' Compensation Reinsurance Association retention level if that amount is adequate to secure payment of the self-insurers' estimated future liability, as defined in this subdivision, including payment of claims, administrative and legal costs, and unpaid assessments required by section 79A.12, subdivision 2. The posting or depositing of security pursuant to this section shall release all previously posted or deposited security from any obligations under the posting or depositing and any surety bond so released shall be returned to the surety. Any other security shall be returned to the depositor or the person posting the bond.

As a condition for the granting or renewing of a certificate to self-insure, the commissioner may require a private self-insurer to furnish any additional security the commissioner considers sufficient to insure payment of all claims under chapter 176."

Page 33, lines 18 and 28, delete "worker's" and insert "workers"

Page 39, line 31, delete "14, 15, 17, 19, 20, 23, and 27 to 32" and insert "15, 16, 18, 22, 23, 27, and 33 to 38"

Page 39, line 32, after the period, insert "Section 19 is effective the day following final enactment and applies to any action taken by an insurer on or after that date."

Page 39, lines 32 and 33, delete "18, and 24 to 26" and insert "21, and 28 to 30"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the third semicolon, insert "62E.12;"

Page 1, line 11, after "4;" insert "79.211, by adding a subdivision;"

Page 1, line 12, after the second semicolon, insert "79A.03, subdivision 9;"

Page 1, line 13, delete "subdivision" and insert "subdivisions 2,"

Page 1, line 16, delete "chapter 60A" and insert "chapters 60A; 65A; 65B"

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

The report was adopted.

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

H. F. No. 1824, A bill for an act relating to commerce; regulating the investment authority of, and annual reporting required for, certain financial institutions; removing obsolete references to the credit union advisory task force; regulating residential mortgage originators; providing for insurance license renewals; regulating for the voluntary dissolution of fraternal benefit societies; amending Minnesota Statutes 2004, sections 47.10, subdivision 1; 48.10; 52.062, subdivision 2; 60A.13, subdivision 5; 64B.30, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 2004, sections 52.062, subdivision 3; Minnesota Rules, part 2675.2610, subpart 5.

Reported the same back with the following amendments:

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 2004, section 47.75, is amended to read:

47.75 [LIMITED TRUSTEESHIP.]

Subdivision 1. [RETIEMENT, HEALTH SAVINGS, AND MEDICAL SAVINGS ACCOUNTS.] (a) A commercial bank, savings bank, savings association, credit union, or industrial loan and thrift company may act as trustee or custodian:

(1) under the Federal Self-Employed Individual Tax Retirement Act of 1962, as amended;

(2) of a medical savings account under the Federal Health Insurance Portability and Accountability Act of 1996, as amended;

(3) of a health savings account under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, as amended; and ~~also~~

(4) under the Federal Employee Retirement Income Security Act of 1974, as amended.

(b) The trustee or custodian may accept the trust funds if the funds are invested only in savings accounts or time deposits in the commercial bank, savings bank, savings association, credit union, or industrial loan and thrift company. All funds held in the fiduciary capacity may be commingled by the financial institution in the conduct of its business, but individual records shall be maintained by the fiduciary for each participant and shall show in detail all transactions engaged under authority of this subdivision."

Page 2, after line 28, insert:

"Sec. 4. Minnesota Statutes 2004, section 48.15, subdivision 4, is amended to read:

Subd. 4. [RETIREMENT, HEALTH SAVINGS, AND MEDICAL SAVINGS ACCOUNTS.] (a) A state bank may act as trustee or custodian:

(1) of a self-employed retirement plan under the Federal Self-Employed Individual Tax Retirement Act of 1962, as amended;

(2) of a medical savings account under the Federal Health Insurance Portability and Accountability Act of 1996, as amended;

(3) of a health savings account under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, as amended; and

(4) of an individual retirement account under the Federal Employee Retirement Income Security Act of 1974, as amended, if the bank's duties as trustee or custodian are essentially ministerial or custodial in nature and the funds are invested only ~~(1)~~ (i) in the bank's own savings or time deposits; or ~~(2)~~ (ii) in any other assets at the direction of the customer if the bank does not exercise any investment discretion, invest the funds in collective investment funds administered by it, or provide any investment advice with respect to those account assets.

(b) Affiliated discount brokers may be utilized by the bank acting as trustee or custodian for self-directed IRAs, if specifically authorized and directed in appropriate documents. The relationship between the affiliated broker and the bank must be fully disclosed. Brokerage commissions to be charged to the IRA by the affiliated broker should be accurately disclosed. Provisions should be made for disclosure of any changes in commission rates prior to their becoming effective. The affiliated broker may not provide investment advice to the customer.

(c) All funds held in the fiduciary capacity may be commingled by the financial institution in the conduct of its business, but individual records shall be maintained by the fiduciary for each participant and shall show in detail all transactions engaged under authority of this subdivision.

(d) The authority granted by this section is in addition to, and not limited by, section 47.75.

Sec. 5. Minnesota Statutes 2004, section 48.512, is amended by adding a subdivision to read:

Subd. 10. [FEDERAL LAW COMPLIANCE.] In lieu of the identification rules in subdivision 2, a financial intermediary may choose to comply with the federal customer identification standards set forth in United States Code, title 31, section 5318, and its implementing regulation, Code of Federal Regulations, title 31, section 103.121, as amended from time to time."

Page 3, after line 14, insert:

"Sec. 7. Minnesota Statutes 2004, section 55.10, subdivision 4, is amended to read:

Subd. 4. [WILL SEARCHES, BURIAL DOCUMENTS PROCUREMENT, AND INVENTORY OF CONTENTS.] (a) Upon being furnished with satisfactory proof of death of a sole lessee or the last surviving co-lessee of a safe deposit box, an employee of the safe deposit company shall open the box and examine the contents in the presence of an individual who appears in person and furnishes an affidavit stating that the individual believes:

(1) the box may contain the will or deed to a burial lot or a document containing instructions for the burial of the lessee or that the box may contain property belonging to the estate of the lessee; and

(2) the individual is an interested person as defined in this section and wishes to open the box for any one or more of the following purposes:

(i) to conduct a will search;

(ii) to obtain a document required to facilitate the lessee's wishes regarding body, funeral, or burial arrangements; or

(iii) to obtain an inventory of the contents of the box.

(b) The safe deposit company may not open the box under this section if it has received a copy of letters of office of the representative of the deceased lessee's estate or other applicable court order.

(c) The safe deposit company need not open the box if:

(1) the box has previously been opened under this section for the same purpose;

(2) the safe deposit company has received notice of a written or oral objection from any person or has reason to believe that there would be an objection; or

(3) the lessee's key or combination is not available.

(d) For purposes of this section, the term "interested person" means any of the following:

(1) a person named as personal representative in a purported will of the lessee;

(2) a person who immediately prior to the death of the lessee had the right of access to the box as a deputy;

(3) the surviving spouse of the lessee;

(4) a devisee of the lessee;

(5) an heir of the lessee;

(6) a person designated by the lessee in a writing acceptable to the safe deposit company which is filed with the safe deposit company before death; or

(7) a state or county agency with a claim authorized by section 256B.15.

(e) For purposes of this section, the term "will" includes a will or a codicil.

(f) If the box is opened for the purpose of conducting a will search, the safe deposit company shall remove any document that appears to be a will and make a true and correct machine copy thereof, replace the copy in the box, and then deliver the original thereof to the clerk of court for the county in which the lessee resided immediately before the lessee's death, if known to the safe deposit company, otherwise to the clerk of the court for the county in which the safe deposit box is located. The will must be personally delivered or sent by registered mail. If the interested person so requests, any deed to burial lot or document containing instructions for the burial of the lessee may be copied by the safe deposit box company and the copy or copies thereof delivered to the interested person.

(g) If the box is opened for the purpose of obtaining a document required to facilitate the lessee's wishes regarding the body, funeral, or burial arrangements, any such document may be removed from the box and delivered to the interested person with a true and correct machine copy retained in the box. If the safe deposit box company discovers a document that appears to be a will, the safe deposit company shall act in accordance with paragraph (f).

(h) If the box is opened for the purpose of obtaining an inventory of the contents of the box, the employee of the safe deposit company shall make, or cause to be made, an inventory of the contents of the box, to which the employee and the interested person shall attest under penalty of perjury to be correct and complete. Within ten days of opening the box pursuant to this subdivision, the safe deposit company shall deliver the original inventory of the contents to the court administrator for the county in which the lessee resided immediately before the lessee's death, if known to the safe deposit company, otherwise to the court administrator for the county in which the safe deposit box is located. The inventory must be personally delivered or sent by registered mail. If the interested person so requests, the safe deposit company shall make a true and correct copy of any document in the box, and of the completed inventory form, and deliver that copy to the interested person. If the contents of the box include a document that appears to be a will, the safe deposit company shall act in accordance with paragraph (f).

(i) If a box opened for the purpose of conducting an inventory, will search, or burial document search is completely empty, the safe deposit company need not follow the procedures above. Instead, the employee of the safe deposit company can complete an inventory of the box contents indicating the fact that the box contained nothing. The form must be signed by the employee and the interested person. If the interested person so requests, the safe deposit company may provide a copy of the completed inventory form to the interested person. The interested person shall then complete the documentation needed by the safe deposit company to surrender the empty box. If another interested person inquires about the box after it has been surrendered, the safe deposit company may state that the deceased renter had previously rented the box and that the box was surrendered because it was empty.

(j) The safe deposit company need not ascertain the truth of any statement in the affidavit required to be furnished under this subdivision and when acting in reliance upon an affidavit, it is discharged as if it dealt with the personal representative of the lessee. The safe deposit company is not responsible for the adequacy of the description of any property included in an inventory of the contents of a safe deposit box, nor for conversion of the property in connection with actions performed under this subdivision, except for conversion by intentional acts of the company or its employees, directors, officers, or agents. If the safe deposit company is not satisfied that the requirements of this subdivision have been met, it may decline to open the box.



⊕ (k) No contents of a box other than a will and a document required to facilitate the lessee's wishes regarding body, funeral, or burial arrangements may be removed pursuant to this subdivision. The entire contents of the box, however, may be removed pursuant to section 524.3-1201."

Page 4, line 17, before "An" insert "(a)"

Page 4, after line 26, insert:

"(b) The receipt by an individual of prior consent of the commissioner under this section must not be construed as imposing upon an employer an affirmative obligation to employ that individual in any capacity. Nothing in this section precludes an employer from denying employment based upon the existence of a criminal offense specified in subdivision 2 or for any other lawful reason.

Sec. 9. Minnesota Statutes 2004, section 58.16, subdivision 4, is amended to read:

Subd. 4. [TRUST ACCOUNT.] The residential mortgage originator shall deposit in a trust account within three business days all fees received before the time a loan is actually funded. The trust account must be in a financial institution located within the state of Minnesota, and with respect to advance fees, the account must be controlled by an unaffiliated accountant, attorney, or bank ~~officer or employee.~~"

Page 5, after line 20, insert:

"Sec. 12. Minnesota Statutes 2004, section 82.17, subdivision 10, is amended to read:

Subd. 10. [LOAN BROKER.] "Loan broker" means a licensed real estate broker or salesperson who, for another and for ~~a commission, fee, or other valuable consideration~~ an advance fee or with the intention or expectation of receiving the same, directly or indirectly, negotiates or offers or attempts to negotiate a loan secured or to be secured by a mortgage or other encumbrance on real estate, or represents himself or herself or otherwise holds himself or herself out as a licensed real estate broker or salesperson, either in connection with any transaction in which he or she directly or indirectly negotiates or offers or attempts to negotiate a loan, or in connection with the conduct of his or her ordinary business activities as a loan broker.

"Loan broker" does not include a licensed real estate broker or salesperson who, in the course of representing a purchaser or seller of real estate, incidentally assists the purchaser or seller in obtaining financing for the real property in question if the licensee does not receive a separate commission, fee, or other valuable consideration for this service.

For the purposes of this subdivision, an "advance fee" means a commission, fee, charge, or compensation of any kind paid before the closing of a loan, that is intended in whole or in part as payment for finding or attempting to find a loan for a borrower. Advance fee does not include pass-through fees or commitment or extended lock fees or other fees as determined by the commissioner.

Sec. 13. Minnesota Statutes 2004, section 82.17, subdivision 18, is amended to read:

Subd. 18. [REAL ESTATE BROKER; BROKER.] "Real estate broker" or "broker" means any person who:

(a) for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys or rents, manages, or offers or attempts to negotiate a sale, option, exchange, purchase or rental of an interest or estate in real estate, or advertises or holds out as engaged in these activities;

(b) for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly negotiates or offers or attempts to negotiate a loan, secured or to be secured by a mortgage or other encumbrance on real estate, which is not a residential mortgage loan as defined by section 58.02, subdivision 18;

(c) "real estate broker" or "broker" as set forth in clause (b) shall not apply to the originating, making, processing, selling, or servicing of a loan in connection with the ~~broker's~~ ordinary business activities ~~by~~ of a mortgagee, lender, or servicer approved or certified by the secretary of Housing and Urban Development, or approved or certified by the administrator of Veterans Affairs, or approved or certified by the administrator of the Farmers Home Administration, or approved ~~or certified~~ as a multifamily seller/servicer by the Federal Home Loan Mortgage Corporation, or as a multifamily partner approved ~~or certified~~ by the Federal National Mortgage Association;

(d) for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys, rents, manages, offers or attempts to negotiate a sale, option, exchange, purchase or rental of any business opportunity or business, or its good will, inventory, or fixtures, or any interest therein;

(e) for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly offers, sells or attempts to negotiate the sale of property that is subject to the registration requirements of chapter 83, concerning subdivided land;

(f) for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same, promotes the sale of real estate by advertising it in a publication issued primarily for this purpose, if the person:

(1) negotiates on behalf of any party to a transaction;

(2) disseminates any information regarding the property to any party or potential party to a transaction subsequent to the publication of the advertisement, except that in response to an initial inquiry from a potential purchaser, the person may forward additional written information regarding the property which has been prepared prior to the publication by the seller or broker or a representative of either;

(3) counsels, advises, or offers suggestions to the seller or a representative of the seller with regard to the marketing, offer, sale, or lease of the real estate, whether prior to or subsequent to the publication of the advertisement;

(4) counsels, advises, or offers suggestions to a potential buyer or a representative of the seller with regard to the purchase or rental of any advertised real estate; or

(5) engages in any other activity otherwise subject to licensure under this chapter;

(g) engages wholly or in part in the business of selling real estate to the extent that a pattern of real estate sales is established, whether or not the real estate is owned by the person. A person shall be presumed to be engaged in the business of selling real estate if the person engages as principal in five or more transactions during any 12-month period, unless the person is represented by a licensed real estate broker or salesperson.

Sec. 14. Minnesota Statutes 2004, section 82.36, subdivision 4, is amended to read:

Subd. 4. [ESCROW ACCOUNT.] The loan broker shall deposit in an escrow account within 48 hours all fees received prior to the time a loan is actually funded. The escrow account shall be in a bank located within the state of Minnesota and shall be controlled by an unaffiliated accountant, lawyer, or bank ~~officer or employee~~.

Sec. 15. Minnesota Statutes 2004, section 82.41, subdivision 13, is amended to read:

Subd. 13. [FRAUDULENT, DECEPTIVE, AND DISHONEST PRACTICES.] (a) [PROHIBITIONS.] For the purposes of section ~~82.40~~ 82.35, subdivision 1, clause (b), the following acts and practices constitute fraudulent, deceptive, or dishonest practices:

- (1) act on behalf of more than one party to a transaction without the knowledge and consent of all parties;
- (2) act in the dual capacity of licensee and undisclosed principal in any transaction;
- (3) receive funds while acting as principal which funds would constitute trust funds if received by a licensee acting as an agent, unless the funds are placed in a trust account. Funds need not be placed in a trust account if a written agreement signed by all parties to the transaction specifies a different disposition of the funds, in accordance with section 82.35, subdivision 1;
- (4) violate any state or federal law concerning discrimination intended to protect the rights of purchasers or renters of real estate;
- (5) make a material misstatement in an application for a license or in any information furnished to the commissioner;
- (6) procure or attempt to procure a real estate license for himself or herself or any person by fraud, misrepresentation, or deceit;
- (7) represent membership in any real estate-related organization in which the licensee is not a member;
- (8) advertise in any manner that is misleading or inaccurate with respect to properties, terms, values, policies, or services conducted by the licensee;
- (9) make any material misrepresentation or permit or allow another to make any material misrepresentation;
- (10) make any false or misleading statements, or permit or allow another to make any false or misleading statements, of a character likely to influence, persuade, or induce the consummation of a transaction contemplated by this chapter;
- (11) fail within a reasonable time to account for or remit any money coming into the licensee's possession which belongs to another;
- (12) commingle with his or her own money or property trust funds or any other money or property of another held by the licensee;
- (13) demand from a seller a commission to compensation which the licensee is not entitled, knowing that he or she is not entitled to the commission compensation;

(14) pay or give money or goods of value to an unlicensed person for any assistance or information relating to the procurement by a licensee of a listing of a property or of a prospective buyer of a property (this item does not apply to money or goods paid or given to the parties to the transaction);

(15) fail to maintain a trust account at all times, as provided by law;

(16) engage, with respect to the offer, sale, or rental of real estate, in an anticompetitive activity;

(17) represent on advertisements, cards, signs, circulars, letterheads, or in any other manner, that he or she is engaged in the business of financial planning unless he or she provides a disclosure document to the client. The document must be signed by the client and a copy must be left with the client. The disclosure document must contain the following:

(i) the basis of fees, commissions, or other compensation received by him or her in connection with rendering of financial planning services or financial counseling or advice in the following language:

"My compensation may be based on the following:

(a) ... commissions generated from the products I sell you;

(b) ... fees; or

(c) ... a combination of (a) and (b). [Comments]";

(ii) the name and address of any company or firm that supplies the financial services or products offered or sold by him or her in the following language:

"I am authorized to offer or sell products and/or services issued by or through the following firm(s):

[List]

The products will be traded, distributed, or placed through the clearing/trading firm(s) of:

[List]";

(iii) the license(s) held by the person under this chapter or chapter 60A or 80A in the following language:

"I am licensed in Minnesota as a(n):

(a) ... insurance agent;

(b) ... securities agent or broker/dealer;

(c) ... real estate broker or salesperson;

(d) ... investment adviser"; and

(iv) the specific identity of any financial products or services, by category, for example mutual funds, stocks, or limited partnerships, the person is authorized to offer or sell in the following language:

"The license(s) entitles me to offer and sell the following products and/or services:

- (a) ... securities, specifically the following: [List];
- (b) ... real property;
- (c) ... insurance; and
- (d) ... other: [List]."

(b) [DETERMINING VIOLATION.] A licensee shall be deemed to have violated this section if the licensee has been found to have violated sections 325D.49 to 325D.66, by a final decision or order of a court of competent jurisdiction.

(c) [COMMISSIONER'S AUTHORITY.] Nothing in this section limits the authority of the commissioner to take actions against a licensee for fraudulent, deceptive, or dishonest practices not specifically described in this section.

Sec. 16. Minnesota Statutes 2004, section 299A.61, subdivision 3, is amended to read:

Subd. 3. [LIMIT ON LIABILITY OF FINANCIAL INSTITUTION.] A financial institution, including its employees or company agents, that provides or reasonably attempts to provide information regarding stolen, forged, or fraudulent check information checks for use by the crime alert network, check verification services, consumer reporting agencies, a banking industry antifraud database consistent with federal privacy law, or by law enforcement agencies that are investigating a crime is not liable to any person for disclosing the information, provided that the financial institution is acting in good faith.

Sec. 17. Minnesota Statutes 2004, section 325F.69, is amended by adding a subdivision to read:

Subd. 6. [DECEPTIVE USE OF FINANCIAL INSTITUTION NAME.] No person shall include the name, trade name, logo, or tagline of a financial institution as defined in section 47.59, subdivision 1, in a written solicitation for financial services directed to a customer who has obtained a loan from the financial institution without written permission from the financial institution, unless the solicitation clearly and conspicuously states that the person is not sponsored by or affiliated with the financial institution, which shall be identified by name. This statement shall be made in close proximity to, and in the same or larger font size as, the first and most prominent use or uses of the name, trade name, logo, or tagline in the solicitation, including on an envelope or through an envelope window containing the solicitation. For purposes of this section, the term "financial institution" includes a financial institution's affiliates and subsidiaries. This subdivision shall not prohibit the use of a financial institution name, trade name, logo, or tagline of a financial institution if the use of that name is part of a fair and accurate comparison of like products or services."

Page 5, line 26, delete "4" and insert "8"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "investment" and insert "powers and duties"

Page 1, line 3, delete "authority"

Page 1, line 4, after the semicolon, insert "regulating safe deposit companies;"

Page 1, line 6, after the semicolon, insert "regulating real estate brokers and salespersons;"

Page 1, line 8, after the semicolon, insert "prohibiting the deceptive use of a financial institution name;"

Page 1, line 10, after "1;" insert "47.75;" and after "48.10;" insert "48.15, subdivision 4; 48.512, by adding a subdivision;" and after "2;" insert "55.10, subdivision 4; 58.16, subdivision 4;"

Page 1, line 11, after the second semicolon, insert "82.17, subdivisions 10, 18; 82.36, subdivision 4; 82.41, subdivision 13; 299A.61, subdivision 3; 325F.69, by adding a subdivision;"

Page 1, line 14, delete "sections" and insert "section"

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

The report was adopted.

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

H. F. No. 1839, A bill for an act relating to waters; modifying water use permit provisions; amending Minnesota Statutes 2004, section 103G.271, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 22, after "(c)" insert "Notwithstanding paragraphs (a) and (b)," and after "commissioner" insert ", with the approval of the commissioners of health and the Pollution Control Agency,"

Page 1, line 23, after "permits" insert "on an annual basis"

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. 1875, A bill for an act relating to human services; making agency technical amendments; changing provisions related to children and family services, health care, and continuing care programs; amending Minnesota Statutes 2004, sections 13.319, subdivision 3; 13.461, by adding a subdivision; 119B.02, subdivision 5; 119B.035, subdivision 1; 119B.074; 119B.08, subdivision 1; 119B.09, subdivision 1; 119B.26; 245.463, subdivision 2; 245.464, subdivision 1; 245.465, subdivision 1; 245.466, subdivisions 1, 5; 245.4661, subdivision 7; 245.483, subdivisions 1, 3; 245.4872, subdivision 2; 245.4873, subdivision 5; 245.4874; 245.4875, subdivisions 1, 5; 245A.16, subdivision 6; 252.24, subdivision 5; 252.282, subdivision 2; 252.46, subdivision 10; 256.045, subdivisions 3, 6, 7; 256B.04, subdivision 14; 256B.056, subdivision 1c; 256B.0625, subdivisions 5, 27; 256B.0911, subdivision 6; 256B.0913, subdivision 13; 256B.092, subdivision 1f; 256B.094, subdivision 8; 256B.0943, subdivisions 6, 12, 13; 256B.503; 256B.75; 256D.03, subdivision 3; 256G.01, subdivision 3; 256J.13, subdivision 2; 256J.21, subdivision 2; 256J.24, subdivision 5; 256J.561, subdivision 3; 256J.74, subdivision 1; 256J.751, subdivision 2; 256J.95, subdivisions 2, 6, 11, 18, 19; 256L.01, subdivision 3a; 256L.04, by adding a subdivision; 256M.30, subdivision 2; 260C.212, subdivision 12; 275.62, subdivision 4; 518.6111, subdivision 7; 626.557,

subdivision 12b; 626.5571, subdivision 2; Laws 1997, chapter 245, article 2, section 11, as amended; repealing Minnesota Statutes 2004, sections 119A.01, subdivision 3; 119A.20; 119A.21; 119A.22; 119A.35; 119B.21, subdivision 11; 245.713, subdivisions 2, 4; 245.716; 256.014, subdivision 3; 256.045, subdivision 3c; 256B.0629, subdivisions 1, 2, 4; 256J.95, subdivision 20; 626.5551, subdivision 4; Laws 1998, chapter 407, article 4, section 63.

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. 1925, A bill for an act relating to human services; making changes to licensing provisions and background studies; amending Minnesota Statutes 2004, sections 13.46, subdivision 4; 245A.02, subdivision 17; 245A.03, subdivisions 2, 3; 245A.04, subdivisions 7, 13; 245A.07, subdivisions 1, 3; 245A.08, subdivisions 2a, 5; 245A.14, by adding subdivisions; 245A.144; 245A.16, subdivision 4; 245A.18; 245B.02, subdivision 10; 245B.055, subdivision 7; 245B.07, subdivision 8; 245C.03, subdivision 1; 245C.07; 245C.08, subdivisions 1, 2; 245C.15, subdivisions 1, 2, 3, 4; 245C.17, subdivision 2; 245C.21, subdivision 2; 245C.22, subdivisions 3, 4; 245C.24, subdivisions 2, 3; 245C.27, subdivision 1; 245C.28, subdivision 3; 245C.30, subdivision 2; 260B.163, subdivision 6; 260C.163, subdivision 5; 518.165, by adding subdivisions; 609A.03, subdivision 7; 626.556, subdivision 10i; 626.557, subdivision 9d.

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.

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

H. F. No. 1929, A bill for an act relating to building officials; requiring adoption and application of certain competency and certification criteria; providing for continuing education; amending Minnesota Statutes 2004, section 16B.65, subdivisions 3, 7; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

The report was adopted.

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

H. F. No. 1933, A bill for an act relating to game and fish; modifying certain issuing fees; amending Minnesota Statutes 2004, section 97A.485, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.

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

H. F. No. 1937, A bill for an act relating to agriculture; changing certain provisions concerning plant pests, nursery stock, and wildflowers; amending Minnesota Statutes 2004, sections 18G.03, subdivision 1; 18H.02, subdivisions 21, 22, 23, 32, 34, by adding a subdivision; 18H.05; 18H.06; 18H.09; 18H.13, subdivision 1; 18H.15; 18H.18, subdivision 1; repealing Minnesota Statutes 2004, section 18H.02, subdivisions 15, 19.

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. 1939, A bill for an act relating to local government; permitting a group health insurance arrangement of local governments to provide the same coverage to each participating governmental unit; amending Laws 1985, chapter 85, section 1.

Reported the same back with the following amendments:

Page 1, delete lines 21 to 24 and insert:

"(b) Notwithstanding Minnesota Statutes, sections 62L.03; 62L.04; 62L.045; or any other provision of Minnesota Statutes, chapter 62L, an arrangement described in paragraph (a) may provide the same health coverage under the same plan and premium rates to its member employers that have 50 or fewer employees that the arrangement provides to its member employers that have more than 50 employees. The insurer offering the plan need not offer this same plan to small employers that are not member employers in the arrangement described in paragraph (a).

(c) Paragraph (b) is a pilot project that expires at the end of its third full plan year after its date of enactment. After the second full plan year, the entity operating an arrangement described in paragraph (a) shall provide a written report to the commissioner of commerce summarizing the advantages and disadvantages of the pilot project and recommending whether to make it permanent."

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

The report was adopted.

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

H. F. No. 1942, A bill for an act relating to agriculture; directing the commissioner of agriculture to conduct a study regarding a rail container load-out facility in or near Clara City.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance.

The report was adopted.



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

H. F. No. 1948, A bill for an act relating to education; prohibiting public school employees from using public funds and resources to promote or defeat a political candidate or question; proposing coding for new law in Minnesota Statutes, chapter 123B.

Reported the same back with the following amendments:

Page 1, line 15, delete "promote" and insert "pass, elect,"

Page 1, line 24, delete everything after "duties" and insert a period

Page 1, delete line 25

Page 2, line 5, delete "the day"

Page 2, line 6, delete everything before the period and insert "January 1, 2006"

Amend the title as follows:

Page 1, line 4, delete "promote" and insert "pass, elect,"

With the recommendation that when so amended the bill be re-referred to the Committee on Civil Law and Elections without further recommendation.

The report was adopted.

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

H. F. No. 1951, A bill for an act relating to human services; changing long-term care provisions; amending Minnesota Statutes 2004, sections 144A.071, subdivision 1a; 256B.0913, subdivision 8; 256B.0915, subdivisions 1a, 6, 9.

Reported the same back with the following amendments:

Page 5, line 22, delete "or" and insert "and"

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

The report was adopted.

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

H. F. No. 1988, A bill for an act relating to building plan review; providing an exemption from plan review for certain biotechnology manufacturing firms when plans meet designated specifications; directing the commissioner of labor and industry to study procedures for supervision of installation of biotechnology piping systems; requiring a report to the legislature.

Reported the same back with the following amendments:

Page 1, line 14, delete "in Ramsey or Hennepin County"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs.

The report was adopted.

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

H. F. No. 2006, A bill for an act relating to natural resources; establishing the Shooting Range Protection Act; requiring expedited rulemaking; proposing coding for new law as Minnesota Statutes, chapter 87A.

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.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 2009, A bill for an act relating to motor vehicles; modifying provisions relating to motor vehicle registration; amending Minnesota Statutes 2004, sections 168.011, subdivision 3, by adding subdivisions; 168.091, subdivision 1.

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

The report was adopted.

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

H. F. No. 2013, A bill for an act relating to higher education; establishing the Rochester University Development Committee; creating development account; appropriating money.

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

The report was adopted.

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

H. F. No. 2019, A bill for an act relating to human services; allowing recovery of medical assistance from trusts and annuities; proposing coding for new law in Minnesota Statutes, chapter 501B.

Reported the same back with the following amendments:

Page 3, line 21, after "all property" insert "either the recipient or the recipient's spouse owned or had an interest in prior to their marriage or property"

Page 3, delete lines 27 to 29 and insert:

"(k) "Predeceased spouse" means any spouse, whether a recipient or not, who dies before the surviving spouse, or any person, court, or administrative body with legal authority to act in place of or on behalf of or at the direction of the person or the person's spouse."

Page 3, line 34, delete "their" and insert "the person's"

Page 4, delete lines 2 to 5 and insert:

"(n) "Surviving spouse" means any spouse, whether a recipient or not, who dies after the predeceased spouse, or any person, court, or administrative body with legal authority to act in place of or on behalf of or at the direction of the person or the person's spouse."

Page 4, delete lines 29 to 36

Page 5, delete lines 1 to 15, and insert:

"(a) At the time of death a recipient shall be deemed to have an interest in:

(1) all the unpaid principal and income of an annuity, whether or not annuitized, that the recipient owned or had any interest in and which was wholly or partially funded with property the recipient owned or had an interest in during his or her lifetime, whether, held individually, jointly, or as marital property;

(2) all the remaining trust assets, proceeds of assets, and income from those assets or proceeds the administrator was obligated to or had any discretion to pay to the recipient or for their benefit to the extent they were or can be traced to assets the recipient or the recipient's spouse owned or had any interest in, whether individually, jointly, or as marital property; and

(3) all of the remaining trust assets the recipient owned or had any interest in during his or her lifetime, whether held individually, jointly, or as marital property, the proceeds of those assets and the income from those assets and proceeds.

(b) At the time of death, a surviving spouse of a predeceased recipient spouse shall be deemed to have an interest in:

(1) all of the unpaid principal and income of any annuity, whether or not annuitized, the surviving spouse of a predeceased recipient spouse owned or had any interest in and that was wholly or partially funded with marital property the surviving spouse and predeceased recipient spouse owned or had an interest in during their lifetimes, whether individually or jointly, or in which the predeceased recipient spouse owned or had any individual or jointly owned interest; and

(2) all of the trust assets the surviving spouse and the predeceased recipient spouse owned or had any interest in individually, jointly, or as marital property or in which the predeceased recipient spouse owned or had any individual or jointly owned interest, and the proceeds and income from those assets and proceeds."

Page 5, after line 21, insert:

"(d) All of the assets, proceeds of assets, and income from those assets or proceeds in annuities and trusts described in paragraphs (a) and (b) shall be presumed to be assets the recipient owned or had an interest in individually, jointly, or as marital property. Anyone asserting otherwise in an appeal under section 256.045, a court proceeding, or otherwise may overcome this presumption by clear and convincing evidence to the contrary."

Page 7, line 9, delete "Notice" and insert "If there is no probate, notice"

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

The report was adopted.

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

H. F. No. 2023, A bill for an act relating to health; assessing health maintenance organizations for purposes of the insurance fraud prevention account; regulating certain rates, claims, filing, and reporting practices; eliminating expanded provider network requirements; amending Minnesota Statutes 2004, sections 45.0135, subdivision 7; 62E.05, subdivision 2; 62L.08, subdivision 8; 62Q.75, subdivision 2, by adding a subdivision; 72A.201, subdivision 4; 256B.692, subdivision 2; 295.582; repealing Minnesota Statutes 2004, sections 62E.035; 62Q.095; 62Q.64.

Reported the same back with the following amendments:

Page 2, after line 8, insert:

"Sec. 2. Minnesota Statutes 2004, section 62D.145, subdivision 2, is amended to read:

Subd. 2. [HEALTH DATA OR INFORMATION.] (a) A health maintenance organization is prohibited from disclosing to any person any individually identifiable data or information held by the health maintenance organization pertaining to the diagnosis, treatment, or health of any enrollee, or any application obtained from any person, except:

(1) to the extent necessary to carry out the purposes of this chapter, the commissioner and a designee shall have access to the above data or information but the data removed from the health maintenance organization or participating entity shall not identify any particular patient or client by name or contain any other unique personal identifier;

(2) upon the express consent of the enrollee or applicant;

(3) pursuant to statute or court order for the production of evidence or the discovery thereof;

(4) in the event of claim or litigation between the person and the provider or health maintenance organization wherein such data or information is pertinent;

(5) to meet the requirements of contracts for prepaid medical services with the commissioner of human services authorized under chapter 256B, 256D, or 256L;

(6) to meet the requirements of contracts for benefit plans with the commissioner of employee relations under chapter 43A; or

(7) as otherwise ~~authorized pursuant to statute~~ permitted or required by law.

No provision in a contract for a benefit plan under chapter 43A shall authorize dissemination of individually identifiable health records, unless the dissemination of the health records is required to carry out the requirements of the contract and employees whose health records will be disseminated are fully informed of the dissemination by the Department of Employee Relations at the time the employees are enrolling for or changing insurance coverage.

(b) In any case involving a suspected violation of a law applicable to health maintenance organizations in which access to health data maintained by the health maintenance organization or participating entity is necessary, the commissioner and agents, while maintaining the privacy rights of individuals and families, shall be permitted to obtain data that identifies any particular patient or client by name. A health maintenance organization shall be entitled to claim any statutory privileges against such disclosure which the provider who furnished the information to the health maintenance organization is entitled to claim."

Page 3, after line 17, insert:

"Sec. 5. Minnesota Statutes 2004, section 62Q.75, is amended to read:

62Q.75 [PROMPT PAYMENT REQUIRED.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the following terms have the meanings given to them.

(b) "Clean claim" means a claim that has no defect or impropriety, including any lack of any required substantiating documentation, including but not limited to, coordination of benefits information, or particular circumstance requiring special treatment that prevents timely payment from being made on a claim under this section. Nothing in this section alters an enrollee's obligation to disclose information as required by law.

(c) "Third-party administrator" means a third-party administrator or other entity subject to section 60A.23, subdivision 8, and Minnesota Rules, chapter 2767."

Page 3, delete lines 18 and 19

Page 4, delete lines 28 and 29

Page 8, after line 15, insert:

"Sec. 7. Minnesota Statutes 2004, section 72A.502, is amended by adding a subdivision to read:

Subd. 2a. [FEDERAL LAW.] Personal or privileged information may be disclosed without a written authorization to another person in the same way that protected health information may be disclosed to carry out treatment, payment, or health care operations of the disclosing insurer pursuant to the federal Health Insurance Portability and Accountability Act's Standards for Privacy, Code of Federal Regulations, title 45, parts 160 and 164, and any amendments, modifications, or supplemental or successor provisions.

Sec. 8. Minnesota Statutes 2004, section 144.335, subdivision 3a, is amended to read:

Subd. 3a. [PATIENT CONSENT TO RELEASE OF RECORDS; LIABILITY.] (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release, unless the release is ~~specifically authorized~~ permitted or required by law. Except as provided in paragraph (c) or (d), a consent is valid for one year or for a lesser period specified in the consent or for a different period provided by law.

(b) This subdivision does not prohibit the release of health records:

(1) for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency; or

(2) to other providers within related health care entities when necessary for the current treatment of the patient.

(c) Notwithstanding paragraph (a), if a patient explicitly gives informed consent to the release of health records for the purposes and pursuant to the restrictions in clauses (1) and (2), the consent does not expire after one year for:

(1) the release of health records to a provider who is being advised or consulted with in connection with the current treatment of the patient;

(2) the release of health records to an accident and health insurer, health service plan corporation, health maintenance organization, or third-party administrator for purposes of payment of claims, fraud investigation, or quality of care review and studies, provided that:

(i) the use or release of the records complies with sections 72A.49 to 72A.505;

(ii) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited; and

(iii) the recipient establishes adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient.

(d) Notwithstanding paragraph (a), health records may be released to an external researcher solely for purposes of medical or scientific research only as follows:

(1) health records generated before January 1, 1997, may be released if the patient has not objected or does not elect to object after that date;

(2) for health records generated on or after January 1, 1997, the provider must:

(i) disclose in writing to patients currently being treated by the provider that health records, regardless of when generated, may be released and that the patient may object, in which case the records will not be released; and

(ii) use reasonable efforts to obtain the patient's written general authorization that describes the release of records in item (i), which does not expire but may be revoked or limited in writing at any time by the patient or the patient's authorized representative;

(3) authorization may be established if an authorization is mailed at least two times to the patient's last known address with a postage prepaid return envelope and a conspicuous notice that the patient's medical records may be released if the patient does not object, and at least 60 days have expired since the second notice was sent; and the provider must advise the patient of the rights specified in clause (4); and

(4) the provider must, at the request of the patient, provide information on how the patient may contact an external researcher to whom the health record was released and the date it was released.

In making a release for research purposes the provider shall make a reasonable effort to determine that:

(i) the use or disclosure does not violate any limitations under which the record was collected;

(ii) the use or disclosure in individually identifiable form is necessary to accomplish the research or statistical purpose for which the use or disclosure is to be made;

(iii) the recipient has established and maintains adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient; and

(iv) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited.

(e) A person who negligently or intentionally releases a health record in violation of this subdivision, or who forges a signature on a consent form, or who obtains under false pretenses the consent form or health records of another person, or who, without the person's consent, alters a consent form, is liable to the patient for compensatory damages caused by an unauthorized release, plus costs and reasonable attorney's fees.

(f) Upon the written request of a spouse, parent, child, or sibling of a patient being evaluated for or diagnosed with mental illness, a provider shall inquire of a patient whether the patient wishes to authorize a specific individual to receive information regarding the patient's current and proposed course of treatment. If the patient so authorizes, the provider shall communicate to the designated individual the patient's current and proposed course of treatment. Paragraph (a) applies to consents given under this paragraph.

(g) Notwithstanding paragraph (a), a provider must disclose health records relating to a patient's mental health to a law enforcement agency if the law enforcement agency provides the name of the patient and communicates that the:

- (1) patient is currently involved in an emergency interaction with the law enforcement agency; and
- (2) disclosure of the records is necessary to protect the health or safety of the patient or of another person.

The scope of disclosure under this paragraph is limited to the minimum necessary for law enforcement to respond to the emergency. A law enforcement agency that obtains health records under this paragraph shall maintain a record of the requestor, the provider of the information, and the patient's name. Health records obtained by a law enforcement agency under this paragraph are private data on individuals as defined in section 13.02 and must not be used by law enforcement for any other purpose.

(h) In cases where a provider releases health records without patient consent as authorized by law, the release must be documented in the patient's health record. In the case of a release under paragraph (g), the documentation must include the date and circumstances under which the release was made, the person or agency to whom the release was made, and the records that were released."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "and" and after "reporting" insert ", and information disclosure"

Page 1, line 7, after the semicolon, insert "62D.145, subdivision 2;"

Page 1, line 8, delete the third comma

Page 1, line 9, delete everything before the semicolon

Page 1, line 10, after "4;" insert "72A.502, by adding a subdivision; 144.335, subdivision 3a;"

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

The report was adopted.

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

H. F. No. 2039, A bill for an act relating to data practices; agricultural data; classifying certain information relating to feedlots and animal premises as nonpublic data; amending Minnesota Statutes 2004, section 13.643, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete lines 10 to 19 and insert:

"Subd. 6. [FEEDLOT PERMIT DATA.] (a) The following data collected and maintained by the Board of Animal Health related to registration and identification of premises and animals under chapter 35, are classified as private or nonpublic:

(1) the names and addresses of the applicants;

(2) the location of the feedlots or premises where animals are kept; and

(3) the identification number of the premises or the animal.

(b) Nothing in this subdivision prohibits a state agency from carrying out the statutory duties of the agency."

With the recommendation that when so amended the bill pass.

The report was adopted.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 2086, A bill for an act relating to the Metropolitan Airports Commission; requiring senate confirmation for certain appointments; providing term limits for certain members; requiring commissioners to have aviation experience and knowledge; creating a nominating committee; modifying a reporting requirement; amending Minnesota Statutes 2004, sections 473.604, subdivision 1; 473.621, subdivision 1b.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 2004, section 473.123, subdivision 2a, is amended to read:



Subd. 2a. [TERMS.] Following each apportionment of council districts, as provided under subdivision 3a, council members must be appointed from newly drawn districts as provided in subdivision 3a. At the time of appointment, each council member, other than the chair, must reside in the council district represented and must have resided in the council district for at least six months and in the state for at least one year immediately preceding the appointment. Each council district must be represented by one member of the council. The terms of members end with the term of the governor, except that all terms expire on the effective date of the next apportionment. A member serves at the pleasure of the governor. A member shall continue to serve the member's district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the governor appoints 16 council members, one from each of the newly drawn council districts as provided under subdivision 3a, to serve terms as provided under this section. The appointment to the council must be made by the first Monday in March of the year in which the term ends.

[EFFECTIVE DATE.] This section is effective January 1, 2007.

Sec. 2. Minnesota Statutes 2004, section 473.123, subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP; APPOINTMENT; QUALIFICATIONS.] (a) Sixteen members must be appointed by the governor from districts defined by this section. At the time of appointment, each council member must reside in the council district represented and must have resided in the council district for at least six months and in the state for at least one year immediately preceding the appointment. Each council district must be represented by one member of the council.

(b) In addition to the notice required by section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which a member is to be appointed must be notified in writing. The notices must describe the appointments process and invite participation and recommendations on the appointment.

(c) The governor shall create a nominating committee, composed of seven metropolitan citizens appointed by the governor, to nominate persons for appointment to the council from districts. Three of the committee members must be local elected officials. Following the submission of applications as provided under section 15.0597, subdivision 5, the nominating committee shall conduct public meetings, after appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the governor a list of nominees for each appointment. The governor is not required to appoint from the list.

(d) Before making an appointment, the governor shall consult with all members of the legislature from the council district for which the member is to be appointed.

(e) Appointments to the council are subject to the advice and consent of the senate as provided in section 15.066.

(f) Members of the council must be appointed to reflect fairly the various demographic, political, and other interests in the metropolitan area and the districts.

(g) Members of the council must be persons knowledgeable about urban and metropolitan affairs.

(h) Any vacancy in the office of a council member shall immediately be filled for the unexpired term. In filling a vacancy, the governor may forgo the requirements of paragraph (c) if the governor has made appointments in full compliance with the requirements of this subdivision within the preceding 12 months.

[EFFECTIVE DATE.] This section is effective January 1, 2007."

Page 2, line 2, before "Each" insert "At the time of appointment."

Page 2, line 3, after "represented" insert "and must have been a resident of the council district for at least six months and of the state for at least one year immediately preceding the appointment"

Page 3, delete lines 3 to 6

Page 3, line 7, delete "(d)" and insert "(b)"

Page 3, line 23, delete everything after the period

Page 3, delete line 24

Page 3, line 25, delete "(e)" and insert "(c)"

Page 3, after line 31, insert:

"Sec. 4. Minnesota Statutes 2004, section 473.604, subdivision 5, is amended to read:

Subd. 5. [MEETINGS.] The commission shall meet regularly at least once each month, at such time and place as the commission shall by resolution designate, provided that no meetings shall be scheduled or held within an airport security screening perimeter. Special meetings may be held at any time upon the call of the chair or any two other members, upon written notice sent by certified mail to each member at least three days prior to the meeting, or upon such other notice as the commission may by resolution provide, or without notice if each member is present or files with the secretary a written consent to the meeting either before or after the meeting. Unless otherwise provided, any action within the authority of the commission may be taken by the affirmative vote of a majority of all the members. A majority of all of the members of the commission shall constitute a quorum, but a lesser number may meet and adjourn from time to time and compel the attendance of absent members.

Sec. 5. Minnesota Statutes 2004, section 473.608, subdivision 18, is amended to read:

Subd. 18. [HEARINGS AND THE LIKE.] It shall have the power to conduct investigations, inquiries and hearings concerning matters covered by the provisions of sections 473.601 to 473.679 and orders, rules and regulations of the commission; and shall hold hearings as required by said sections 473.601 to 473.679. Notice of hearings to all interested parties shall be given as specified in said sections 473.601 to 473.679, in the instances specified, and otherwise in accordance with such rules as the commission may adopt. All hearings shall be open to the public, and shall be conducted by the commission itself or a committee or member thereof designated by the commission for such purposes. No hearings may be conducted within an airport security screening perimeter. Where a hearing is conducted by a committee or a member of the commission, such committee or member shall make a full and complete report thereof, together with a transcript of all testimony and evidence taken at the hearing, to the commission and the commission shall proceed to a determination of the subject matter of said hearing and make its findings and conclusions and order with respect thereto. Any member of the commission conducting or participating in the conduct of any hearing shall have the power to administer oaths and affirmations, to issue subpoenas, and compel the attendance and testimony of witnesses, and the production of papers, books and documents. The commission, or its director, shall upon request of any party to a hearing issue subpoenas to compel the attendance and testimony of witnesses, and the production of papers, books and documents. In case of failure of any witness to comply with any served subpoena, the commission may invoke the aid of any court of this state of general jurisdiction. The court may order the witness to comply with the subpoena and any failure so to do may be punished by the court as a contempt thereof. The testimony and other evidence at any and all hearings shall be taken

by a reporter employed by the commission, and any party in interest upon payment to said reporter of the going rates therefor shall be entitled to a transcript thereof. Witnesses shall receive the same fees and mileage as in court actions, and a witness before being required to respond to a subpoena shall be given fees and mileage for one day's attendance."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "Metropolitan Airports Commission" and insert "metropolitan government" and after the semicolon, insert "providing residency requirements for members of the Metropolitan Council and Metropolitan Airports Commission;"

Page 1, delete line 3

Page 1, line 4, delete "appointments;"

Page 1, line 5, delete everything after the semicolon

Page 1, line 6, delete everything before "creating"

Page 1, line 8, after "sections" insert "473.123, subdivisions 2a, 3;" and delete "subdivision"

Page 1, line 9, delete "1" and insert "subdivisions 1, 5" and after the semicolon, insert "473.608, subdivision 18;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs.

The report was adopted.

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

H. F. No. 2110, A bill for an act relating to domestic abuse; returning to a safety focus when awarding custody and parenting time in the context of a domestic abuse hearing; amending Minnesota Statutes 2004, section 518B.01, subdivision 6.

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

The report was adopted.

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

H. F. No. 2172, A bill for an act relating to human services; establishing a task force on licensing and alternative quality assurance.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Veterans Affairs.

The report was adopted.

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

H. F. No. 2192, A bill for an act relating to adoption; requiring the commissioner of human services to adopt certain rules.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [259.88] [DATA AND BEST PRACTICES.]

Subdivision 1. [REQUIRED DATA FOR POSTADOPTION SEARCH SERVICES.] (a) The commissioner of human services must collect data from all adoption agencies for six months in order to establish benchmarks to evaluate postadoption search services. The data must include, but is not limited to:

(1) the percentage of requests resulting in successful location of the other party;

(2) the percentage of requests resulting in successful completion of the commissioner's designated form for family medical and social history;

(3) the time from request for search to completion of search; and

(4) the number and type of efforts used to complete the search, including mean, median, and range of number of efforts made.

(b) The data must be used to establish reasonable efforts in developing the best practices under subdivision 2.

Subd. 2. [BEST PRACTICES.] The commissioner of human services, in consultation with the commissioner of health, must develop best practice guidelines for conducting postadoption services.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to adoption; providing for data collection and best practice guidelines for conducting postadoption services; proposing coding for new law in Minnesota Statutes, chapter 259."

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

The report was adopted.

Erhardt from the Committee on Transportation to which was referred:

H. F. No. 2255, A bill for an act relating to motor vehicles; requiring insurance companies to report information; creating vehicle insurance verification program and special revenue account; requiring preparation of database to identify uninsured motorists; requiring commissioner of public safety to discontinue insurance verification sampling

program; declaring charges for violations of sampling program laws to be void; reinstating certain drivers' licenses; authorizing rulemaking; requiring report; imposing criminal penalty; appropriating money; amending Minnesota Statutes 2004, sections 168.013, by adding a subdivision; 169.09, subdivision 13; 169.795; 169.796, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B; 169; repealing Minnesota Statutes 2004, section 169.796, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SUSPENSION OF PROGRAM TO VERIFY INSURANCE COVERAGE THROUGH SAMPLING.]

The commissioner of public safety shall take no action under Minnesota Statutes, section 169.796, subdivision 3, and shall discontinue all activities related to the program to verify insurance coverage through sampling, except as provided in sections 2 to 6.

Sec. 2. [REINSTATEMENT OF SUSPENDED LICENSES.]

The commissioner, without requiring proof of insurance or payment of a reinstatement fee, shall reinstate the driver's license of every vehicle owner whose license is suspended under Minnesota Statutes, section 169.796, subdivision 3.

Sec. 3. [DISMISSAL OF CHARGES.]

All charges, complaints, and citations issued for a violation of Minnesota Statutes, section 169.796, subdivision 3, or a related violation, including driving after a license suspension imposed for failure to comply with the provisions of Minnesota Statutes, section 169.796, subdivision 3, are void and must be dismissed.

Sec. 4. [REMOVAL OF PREVIOUS VIOLATIONS.]

The commissioner shall purge from a person's driving record any notation of a violation of Minnesota Statutes, section 169.796, subdivision 3, and any notation of a related violation, including driving after a license suspension imposed for failure to comply with the provisions of Minnesota Statutes, section 169.796, subdivision 3. An insurer may not increase a premium for a policy of vehicle insurance on the basis of a violation described in this section by a named insured if the violation occurred before the effective date of this act, and any such increase previously imposed must be rescinded.

Sec. 5. [REPORT.]

The commissioner shall report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy no later than September 12, 2005, concerning the program of sampling to verify insurance coverage. The report must:

(1) identify the measures that the commissioner will implement to ensure that the commissioner's request to furnish insurance information is delivered to the addressee;

(2) describe proposed modifications to the request form and the envelope that will call attention to the urgency of the request and the need for a prompt reply;

(3) propose changes to the program to ensure that a vehicle owner will receive actual notice of the commissioner's intent to suspend the owner's driver's license, and that actual notice will be given with adequate time and opportunity for the owner to respond and avoid the suspension; and

(4) identify any changes in statute necessary to allow the commissioner to implement the recommended changes.

Sec. 6. [TESTING AND RESUMPTION OF SAMPLING PROGRAM.]

On or after January 10, 2006, the commissioner shall implement the sampling program under Minnesota Statutes, section 169.796, subdivision 3, as modified according to the report in section 5. On or after September 19, 2005, the commissioner may request verification of insurance coverage from vehicle owners under Minnesota Statutes, section 169.796, subdivision 3, incorporating the modifications proposed in the report, but the commissioner may not suspend driver's licenses under this subdivision or impose any other penalties before the full resumption of the sampling program on or after January 10, 2006.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment and sunset on January 10, 2006."

Delete the title and insert:

"A bill for an act relating to vehicle insurance; requiring the commissioner of public safety to discontinue insurance verification sampling program until the commissioner modifies program; declaring charges for violations of sampling program laws to be void; reinstating certain drivers' licenses; requiring report; authorizing resumption of sampling program."

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

The report was adopted.

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

S. F. No. 692, A bill for an act relating to natural resources; deleting land from the Mississippi Recreational River Land Use District in Wright and Sherburne Counties.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

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

The report was adopted.

Holberg from the Committee on Transportation Finance to which was referred:

S. F. No. 1466, A bill for an act relating to transportation; clarifying seasonal load restrictions for utility vehicles; amending Minnesota Statutes 2004, section 169.87, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 68, 221, 310, 399, 433, 514, 684, 947, 1316, 1398, 1507, 1669, 1692, 1839, 1875, 1937, 1951, 2039 and 2110 were read for the second time.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1625, 692 and 1466 were read for the second time.

### **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Peppin, Klinzing, Erickson and Buesgens introduced:

H. F. No. 2269, A bill for an act relating to individual income tax; extending the K-12 education credit to tuition and modifying the income phaseout for the credit; amending Minnesota Statutes 2004, section 290.0674, subdivisions 1, 2.

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

Slawik and Westerberg introduced:

H. F. No. 2270, A bill for an act relating to appropriations; appropriating money for Lifetrack Resources.

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

Slawik, Hilstrom, Clark, Latz and Paymar introduced:

H. F. No. 2271, A bill for an act relating to public safety; establishing a crime for manufacturing, transferring, or possessing certain military-style assault weapons and large-capacity ammunition magazines; defining terms; clarifying language; providing criminal penalties; amending Minnesota Statutes 2004, sections 624.712, subdivision 7, by adding subdivisions; 624.713; proposing coding for new law in Minnesota Statutes, chapter 624.

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

Juhnke and Urdahl introduced:

H. F. No. 2272, A bill for an act relating to education; authorizing a fund transfer for Independent School District No. 2396, A.C.G.C.

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

Magnus and Hamilton introduced:

H. F. No. 2273, A bill for an act relating to taxation; providing that property located in a tax increment financing district in Nobles County is not eligible for a property tax exemption under the JOBZ program.

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

Paulsen; Johnson, J.; Sykora and Kohls introduced:

H. F. No. 2274, A bill for an act relating to education finance; increasing the referendum revenue allowance; amending Minnesota Statutes 2004, section 126C.17, subdivisions 2, 5, 7.

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

Sykora and Dorn introduced:

H. F. No. 2275, A bill for an act relating to education; defining a work year for purposes of completing a probationary period of teaching; defining early childhood family education teachers as public employees; amending Minnesota Statutes 2004, sections 122A.40, subdivision 5; 122A.41, subdivision 2; 179A.03, subdivision 14.

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

Abrams and Atkins introduced:

H. F. No. 2276, A bill for an act relating to taxation; providing employers a refund for providing transit passes to employees; appropriating money; amending Minnesota Statutes 2004, section 290.06, subdivision 28.

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



Eken introduced:

H. F. No. 2277, A bill for an act relating to human services; extending implementation of statewide elderly waiver services covered under the prepaid medical assistance program; specifying the evaluation of collaborative service models; amending Minnesota Statutes 2004, section 256B.69, subdivision 6b.

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

Wagenius and Ozment introduced:

H. F. No. 2278, A bill for an act relating to property taxation; providing a valuation exclusion for new or refurbished individual sewage treatment systems; amending Minnesota Statutes 2004, section 273.11, by adding a subdivision.

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

Kohls introduced:

H. F. No. 2279, A bill for an act relating to the city of Cologne; providing exemption to wetland replacement requirements.

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

Wagenius and Mariani introduced:

H. F. No. 2280, A bill for an act relating to health; requiring public utilities commission to establish fund for reimbursing state and other public entities for health costs associated with certain coal-fired power plants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Wagenius and Hornstein introduced:

H. F. No. 2281, A bill for an act relating to energy; requiring the development of a state plan for reducing greenhouse gas emissions from electric generation facilities and other sources.

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

Abeler and Thao introduced:

H. F. No. 2282, A bill for an act relating to human services; expanding children's therapeutic services and support; amending Minnesota Statutes 2004, section 256B.0943, subdivisions 1, 2.

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

Thao and Abeler introduced:

H. F. No. 2283, A bill for an act relating to veterans affairs; authorizing the commissioner of veterans affairs to establish a program of outreach to minority veterans; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

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

Nornes introduced:

H. F. No. 2284, A bill for an act relating to taxation; property; increasing the market value of class 1b homesteads subject to a reduced class rate; amending Minnesota Statutes 2004, section 273.13, subdivision 22.

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

Dorman and Liebling introduced:

H. F. No. 2285, A bill for an act relating to local sales taxes; allowing certain cities to impose a local sales tax if certain criteria are met; authorizing the city of Mankato to extend the duration of its sales tax; authorizing the city of Waite Park to impose a sales tax approved by the voters; amending Minnesota Statutes 2004, sections 297A.99, subdivisions 1, 3, by adding a subdivision; 477A.016.

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

Nelson, P., introduced:

H. F. No. 2286, A bill for an act relating to crime; imposing a mandatory minimum sentence upon persons convicted of assaulting a correctional employee; amending Minnesota Statutes 2004, sections 609.222, by adding a subdivision; 609.223, by adding a subdivision; 609.2231, subdivision 3; 609.224, by adding a subdivision.

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

Dean; Nelson, P.; Johnson, J.; Brod and DeLaForest introduced:

H. F. No. 2287, A bill for an act relating to elections; clarifying certain terminology; modifying certain restrictions on corporate spending in political campaigns; amending Minnesota Statutes 2004, sections 10A.01, subdivisions 9, 11; 211B.15, subdivisions 1, 17.

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

Lanning introduced:

H. F. No. 2288, A bill for an act relating to taxation; property; disallowing certain property to continue to receive property tax deferment benefits in the agricultural property tax program located in nonmetropolitan counties; authorizing cities to establish programs for reclassification of vacant commercial and industrial properties created in nonmetropolitan counties; amending Minnesota Statutes 2004, sections 273.111, subdivisions 3, 9, 11, by adding a subdivision; 273.13, subdivision 31; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Mullery, Lieder, Tingelstad and Anderson, I., introduced:

H. F. No. 2289, A bill for an act relating to veterans affairs; authorizing the commissioner of veterans affairs to establish a program of outreach to minority veterans; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

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

Carlson, Davnie and Huntley introduced:

H. F. No. 2290, A bill for an act relating to health; modifying limited benefits coverage for MinnesotaCare; amending Minnesota Statutes 2004, section 256L.035.

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

Davids introduced:

H. F. No. 2291, A bill for an act relating to agriculture; providing for the construction, reconstruction, or maintenance of town roads of significance to livestock operations; amending Minnesota Statutes 2004, sections 174.52, subdivisions 4, 5.

The bill was read for the first time and referred to the Committee on Agriculture and Rural Development.

Blaine introduced:

H. F. No. 2292, A bill for an act relating to economic development; allowing exemption for certain energy conservation investment expenses made by qualifying business; amending Minnesota Statutes 2004, section 216B.241, subdivisions 1, 1a.

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

Nelson, P., introduced:

H. F. No. 2293, A bill for an act relating to human services; exempting persons committed as mentally ill from criminal liability; amending Minnesota Statutes 2004, section 611.026.

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

Westerberg, Rukavina, Tingelstad, McNamara, Beard, Magnus, Brod, Abeler, Lanning and Gunther introduced:

H. F. No. 2294, A bill for an act relating to stadiums; providing for the financing of a football stadium in Anoka County; creating a stadium authority; authorizing the county to levy and collect certain taxes; amending Minnesota Statutes 2004, sections 297A.68, by adding a subdivision; 297A.71, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 473J.

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

Westerberg, Tingelstad, McNamara, Beard, Magnus, Simpson and Abeler introduced:

H. F. No. 2295, A bill for an act relating to stadiums; providing for the financing of a football stadium in Anoka County; creating a stadium authority; authorizing the county to levy and collect certain taxes; authorizing the sale of bonds; appropriating money; amending Minnesota Statutes 2004, section 297A.71, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 473J.

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

Jaros introduced:

H. F. No. 2296, A bill for an act relating to human services; modifying a provision for background studies; amending Minnesota Statutes 2004, section 245C.15, subdivision 2.

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

Kohls introduced:

H. F. No. 2297, A bill for an act relating to the State Board of Investment; authorizing venture capital investments using the environmental and natural resources trust fund; classifying data related to certain venture capital investments; amending Minnesota Statutes 2004, sections 11A.24, subdivision 6; 13.635, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116P.

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

Emmer and Wilkin introduced:

H. F. No. 2298, A bill for an act relating to crime; authorizing a local correctional agency to create a schedule of local confinement fees to defray the costs associated with confinement; creating a claim and lien in favor of the local correctional agency against an offender's future windfall; amending Minnesota Statutes 2004, section 270A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 244.

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

Jaros introduced:

H. F. No. 2299, A bill for an act relating to veterans; appropriating money for grants to an assisted living and rehabilitation services provider.

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

Powell and Smith introduced:

H. F. No. 2300, A bill for an act relating to civil actions; increasing the service charge and civil penalty for receiving motor fuel without paying; clarifying that civil liability for this does not bar criminal liability; amending Minnesota Statutes 2004, section 604.15, subdivision 2, by adding a subdivision.

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

Solberg introduced:

H. F. No. 2301, A bill for an act relating to Itasca County; increasing the maximum levies of certain towns in the county for cemetery purposes; amending Laws 1994, chapter 587, article 9, section 8, subdivision 1.

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

Moe, Larson and Lillie introduced:

H. F. No. 2302, A bill for an act relating to natural resources; establishing the Shooting Range Protection Act; requiring expedited rulemaking; proposing coding for new law as Minnesota Statutes, chapter 87A.

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

Moe, Marquart, Mullery and Lillie introduced:

H. F. No. 2303, A bill for an act relating to game and fish; establishing an angling fee for seniors; amending Minnesota Statutes 2004, section 97A.475, subdivision 6.

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

Samuelson introduced:

H. F. No. 2304, A bill for an act relating to the city of New Brighton; authorizing the city to establish a special district for water safety on Long Lake.

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

Eken, Huntley, Marquart and Lieder introduced:

H. F. No. 2305, A bill for an act relating to human services; providing inflation adjustments for long-term care providers; changing certain income tax provisions; amending Minnesota Statutes 2004, sections 256B.431, by adding a subdivision; 256B.434, subdivision 4; 256B.5012, by adding a subdivision; 256B.765; 290.01, subdivisions 6b, 19d; 290.17, subdivisions 2, 4.

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

Eken, Huntley, Marquart and Lieder introduced:

H. F. No. 2306, A bill for an act relating to health; reducing the nursing home license surcharge; amending Minnesota Statutes 2004, section 256.9657, subdivision 1.

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

Lieder, Larson, Hornstein and Hausman introduced:

H. F. No. 2307, A bill for an act relating to transportation; increasing motor fuel tax rates and providing for annual indexing; allocating revenue from motor vehicle sales tax; authorizing issuance of \$2,100,000,000 in state trunk highway bonds; appropriating money; amending Minnesota Statutes 2004, sections 296A.07, subdivision 3; 296A.08, subdivision 2; 297B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 296A.

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

Dittrich; Peterson, S.; Davnie and Ruud introduced:

H. F. No. 2308, A bill for an act relating to traffic regulations; requiring vehicle taillights to emit only red light; amending Minnesota Statutes 2004, section 169.57, subdivision 1.

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

Lesch, Atkins, Koenen, Mullery, Hilty and Mariani introduced:

H. F. No. 2309, A bill for an act relating to taxation; providing for a gross receipts tax on retail sales of consumer goods in excess of \$20,000,000 at an individual location; establishing thresholds for compensation and percentage of full-time employees that cause the establishment to be subject to the gross receipts tax; amending Minnesota Statutes 2004, section 289A.01; proposing coding for new law in Minnesota Statutes, chapter 295.

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

Hortman introduced:

H. F. No. 2310, A bill for an act relating to education funding; increasing referendum equalization aid; increasing the referendum revenue cap; amending Minnesota Statutes 2004, section 126C.17, subdivisions 2, 5.

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

Hortman introduced:

H. F. No. 2311, A bill for an act relating to retirement; public employees police and fire retirement plan; providing an annuity for a former St. Paul firefighter to correct an error in coverage.

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

Walker, Abeler, Thao and Clark introduced:

H. F. No. 2312, A bill for an act relating to health; providing for licensing of naturopathic doctors; providing criminal penalties; amending Minnesota Statutes 2004, sections 62J.54, subdivision 2; 116J.70, subdivision 2a; 144.335, subdivision 1; 145.61, subdivision 2; 146.23, subdivision 7; 148B.60, subdivision 3; 151.01, subdivision 23; 214.23, subdivision 1; 604A.01, subdivision 2; 604A.015; proposing coding for new law as Minnesota Statutes, chapter 147E.

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

Walker and Clark introduced:

H. F. No. 2313, A bill for an act relating to housing; providing assistance to stabilize housing for children to enhance school attendance and performance; appropriating money; amending Minnesota Statutes 2004, section 462A.204, subdivision 8.

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

Latz introduced:

H. F. No. 2314, A bill for an act relating to public safety; requiring law enforcement agencies that record bookings of individuals accused of crimes to maintain the recordings for at least 30 days; proposing coding for new law in Minnesota Statutes, chapter 629.

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

Ozment introduced:

H. F. No. 2315, A bill for an act relating to taxation; tax increment financing; authorizing certain expenditures of increment by the city of Rosemount.

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

Abeler introduced:

H. F. No. 2316, A bill for an act relating to commerce; health-related boards; regulating insurance fraud investigations; regulating excessive claims; providing practice standards for no-fault auto injuries; providing for a no-fault insurance medical cost study; amending Minnesota Statutes 2004, section 45.0135, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 65B.

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

Abeler and Johnson, S., introduced:

H. F. No. 2317, A bill for an act relating to health; lowering the blood lead level needed to trigger a lead risk assessment; amending Minnesota Statutes 2004, section 144.9504, subdivision 2.

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

Dempsey introduced:

H. F. No. 2318, A bill for an act relating to local government; providing for meetings of county boards at locations other than the county seat; amending Minnesota Statutes 2004, section 375.07.

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

Dorman introduced:

H. F. No. 2319, A bill for an act relating to appropriations; appropriating money for grants to employers that pay prevailing wages in job opportunity building zones.

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

Dorman and Abeler introduced:

H. F. No. 2320, A bill for an act relating to property taxation; modifying the property tax bracket for agricultural homestead property; amending Minnesota Statutes 2004, section 273.13, subdivision 23.

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

Bernardy, Westerberg, Hortman, Erhardt, Dittrich, Tingelstad, Goodwin, Mullery and Abeler introduced:

H. F. No. 2321, A bill for an act relating to sales and use tax; exempting the sales of diesel fuel used to operate commuter rail systems; amending Minnesota Statutes 2004, sections 297A.68, subdivision 19; 297A.75, subdivisions 1, 2.

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



Zellers introduced:

H. F. No. 2322, A bill for an act relating to crimes; imposing the sanction of life imprisonment without the possibility of release for committing the offense of murder in the first degree; amending Minnesota Statutes 2004, section 609.185; repealing Minnesota Statutes 2004, section 609.106.

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

Bernardy, Westerberg, Hortman, Erhardt, Dittrich, Tingelstad, Lenczewski, Lesch, Goodwin, Mullery and Abeler introduced:

H. F. No. 2323, A bill for an act relating to sales and use tax; providing that purchases of construction materials and equipment used to provide commuter rail services are exempt; amending Minnesota Statutes 2004, section 297A.71, by adding a subdivision.

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

Wilkin introduced:

H. F. No. 2324, A bill for an act relating to human services; changing the chemical dependency allocation; amending Minnesota Statutes 2004, section 254B.02, subdivision 3.

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

## CONSENT CALENDAR

H. F. No. 2126, A bill for an act relating to the military; clarifying the pay differential law for state employees who are ordered to active military service; amending Minnesota Statutes 2004, sections 43A.183; 192.261, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Carlson	Dempsey	Erickson	Hausman	Jaros
Abrams	Charron	Dill	Finstad	Heidgerken	Johnson, J.
Anderson, B.	Clark	Dittrich	Fritz	Hilstrom	Johnson, R.
Anderson, I.	Cornish	Dorman	Garofalo	Hilty	Johnson, S.
Atkins	Cox	Dorn	Gazelka	Holberg	Juhnke
Beard	Cybart	Eastlund	Goodwin	Hoppe	Kahn
Bernardy	Dauids	Eken	Greiling	Hornstein	Kelliher
Blaine	Davnie	Ellison	Gunther	Hortman	Klinzing
Bradley	Dean	Emmer	Hackbarth	Hosch	Knoblach
Brod	DeLaForest	Entenza	Hamilton	Howes	Koenen
Buesgens	Demmer	Erhardt	Hansen	Huntley	Kohls

Krinkie	Mahoney	Nornes	Peterson, S.	Severson	Urdahl
Lanning	Mariani	Opatz	Poppe	Sieben	Vandever
Larson	Marquart	Otremba	Powell	Simon	Wagenius
Latz	McNamara	Ozment	Rukavina	Simpson	Walker
Lenczewski	Meslow	Paulsen	Ruth	Slawik	Wardlow
Lesch	Moe	Paymar	Ruud	Smith	Welti
Liebling	Mullery	Pelowski	Sailer	Soderstrom	Westerberg
Lieder	Murphy	Penas	Samuelson	Solberg	Wilkin
Lillie	Nelson, M.	Peppin	Scalze	Sykora	Zellers
Loeffler	Nelson, P.	Peterson, A.	Seifert	Thao	Spk. Sviggum
Magnus	Newman	Peterson, N.	Sertich	Tingelstad	

The bill was passed and its title agreed to.

The Speaker called Abrams to the Chair.

### CALENDAR FOR THE DAY

S. F. No. 633 was reported to the House.

Holberg moved to amend S. F. No. 633 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 577, the first engrossment:

"Section 1. Minnesota Statutes 2004, section 169.306, is amended to read:

169.306 [USE OF SHOULDERS BY BUSES.]

If (a) The commissioner of transportation ~~permits~~ may permit the use by transit buses and metro mobility buses of a shoulder of a freeway or expressway, as defined in section 160.02, in the seven-county metropolitan area;

(b) If the commissioner ~~permits the use of a freeway or expressway shoulder by transit buses,~~ the commissioner shall also permit the use on that shoulder of a bus with a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.011, subdivision 48, while operating in intrastate commerce.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main line traffic speeds are less than 35 miles per hour. Drivers of buses being operated on the shoulder may not exceed the speed of main line traffic by more than 15 miles per hour and may never exceed 35 miles per hour. Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "metro mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by the Metropolitan Council, or operated by a public or private entity receiving financial assistance from the Metropolitan Council; and

(2) authorized by the council to use freeway or expressway shoulders.

Sec. 2. [EFFECTIVE DATE.]

This act is effective on the day following final enactment."

The motion prevailed and the amendment was adopted.

S. F. No. 633, A bill for an act relating to transportation; modifying provisions relating to the use of freeway or expressway shoulders by transit buses and authorizing the commissioner of transportation to allow such use by metro mobility buses; amending Minnesota Statutes 2004, section 169.306.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed, as amended, and its title agreed to.

H. F. No. 915, A bill for an act relating to transportation; modifying provisions relating to aeronautics; making clarifying changes; amending Minnesota Statutes 2004, sections 360.305, subdivision 4; 360.55, subdivisions 2, 3, 4, 4a; 360.58; 360.59, subdivisions 2, 5, 7, 8; 360.63, subdivision 2; 360.67, subdivision 4; 394.22, subdivision 12; 394.361, subdivisions 1, 3; 462.352, subdivision 10; 462.355, subdivision 4; 462.359, subdivisions 1, 3; repealing Minnesota Statutes 2004, section 360.59, subdivisions 4, 9.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 42 was reported to the House.

Howes moved that H. F. No. 42 be returned to the General Register. The motion prevailed.

H. F. No. 466, A bill for an act relating to agriculture; changing certain warehouse laws; amending Minnesota Statutes 2004, sections 231.08, by adding subdivisions; 231.09; 231.11; 231.18, subdivisions 3, 5; proposing coding for new law in Minnesota Statutes, chapter 231; repealing Minnesota Rules, parts 1560.7700; 1560.7750; 1560.7800; 1560.7850; 1560.7900; 1560.8000; 1560.8100; 1560.8200; 1560.8300; 1560.8400; 1560.8500; 1560.8600; 1560.8700; 1560.8800.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, I.	Bernardy	Brod	Charron	Cox
Abrams	Atkins	Blaine	Buesgens	Clark	Cybart
Anderson, B.	Beard	Bradley	Carlson	Cornish	Davids

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

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

Latz moved that the name of Ruud be added as an author on H. F. No. 393. The motion prevailed.

Hamilton moved that the name of Entenza be added as an author on H. F. No. 677. The motion prevailed.

Beard moved that the name of Cybart be added as an author on H. F. No. 914. The motion prevailed.

Klinzing moved that the name of Johnson, S., be added as an author on H. F. No. 947. The motion prevailed.

Vandevveer moved that the name of Westerberg be added as an author on H. F. No. 992. The motion prevailed.

Erhardt moved that the name of Cox be added as an author on H. F. No. 995. The motion prevailed.

Garofalo moved that the name of Liebling be added as an author on H. F. No. 1034. The motion prevailed.

Brod moved that the names of Cox and Sieben be added as authors on H. F. No. 1243. The motion prevailed.

Jaros moved that the name of Bernardy be added as an author on H. F. No. 1362. The motion prevailed.

Sertich moved that the name of Lanning be added as an author on H. F. No. 1569. The motion prevailed.

Sertich moved that the name of Carlson be added as an author on H. F. No. 1786. The motion prevailed.

Ruth moved that the names of Dorn and Finstad be added as authors on H. F. No. 1907. The motion prevailed.

Zellers moved that the names of Hortman and Peterson, S., be added as authors on H. F. No. 1915. The motion prevailed.

Davids moved that the name of Magnus be added as an author on H. F. No. 2039. The motion prevailed.

Holberg moved that the name of Tingelstad be added as an author on H. F. No. 2152. The motion prevailed.

Johnson, R., moved that the name of Tingelstad be added as an author on H. F. No. 2158. The motion prevailed.

Cox moved that the name of Abeler be added as an author on H. F. No. 2193. The motion prevailed.

Mariani moved that the names of Latz; Johnson, S.; Mahoney; Wagenius; Loeffler; Peterson, A.; Greiling and Liebling be added as authors on H. F. No. 2194. The motion prevailed.

Liebling moved that the name of Simon be added as an author on H. F. No. 2234. The motion prevailed.

Penas moved that the name of Johnson, R., be added as an author on H. F. No. 2249. The motion prevailed.

Welti moved that the name of Simon be added as an author on H. F. No. 2262. The motion prevailed.

Holberg moved that H. F. No. 310, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

Severson moved that H. F. No. 682 be recalled from the Committee on Higher Education Finance and be re-referred to the Committee on Transportation Finance. The motion prevailed.

Hackbarth moved that H. F. No. 684, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

Ozment moved that H. F. No. 1547 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Agriculture, Environment and Natural Resources Finance. The motion prevailed.

Severson moved that H. F. No. 1883 be recalled from the Committee on Transportation Finance and be re-referred to the Committee on Transportation. The motion prevailed.

Olson moved that H. F. No. 2076 be recalled from the Committee on Local Government and be re-referred to the Committee on Transportation Finance. The motion prevailed.

Lieder moved that H. F. No. 2241 be recalled from the Committee on Transportation and be re-referred to the Committee on Transportation Finance. The motion prevailed.

Hackbarth moved that H. F. No. 2279 be recalled from the Committee on Education Policy and Reform and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Slawik, Meslow, Davnie, Wardlow and Samuelson introduced:

House Resolution No. 7, A House resolution recognizing April 3-9, 2005, as the Week of the Young Child in Minnesota.

The resolution was referred to the Committee on Education Policy and Reform.

Knoblach introduced:

House Resolution No. 8, A House resolution setting the maximum limits on expenditures by major finance bills for the biennium in accordance with House Rule 4.03.

The resolution was referred to the Committee on Ways and Means.

Olson, Juhnke, Pelowski, Kohls and Kelliher introduced:

House Concurrent Resolution No. 3, A House concurrent resolution amending the Joint Rules of the Senate and House of Representatives.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Pursuant to rule 4.30, Rukavina moved that S. F. No. 3 be recalled from the Committee on Commerce and Financial Institutions, be given its second reading and be placed on the General Register.

A roll call was requested and properly seconded.

The question was taken on the Rukavina motion and the roll was called. There were 66 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Ellison	Hosch	Lenczewski	Murphy	Sailer
Atkins	Entenza	Huntley	Lesch	Nelson, M.	Scalze
Bernardy	Fritz	Jaros	Liebling	Opatz	Sertich
Carlson	Goodwin	Johnson, R.	Lieder	Otremba	Sieben
Clark	Greiling	Johnson, S.	Lillie	Paymar	Simon
Davnie	Hansen	Juhnke	Loeffler	Pelowski	Slawik
Dill	Hausman	Kahn	Mahoney	Peterson, A.	Solberg
Dittrich	Hilstrom	Kelliher	Mariani	Peterson, S.	Thao
Dorman	Hilty	Koenen	Marquart	Poppe	Wagenius
Dorn	Hornstein	Larson	Moe	Rukavina	Walker
Eken	Hortman	Latz	Mullery	Ruud	Welti

Those who voted in the negative were:

Abeler	Cybart	Garofalo	Knoblach	Ozment	Smith
Abrams	Davids	Gazelka	Kohls	Paulsen	Soderstrom
Anderson, B.	Dean	Gunther	Krinkie	Penas	Sykora
Beard	DeLaForest	Hackbarth	Lanning	Peppin	Tingelstad
Blaine	Demmer	Hamilton	Magnus	Peterson, N.	Urdahl
Bradley	Dempsey	Heidgerken	McNamara	Powell	Vandever
Brod	Eastlund	Holberg	Meslow	Ruth	Wardlow
Buesgens	Emmer	Hoppe	Nelson, P.	Samuelson	Westerberg
Charron	Erhardt	Howes	Newman	Seifert	Wilkin
Cornish	Erickson	Johnson, J.	Nornes	Severson	Zellers
Cox	Finstad	Klinzing	Olson	Simpson	Spk. Sviggum

The motion did not prevail.

The Speaker resumed the Chair.

#### ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 6, 2005. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, April 6, 2005.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives