

STATE OF MINNESOTA

EIGHTY-FIFTH SESSION — 2007

 THIRTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 19, 2007

The House of Representatives convened at 12:30 p.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Michael Dobbins, Vasa Lutheran Church, Welch, 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	Dettmer	Haws	Lesch	Olin	Slawik
Anderson, B.	Dill	Heidgerken	Liebling	Olson	Slocum
Anderson, S.	Dittrich	Hilstrom	Lieder	Otremba	Solberg
Anzelc	Dominguez	Hilty	Lillie	Ozment	Sviggum
Atkins	Doty	Holberg	Loeffler	Paymar	Swails
Beard	Eastlund	Hoppe	Madore	Pelowski	Thao
Benson	Eken	Hornstein	Magnus	Peppin	Thissen
Berns	Emmer	Hortman	Mahoney	Peterson, A.	Tillberry
Bigham	Erhardt	Hosch	Mariani	Peterson, N.	Tingelstad
Bly	Erickson	Huntley	Marquart	Peterson, S.	Tschumper
Brod	Faust	Jaros	Masin	Poppe	Urdahl
Brown	Finstad	Johnson	McFarlane	Rukavina	Wagenius
Brynaert	Fritz	Juhnke	McNamara	Ruth	Ward
Buesgens	Gardner	Kahn	Moe	Ruud	Wardlow
Bunn	Garofalo	Kalin	Morgan	Sailer	Walti
Carlson	Gottwalt	Knuth	Morrow	Scalze	Westrom
Clark	Greiling	Koenen	Mullery	Seifert	Winkler
Cornish	Gunther	Kohls	Murphy, E.	Sertich	Wollschlager
Davnie	Hackbarth	Kranz	Murphy, M.	Severson	Zellers
Dean	Hamilton	Laine	Nelson	Shimanski	Spk. Kelliher
DeLaForest	Hansen	Lanning	Nornes	Simon	
Demmer	Hausman	Lenczewski	Norton	Simpson	

A quorum was present.

Howes, Paulsen, Smith and Walker were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Dittrich 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. 543 and H. F. No. 554, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelson moved that the rules be so far suspended that S. F. No. 543 be substituted for H. F. No. 554 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 805 and H. F. No. 633, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Sertich moved that the rules be so far suspended that S. F. No. 805 be substituted for H. F. No. 633 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 34, A bill for an act relating to health; establishing state policy for stem cell research; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapters 137; 145.

Reported the same back with the following amendments:

Page 2, line 16, after "material" insert ", other than the product of the fertilization of the egg of a human female by the sperm of a human male,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 131, A bill for an act relating to consumer protection; restricting the use of Social Security numbers; amending Minnesota Statutes 2006, section 325E.59, subdivision 1, by adding a subdivision; repealing Minnesota Statutes 2006, section 325E.59, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 24, delete "sell,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 269, A bill for an act relating to counties; providing for appointment and consolidation of certain county offices, subject to notice, hearing, reverse referendum; amending Minnesota Statutes 2006, sections 375.101, by adding a subdivision; 375A.10, subdivision 5; 375A.12, subdivision 2, by adding a subdivision; 382.01; repealing Minnesota Statutes 2006, section 375.101, subdivisions 1, 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 375.101, subdivision 1, is amended to read:

Subdivision 1. **Option for filling vacancies; election in 30 to 60 90 days.** Except as provided in subdivision 3, a vacancy in the office of county commissioner ~~shall may~~ be filled as provided in this subdivision and subdivision 2, or as provided in subdivision 4. If the vacancy is to be filled under this subdivision and subdivision 2, it must be filled at a special election not less than 30 nor more than ~~60 90~~ days after the vacancy occurs. The special primary or special election may be held on the same day as a regular primary or regular election but the special election shall be held not less than 14 days after the special primary. The person elected at the special election shall take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and shall serve the remainder of the unexpired term. If the county has been reapportioned since the commencement of the term of the vacant office, the election shall be based on the district as reapportioned.

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

Sec. 2. Minnesota Statutes 2006, section 375.101, is amended by adding a subdivision to read:

Subd. 4. **Option for filling vacancies; appointment.** Except as provided in subdivision 3, and as an alternative to the procedure provided in subdivisions 1 and 2, any other vacancy in the office of county commissioner may be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall continue until an election is held under this subdivision. All elections to fill vacancies shall be for the unexpired term. If the vacancy occurs before the first day to file affidavits of candidacy for the next county general election and more than two years remain in the unexpired term, a special election shall be held in conjunction with the county general election. The appointed person shall serve until the qualification of the successor elected to fill the unexpired part of the term at that special election. If the vacancy occurs on or after the first day to file affidavits of candidacy for the county general election, or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve the remainder of the unexpired term and until a successor is elected and qualifies at the county general election.

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

Delete the title and insert:

"A bill for an act relating to counties; modifying procedures on the filling of vacancies for certain offices; amending Minnesota Statutes 2006, section 375.101, subdivision 1, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 272, A bill for an act relating to the military and veterans; clarifying that a statute ensuring the continuation of state licenses and certificates of registration for any trade, employment, occupation, or profession while soldiers and certain essential employees are engaged in active military service applies to licenses and certificates of registration requiring firearms and use of force training; amending Minnesota Statutes 2006, section 326.56, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 297, A bill for an act relating to health care; establishing premium rate restrictions and expenditure limits; requiring an interoperable electronic health records system; requiring a plan to achieve universal health care; expanding the definition of dependent coverage; eliminating the modification to the MinnesotaCare application form; implementing an intensive care management program; increasing reimbursement for critical access dental providers; extending medical assistance coverage to Medicare Part D co-payments; creating grants for nonprofit dental providers with a high proportion of uninsured patients; eliminating co-payments for medical assistance and general assistance medical care; modifying the period of renewal for MinnesotaCare; modifying the definition of employer-subsidized insurance; providing for MinnesotaCare outreach; creating a prescription drug discount program; expanding the benefit set for single adults; increasing the eligibility income limit for single adults; increasing the cap for inpatient hospitalization benefits for adults; modifying the definition of income for self-employed farmers; removing insurance barriers for children in MinnesotaCare; eliminating MinnesotaCare premiums for members of the military and their families; reducing premiums for MinnesotaCare; restoring family planning grants; creating a patient incentive health program; requiring uniform billing forms; establishing a small employer option; proposing an amendment to the Minnesota Constitution, article XIII, by adding a section; affirming that every resident of Minnesota has the right to affordable health care; appropriating money; amending Minnesota Statutes 2006, sections 62A.65, subdivision 3; 62E.02, subdivision 7; 62J.04, subdivision 3, by adding a subdivision; 62J.041; 62J.301, subdivision 3; 62J.38; 62J.495; 62L.02, subdivision 11; 62L.08, subdivision 8; 62Q.165, subdivisions 1, 2, by adding a subdivision; 256.01, subdivision 2b; 256B.056, subdivision 10; 256B.0625, by adding a subdivision; 256B.075, subdivision 2; 256B.76; 256D.03, subdivisions 3, 4; 256L.01, subdivision 4; 256L.03, subdivisions 1, 3, 5; 256L.04, subdivisions 1a, 7, 10, by adding a subdivision; 256L.05, subdivisions 1b, 2, 3a; 256L.07, subdivisions 1, 2, 3, 6; 256L.15, subdivisions 1, 2, 4; 256L.17, subdivision 7; Laws 2005, First Special Session chapter 4, article 9, section 3, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 256; 256L; repealing Minnesota Statutes 2006, sections 62A.301; 256B.0631; 256L.035.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

HEALTH CARE

Section 1. **[62J.536] UNIFORM CLAIM STANDARDS.**

Subdivision 1. **Definitions.** For purposes of this section, the terms in this subdivision have the following meanings:

(1) "Uniform claims standards" means the data and codes required to complete health care transactions.

(2) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

(3) "Health care provider" has the meaning given in section 62J.03, subdivision 8.

Subd. 2. **Uniform claims forms.** Beginning January 15, 2009, health care providers shall submit HIPAA compliant uniform claims forms using HIPAA compliant uniform claims standards to group purchasers and all group purchasers shall accept these forms.

Subd. 3. **Electronic claims submission.** (a) By January 15, 2009, all group purchasers and health care providers shall use electronic claims submission and processing systems.

(b) Electronic claims submission and processing systems shall include the capacity to monitor and disseminate information concerning eligibility and coverage of individuals.

(c) Group purchasers may not impose any fee for use of these systems.

Subd. 4. **Rules.** The commissioner of commerce shall consult with the Minnesota Administrative Uniformity Committee on development of uniform claims forms and uniform claims standards. The commissioner shall use standards based on the Medicare program with modifications as recommended by the Administrative Uniformity Committee to promulgate rules. The commissioner shall issue rules, pursuant to sections 14.001 to 14.28 or section 14.389, establishing and requiring group purchasers and health care providers to use uniform claims standards. The commissioner shall promulgate rules by January 15, 2008, or report to the legislature on the status of rule development by January 15, 2008.

Subd. 5. **Modification prohibited.** No group purchaser or health care provider may add to or modify the requirements of this section.

Sec. 2. Minnesota Statutes 2006, section 62E.02, subdivision 7, is amended to read:

Subd. 7. **Dependent.** "Dependent" means a spouse or unmarried child ~~under the age of 19 years, a dependent child who is a student~~ under the age of 25 regardless of whether the dependent child is enrolled in an educational institution, or a dependent child of any age who is disabled.

EFFECTIVE DATE. This section is effective January 1, 2008.

Sec. 3. Minnesota Statutes 2006, section 62J.495, is amended to read:

62J.495 HEALTH INFORMATION TECHNOLOGY AND INFRASTRUCTURE ADVISORY COMMITTEE.

Subdivision 1. ~~Establishment; members; duties~~ **Implementation.** By January 1, 2012, all hospitals and health care providers must have in place an interoperable electronic health records system within their hospital system or clinical practice setting. The commissioner of health, in consultation with the Health Information Technology and Infrastructure Advisory Committee, shall develop a statewide plan to meet this goal, including uniform standards to be used for the interoperable system for sharing and synchronizing patient data across systems. The standards must be compatible with federal efforts. The uniform standards must be developed by January 1, 2009, with a status report on the development of these standards submitted to the legislature by January 15, 2008.

Subd. 2. **Health Information Technology and Infrastructure Advisory Committee.** (a) The commissioner shall establish a Health Information Technology and Infrastructure Advisory Committee governed by section 15.059 to advise the commissioner on the following matters:

(1) assessment of the use of health information technology by the state, licensed health care providers and facilities, and local public health agencies;

(2) recommendations for implementing a statewide interoperable health information infrastructure, to include estimates of necessary resources, and for determining standards for administrative data exchange, clinical support programs, patient privacy requirements, and maintenance of the security and confidentiality of individual patient data; and

(3) other related issues as requested by the commissioner.

(b) The members of the Health Information Technology and Infrastructure Advisory Committee shall include the commissioners, or commissioners' designees, of health, human services, administration, and commerce and additional members to be appointed by the commissioner to include persons representing Minnesota's local public health agencies, licensed hospitals and other licensed facilities and providers, private purchasers, the medical and nursing professions, health insurers and health plans, the state quality improvement organization, academic and research institutions, consumer advisory organizations with an interest and expertise in health information technology, and other stakeholders as identified by the Health Information Technology and Infrastructure Advisory Committee.

~~Subd. 2. Annual report.~~ (c) The commissioner shall prepare and issue an annual report not later than January 30 of each year outlining progress to date in implementing a statewide health information infrastructure and recommending future projects.

~~Subd. 3. Expiration.~~ (d) Notwithstanding section 15.059, this ~~section~~ subdivision expires June 30, ~~2009~~ 2012

Sec. 4. **[62J.496] ELECTRONIC HEALTH RECORD SYSTEM REVOLVING ACCOUNT AND LOAN PROGRAM.**

Subdivision 1. **Account establishment.** The commissioner of finance shall establish and implement a revolving account in the state government special revenue fund to provide loans to physicians or physician group practices to assist in financing the installation or support of an interoperable health record system. The system must provide for the interoperable exchange of health care information between the applicant and, at a minimum, a hospital system, pharmacy, and a health care clinic or other physician group.

Subd. 2. **Eligibility.** To be eligible for a loan under this section, the applicant must submit a loan application to the commissioner of health on forms prescribed by the commissioner. The application must include, at a minimum:

(1) the amount of the loan requested and a description of the purpose or project for which the loan proceeds will be used;

(2) a signed contract with a vendor;

(3) a description of the health care entities and other groups participating in the project;

(4) evidence of financial stability and a demonstrated ability to repay the loan; and

(5) a description of how the system to be financed interconnects or plans in the future to interconnect with other health care entities and provider groups located in the same geographical area.

Subd. 3. **Loans.** (a) The commissioner of health may make a no interest loan to a provider or provider group who is eligible under subdivision 2 on a first-come, first-served basis provided that the applicant is able to comply with this section. The total accumulative loan principal must not exceed \$..... per loan. The commissioner of health has discretion over the size and number of loans made.

(b) The commissioner of health may prescribe forms and establish an application process and, notwithstanding section 16A.1283, may impose a reasonable nonrefundable application fee to cover the cost of administering the loan program.

(c) The borrower must begin repaying the principal no later than two years from the date of the loan. Loans must be amortized no later than 15 years from the date of the loan.

(d) Repayments must be credited to the account.

Sec. 5. Minnesota Statutes 2006, section 62J.82, is amended to read:

62J.82 HOSPITAL CHARGE INFORMATION REPORTING DISCLOSURE.

Subdivision 1. **Required information.** The Minnesota Hospital Association shall develop a Web-based system, available to the public free of charge, for reporting ~~charge information~~ the following, for Minnesota residents;:

(1) hospital-specific performance on the measures of care developed under section 256B.072 for acute myocardial infarction, heart failure, and pneumonia;

(2) by January 1, 2009, hospital-specific performance on the public reporting measures for hospital-acquired infections as published by the National Quality Forum and collected by the Minnesota Hospital Association and Stratis Health in collaboration with infection control practitioners; and

(3) charge information, including, but not limited to, number of discharges, average length of stay, average charge, average charge per day, and median charge, for each of the 50 most common inpatient diagnosis-related groups and the 25 most common outpatient surgical procedures as specified by the Minnesota Hospital Association.

Subd. 2. **Web site.** The Web site must provide information that compares hospital-specific data to hospital statewide data. The Web site must be ~~established by October 1, 2006, and must be~~ updated annually. The commissioner shall provide a link to this reporting information on the department's Web site.

Subd. 3. **Enforcement.** The commissioner shall provide a link to this information on the department's Web site. If a hospital does not provide this information to the Minnesota Hospital Association, the commissioner of health may require the hospital to do so in accordance with section 144.55, subdivision 6. ~~The commissioner shall provide a link to this information on the department's Web site.~~

Sec. 6. **[62J.84] HEALTH CARE TRANSFORMATION TASK FORCE.**

Subdivision 1. **Task force.** The Health Care Transformation Task Force consists of:

(1) the Legislative Commission on Health Care Access established under section 62J.07;

(2) the commissioners of human services, health, and commerce;

(3) four persons designated by the SmartBuy alliance to represent private sector purchasers, including one representing public employers, one representing large employers, one representing small employers, and one representing labor unions; and

(4) six persons designated by the partnership for action to transform health care, a multisector policy alliance of hospitals and health systems, health plan companies, physicians, and other health care organizations.

Subd. 2. **Public input.** The commissioner of health shall review available research and conduct statewide, regional, and local surveys, focus groups, and other activities to determine Minnesotans' values, preferences, opinions, and perceptions related to health care and to the issues confronting the task force, and shall report the findings to the task force.

Subd. 3. **Inventory and assessment of existing activities.** The task force shall complete an inventory and assessment of all public and private organized activities, coalitions, and collaboratives working on tasks relating to health system improvement including, but not limited to, patient safety, quality measurement and reporting, evidence-based practice, adoption of health information technology, disease management and chronic care coordination, medical homes, access to health care, cultural competence, prevention and public health, consumer incentives, price and cost transparency, nonprofit organization community benefits, education, research, and health care workforce. By December 15, 2007, the task force shall present recommendations to the legislature, the governor, and to those working on these activities on how these activities may be made more effective and how coordination and communication may be improved.

Subd. 4. **Action plan.** By December 15, 2007, the task force shall develop and present, to the legislature and the governor, a statewide action plan for transforming the health care system to improve affordability, quality, and access. The plan may consist of legislative actions, administrative actions of governmental entities, collaborative actions, and actions of individuals and individual organizations. The plan must include specific and measurable goals and deadlines for affordability, quality, and access. The plan must include a method of coordination and communication among the activities identified under subdivision 3.

Subd. 5. **Local school wellness.** The task force shall evaluate local school wellness policies in order to understand the differences between policies, highlight innovation, and encourage improvement, and shall evaluate continuing education requirements for nutrition for school lunch program staff. The task force shall present recommendations to the legislature and the governor by February 1, 2008.

Subd. 6. **Health communities initiative.** The task force shall evaluate the use of grants and financial incentive programs to encourage communities to implement urban and community planning designs and templates that foster healthy lifestyles. By February 1, 2008, the task force shall submit a report to the governor and the legislature containing recommendations on the administration, funding, and requirements for the programs.

Sec. 7. Minnesota Statutes 2006, section 62L.02, subdivision 11, is amended to read:

Subd. 11. **Dependent.** "Dependent" means an eligible employee's spouse, unmarried child who is under the age of 19 years, ~~unmarried child~~ under the age of 25 years ~~who is a full time student as defined in section 62A.301~~ regardless of whether the dependent child is enrolled in an educational institution, dependent child of any age who is disabled and who meets the eligibility criteria in section 62A.14, subdivision 2, or any other person whom state or federal law requires to be treated as a dependent for purposes of health plans. For the purpose of this definition, a child includes a child for whom the employee or the employee's spouse has been appointed legal guardian and an adoptive child as provided in section 62A.27.

EFFECTIVE DATE. This section is effective January 1, 2008.

Sec. 8. Minnesota Statutes 2006, section 62Q.165, subdivision 1, is amended to read:

Subdivision 1. **Definition.** It is the commitment of the state to achieve universal health coverage for all Minnesotans by the year 2010. Universal coverage is achieved when:

- (1) every Minnesotan has access to a full range of quality health care services;
- (2) every Minnesotan is able to obtain affordable health coverage which pays for the full range of services, including preventive and primary care; and
- (3) every Minnesotan pays into the health care system according to that person's ability.

Sec. 9. Minnesota Statutes 2006, section 62Q.165, subdivision 2, is amended to read:

Subd. 2. **Goal.** It is the goal of the state to make continuous progress toward reducing the number of Minnesotans who do not have health coverage so that by January 1, ~~2000~~ 2010, ~~fewer than four percent of the state's population will be without health coverage~~ all Minnesota residents have access to affordable health care. ~~The goal will be achieved by~~ In achieving this goal, a number of options shall be considered, including improving access to private health coverage through insurance reforms and market reforms, by making health coverage more affordable for low-income Minnesotans through purchasing pools and state subsidies, and by reducing the cost of health coverage through cost containment programs and methods of ensuring that all Minnesotans are paying into the system according to their ability.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 10. **[145.9269] FEDERALLY QUALIFIED HEALTH CENTERS.**

Subdivision 1. **Definitions.** For purposes of this section, "federally qualified health center" means an entity that is receiving a grant under United States Code, title 42, section 254b, or, based on the recommendation of the Health Resources and Services Administration within the Public Health Service, is determined by the secretary to meet the requirements for receiving such a grant.

Subd. 2. **Allocation of subsidies.** The commissioner of health shall distribute subsidies to federally qualified health centers operating in Minnesota to continue, expand, and improve federally qualified health center services to low-income populations. The commissioner shall distribute the funds appropriated under this section to federally qualified health centers operating in Minnesota as of January 1, 2007. The amount of each subsidy shall be in proportion to each federally qualified health center's amount of discounts granted to patients during calendar year 2006 as reported on the federal Uniform Data System report in conformance with the Bureau of Primary Health Care Program Expectations Policy Information Notice 98-23, except that each eligible federally qualified health center shall receive at least two percent but no more than 30 percent of the total amount of money available under this section.

Sec. 11. **[256.9545] PRESCRIPTION DRUG DISCOUNT PROGRAM.**

Subdivision 1. **Establishment; administration.** The commissioner shall establish and administer the prescription drug discount program.

Subd. 2. **Commissioner's authority.** The commissioner shall administer a drug rebate program for drugs purchased according to the prescription drug discount program. The commissioner shall execute a rebate agreement from all manufacturers that choose to participate in the program for those drugs covered under the medical assistance program. For each drug, the amount of the rebate shall be equal to the rebate as defined for purposes of

the federal rebate program in United States Code, title 42, section 1396r-8. The rebate program shall utilize the terms and conditions used for the federal rebate program established according to section 1927 of title XIX of the federal Social Security Act.

Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Commissioner" means the commissioner of human services.

(b) "Covered prescription drug" means a prescription drug as defined in section 151.44, paragraph (d), that is covered under medical assistance as described in section 256B.0625, subdivision 13, and that is provided by a participating manufacturer that has a fully executed rebate agreement with the commissioner under this section and complies with that agreement.

(c) "Enrolled individual" means a person who is eligible for the program under subdivision 4 and has enrolled in the program according to subdivision 5.

(d) "Health carrier" means an insurance company licensed under chapter 60A to offer, sell, or issue an individual or group policy of accident and sickness insurance as defined in section 62A.01; a nonprofit health service plan corporation operating under chapter 62C; a health maintenance organization operating under chapter 62D; a joint self-insurance employee health plan operating under chapter 62H; a community integrated service network licensed under chapter 62N; a fraternal benefit society operating under chapter 64B; a city, county, school district, or other political subdivision providing self-insured health coverage under section 471.617 or sections 471.98 to 471.982; and a self-funded health plan under the Employee Retirement Income Security Act of 1974, as amended.

(e) "Participating manufacturer" means a manufacturer as defined in section 151.44, paragraph (c), that agrees to participate in the prescription drug discount program.

(f) "Participating pharmacy" means a pharmacy as defined in section 151.01, subdivision 2, that agrees to participate in the prescription drug discount program.

Subd. 4. **Eligibility.** (a) To be eligible for the program, an applicant must:

(1) be a permanent resident of Minnesota as defined in section 256L.09, subdivision 4;

(2) not be enrolled in medical assistance, general assistance medical care, or MinnesotaCare;

(3) not be enrolled in and have currently available prescription drug coverage under a health plan offered by a health carrier or employer or under a pharmacy benefit program offered by a pharmaceutical manufacturer; and

(4) not be enrolled in and have currently available prescription drug coverage under a Medicare supplement policy, as defined in sections 62A.31 to 62A.44, or policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations or those policies, contracts, or certificates governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., as amended.

(b) Notwithstanding paragraph (a), clause (3), an individual who is enrolled in a Medicare Part D prescription drug plan or Medicare Advantage plan is eligible for the program but only for drugs that are not covered under the Medicare Part D plan or for drugs that are covered under the plan, but according to the conditions of the plan, the individual is responsible for 100 percent of the cost of the prescription drug.

Subd. 5. **Application procedure.** (a) Applications and information on the program must be made available at county social services agencies, health care provider offices, and agencies and organizations serving senior citizens. Individuals shall submit applications and any information specified by the commissioner as being necessary to verify eligibility directly to the commissioner. The commissioner shall determine an applicant's eligibility for the program within 30 days from the date the application is received. Upon notice of approval, the applicant must submit to the commissioner the enrollment fee specified in subdivision 10. Eligibility begins the month after the enrollment fee is received by the commissioner.

(b) An enrollee's eligibility must be renewed every 12 months with the 12-month period beginning in the month after the application is approved.

(c) The commissioner shall develop an application form that does not exceed one page in length and requires information necessary to determine eligibility for the program.

Subd. 6. **Participating pharmacy.** (a) Upon implementation of the prescription drug discount program, and until January 1, 2009, a participating pharmacy, with a valid prescription, must sell a covered prescription drug to an enrolled individual at the medical assistance rate.

(b) After January 1, 2009, a participating pharmacy, with a valid prescription, must sell a covered prescription drug to an enrolled individual at the medical assistance rate, minus an amount that is equal to the rebate amount described in subdivision 8, plus the amount of any switch fee established by the commissioner under subdivision 10, paragraph (b).

(c) Each participating pharmacy shall provide the commissioner with all information necessary to administer the program, including, but not limited to, information on prescription drug sales to enrolled individuals and usual and customary retail prices.

Subd. 7. **Notification of rebate amount.** The commissioner shall notify each participating manufacturer, each calendar quarter or according to a schedule established by the commissioner, of the amount of the rebate owed on the prescription drugs sold by participating pharmacies to enrolled individuals.

Subd. 8. **Provision of rebate.** To the extent that a participating manufacturer's prescription drugs are prescribed to a resident of this state, the manufacturer must provide a rebate equal to the rebate provided under the medical assistance program for any prescription drug distributed by the manufacturer that is purchased at a participating pharmacy by an enrolled individual. The participating manufacturer must provide full payment within 38 days of receipt of the state invoice for the rebate, or according to a schedule to be established by the commissioner. The commissioner shall deposit all rebates received into the Minnesota prescription drug dedicated fund established under subdivision 11. The manufacturer must provide the commissioner with any information necessary to verify the rebate determined per drug.

Subd. 9. **Payment to pharmacies.** Beginning January 1, 2009, the commissioner shall distribute on a biweekly basis an amount that is equal to an amount collected under subdivision 8 to each participating pharmacy based on the prescription drugs sold by that pharmacy to enrolled individuals on or after January 1, 2009.

Subd. 10. **Enrollment fee; switch fee.** (a) The commissioner shall establish an annual enrollment fee that covers the commissioner's expenses for enrollment, processing claims, and distributing rebates under this program.

(b) The commissioner shall establish a reasonable switch fee that covers expenses incurred by participating pharmacies in formatting for electronic submission claims for prescription drugs sold to enrolled individuals.

Subd. 11. **Dedicated fund; creation; use of fund.** (a) The Minnesota prescription drug dedicated fund is established as an account in the state treasury. The commissioner of finance shall credit to the dedicated fund all rebates paid under subdivision 8, any federal funds received for the program, all enrollment fees paid by the enrollees, and any appropriations or allocations designated for the fund. The commissioner of finance shall ensure that fund money is invested under section 11A.25. All money earned by the fund must be credited to the fund. The fund shall earn a proportionate share of the total state annual investment income.

(b) Money in the fund is appropriated to the commissioner to reimburse participating pharmacies for prescription drugs provided to enrolled individuals under subdivision 6, paragraph (b); to reimburse the commissioner for costs related to enrollment, processing claims, distributing rebates, and for other reasonable administrative costs related to administration of the prescription drug discount program; and to repay the appropriation provided by law for this section. The commissioner must administer the program so that the costs total no more than funds appropriated plus the drug rebate proceeds.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 12. **[256.962] MINNESOTA HEALTH CARE PROGRAMS OUTREACH.**

Subdivision 1. **Public awareness and education.** (a) The commissioner shall design and implement a statewide campaign to raise public awareness on the availability of health coverage through medical assistance, general assistance medical care, and MinnesotaCare and to educate the public on the importance of obtaining and maintaining health care coverage. The campaign shall include multimedia messages directed to the general population and messages that are culturally specific and community-based, directed to high-uninsured population areas.

(b) The commissioner shall collaborate with public and private entities, including, but not limited to, hospitals, providers, health plans, legal aid offices, pharmacies, insurance agencies, and faith-based organizations to develop outreach activities and partnerships to ensure the distribution of information and applications.

(c) The commissioner shall ensure that all outreach materials are available in languages other than English.

Subd. 2. **Outreach grants.** The commissioner shall award grants to public and private organizations to provide information, applications, and assistance in obtaining coverage through Minnesota public health care programs. In awarding these grants, the commissioner shall give priority to community organizations with a proven ability to provide multilingual and cultural outreach efforts in areas of high-uninsured populations.

Subd. 3. **Application and assistance.** (a) The Minnesota health care programs application must be made available at provider offices, local human services agencies, school districts, public and private elementary schools in which 25 percent or more of the students receive free or reduced price lunches, community health offices, Women, Infants and Children (WIC) program sites, Head Start program sites, public housing councils, child care centers, early childhood education and preschool program sites, legal aid offices, and libraries. The commissioner shall ensure that applications are available in languages other than English and that individuals and families who need assistance due to language or cultural barriers receive the necessary services.

(b) Local human service agencies, hospitals, and health care community clinics receiving state funds must provide direct assistance in completing the application form, including the free use of a copy machine and a drop box for applications. Other locations where applications are required to be available shall either provide direct assistance in completing the application form or provide information on where an applicant can receive application assistance.

(c) Counties must offer applications and application assistance when providing child support collection services.

(d) Local public health agencies and counties that provide immunization clinics must offer applications and application assistance during these clinics.

Subd. 4. **Statewide toll-free telephone number.** The commissioner shall provide funds to establish a statewide toll-free telephone number to provide information on public and private health coverage options and sources of free and low-cost health care.

Subd. 5. **Incentive program.** The commissioner shall establish an incentive program for organizations that directly identify and assist potential enrollees in filling out and submitting an application. For each applicant who is successfully enrolled in MinnesotaCare, medical assistance, or general assistance medical care, the commissioner shall pay the organization a \$25 application assistance fee. The organization may provide an applicant a gift certificate or other incentive upon enrollment.

Subd. 6. **School districts.** (a) At the beginning of each school year, a school district shall provide information to each student on the availability of health care coverage through the Minnesota health care programs.

(b) For each child who is determined to be eligible for a free or reduced priced lunch, the district shall provide the child's family with an application for the Minnesota health care programs and information on how to obtain application assistance.

(c) A district shall also ensure that applications and information on application assistance are available at early childhood education sites and public schools located within the district's jurisdiction.

(d) Each district shall designate an enrollment specialist to provide application assistance and follow-up services with families who are eligible for the reduced or free lunch program or who have indicated an interest in receiving information or an application for the Minnesota health care program.

(e) Each school district shall provide on their Web site a link to information on how to obtain an application and application assistance.

Subd. 7. **Renewal notice.** (a) The commissioner shall mail a renewal notice to enrollees notifying the enrollee that their eligibility must be renewed. A notice shall be sent at 90 days prior to the renewal date and at 60 days prior to the renewal date.

(b) For enrollees who are receiving services through managed care plans, the managed care plan must provide a follow-up renewal call at least 60 days prior to the enrollee's renewal date.

(c) The commissioner shall include the end of coverage dates on the monthly rosters of enrollees provided to managed care organizations.

Sec. 13. **[256.963] PRIMARY CARE ACCESS INITIATIVE.**

Subdivision 1. **Establishment.** (a) The commissioner shall award a grant to implement in Hennepin and Ramsey Counties a Web-based primary care access pilot project designed as a collaboration between private and public sectors to connect, where appropriate, a patient with a primary care medical home and schedule patients into available community-based appointments as an alternative to nonemergency use of the hospital emergency room. The grantee must establish a program that diverts patients presenting at an emergency room for nonemergency care to more appropriate outpatient settings. The program must refer the patient to an appropriate health care professional based on the patient's health care needs and situation. The program must provide the patient with a

scheduled appointment that is timely, with an appropriate provider who is conveniently located. If the patient is uninsured and potentially eligible for a Minnesota health care program, the program must connect the patient to a primary care provider, community clinic, or agency that can assist the patient with the application process. The program must also ensure that discharged patients are connected with a community-based primary care provider and assist in scheduling any necessary follow-up visits before the patient is discharged.

(b) The program must not require a provider to pay a fee for accepting charity care patients or patients enrolled in a Minnesota public health care program.

Subd. 2. **Evaluation.** (a) The grantee must report to the commissioner on a quarterly basis the following information:

- (1) total number of appointments available for scheduling by specialty;
- (2) average length of time between scheduling and actual appointment; and
- (3) total number of patients referred and whether the patient was insured or uninsured.

(b) The commissioner, in consultation with the Minnesota Hospital Association, shall conduct an evaluation of the emergency room diversion pilot project and submit the results to the legislature by January 15, 2009. The evaluation shall compare the number of nonemergency visits and repeat visits to hospital emergency rooms for the period before the commencement of the project and one year after the commencement, and an estimate of the costs saved from any documented reductions.

Sec. 14. Minnesota Statutes 2006, section 256B.056, subdivision 10, is amended to read:

Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are applying for the continuation of medical assistance coverage following the end of the 60-day postpartum period to update their income and asset information and to submit any required income or asset verification.

(b) The commissioner shall determine the eligibility of private-sector health care coverage for infants less than one year of age eligible under section 256B.055, subdivision 10, or 256B.057, subdivision 1, paragraph (d), and shall pay for private-sector coverage if this is determined to be cost-effective.

~~(c) The commissioner shall modify the application for Minnesota health care programs to require more detailed information related to verification of assets and income, and shall verify assets and income for all applicants, and for all recipients upon renewal.~~

~~(d) The commissioner shall require Minnesota health care program recipients to report new or an increase in earned income within ten days of the change, and to verify new or an increase in earned income that affects eligibility within ten days of notification by the agency that the new or increased earned income affects eligibility. Recipients who fail to verify new or an increase in earned income that affects eligibility shall be disenrolled.~~

Sec. 15. Minnesota Statutes 2006, section 256B.0625, subdivision 30, is amended to read:

Subd. 30. **Other clinic services.** (a) Medical assistance covers rural health clinic services, federally qualified health center services, nonprofit community health clinic services, public health clinic services, and the services of a clinic meeting the criteria established in rule by the commissioner. Rural health clinic services and federally qualified health center services mean services defined in United States Code, title 42, section 1396d(a)(2)(B) and (C). Payment for rural health clinic and federally qualified health center services shall be made according to applicable federal law and regulation.

(b) A federally qualified health center that is beginning initial operation shall submit an estimate of budgeted costs and visits for the initial reporting period in the form and detail required by the commissioner. A federally qualified health center that is already in operation shall submit an initial report using actual costs and visits for the initial reporting period. Within 90 days of the end of its reporting period, a federally qualified health center shall submit, in the form and detail required by the commissioner, a report of its operations, including allowable costs actually incurred for the period and the actual number of visits for services furnished during the period, and other information required by the commissioner. Federally qualified health centers that file Medicare cost reports shall provide the commissioner with a copy of the most recent Medicare cost report filed with the Medicare program intermediary for the reporting year which support the costs claimed on their cost report to the state.

~~(c) In order to continue cost based payment under the medical assistance program according to paragraphs (a) and (b), a federally qualified health center or rural health clinic must apply for designation as an essential community provider within six months of final adoption of rules by the Department of Health according to section 62Q.19, subdivision 7. For those federally qualified health centers and rural health clinics that have applied for essential community provider status within the six month time prescribed, medical assistance payments will continue to be made according to paragraphs (a) and (b) for the first three years after application. For federally qualified health centers and rural health clinics that either do not apply within the time specified above or who have had essential community provider status for three years, medical assistance payments for health services provided by these entities shall be according to the same rates and conditions applicable to the same service provided by health care providers that are not federally qualified health centers or rural health clinics.~~

~~(d) Effective July 1, 1999, the provisions of paragraph (c) requiring a federally qualified health center or a rural health clinic to make application for an essential community provider designation in order to have cost based payments made according to paragraphs (a) and (b) no longer apply.~~

~~(e) Effective January 1, 2000, payments made according to paragraphs (a) and (b) shall be limited to the cost phase-out schedule of the Balanced Budget Act of 1997.~~

~~(f) (d) Effective January 1, 2001, each federally qualified health center and rural health clinic may elect to be paid either under the prospective payment system established in United States Code, title 42, section 1396a(aa), or under an alternative payment methodology consistent with the requirements of United States Code, title 42, section 1396a(aa), and approved by the Centers for Medicare and Medicaid Services. The alternative payment methodology shall be 100 percent of ~~cost~~ costs as determined according to by generally accepted accounting principles and annual Medicare cost principles reports, including Medicaid-eligible cost add-ons.~~

Sec. 16. Minnesota Statutes 2006, section 256B.0625, is amended by adding a subdivision to read:

Subd. 49. **Community health worker.** Medical assistance covers the care coordination and patient education services of a community health worker if the community health worker has earned a certificate from the Minnesota State Colleges and University System approved community health worker curriculum or equivalent. Services provided by community health workers who have at least five years of supervised experience must be considered eligible for payment but these workers must complete the certificate program by January 1, 2010. Community health workers must work under the supervision of a medical assistance enrolled provider.

Sec. 17. [256B.0632] MEDICAL ASSISTANCE CO-PAYMENTS.

Subdivision 1. **Co-payment.** The medical assistance benefit plan shall include a \$6 co-payment for nonemergency visits to a hospital-based emergency room, except as provided in subdivision 2.

Subd. 2. **Exceptions.** A co-payment shall not be charged to:

(1) children under the age of 21;

(2) pregnant women for services that relate to the pregnancy or any other medical condition that may complicate the pregnancy;

(3) recipients expected to reside for at least 30 days in a hospital, nursing facility, or intermediate care facility for the developmentally disabled; and

(4) recipients receiving hospice care.

Sec. 18. Minnesota Statutes 2006, section 256D.03, subdivision 3, is amended to read:

Subd. 3. **General assistance medical care; eligibility.** (a) General assistance medical care may be paid for any person who is not eligible for medical assistance under chapter 256B, including eligibility for medical assistance based on a spenddown of excess income according to section 256B.056, subdivision 5, or MinnesotaCare as defined in paragraph (b), except as provided in paragraph (c), and:

(1) who is receiving assistance under section 256D.05, except for families with children who are eligible under Minnesota family investment program (MFIP), or who is having a payment made on the person's behalf under sections 256I.01 to 256I.06; or

(2) who is a resident of Minnesota; and

(i) who has gross countable income not in excess of 75 percent of the federal poverty guidelines for the family size, using a six-month budget period and whose equity in assets is not in excess of \$1,000 per assistance unit. General assistance medical care is not available for applicants or enrollees who are otherwise eligible for medical assistance but fail to verify their assets. Enrollees who become eligible for medical assistance shall be terminated and transferred to medical assistance. Exempt assets, the reduction of excess assets, and the waiver of excess assets must conform to the medical assistance program in section 256B.056, subdivision 3, with the following exception: the maximum amount of undistributed funds in a trust that could be distributed to or on behalf of the beneficiary by the trustee, assuming the full exercise of the trustee's discretion under the terms of the trust, must be applied toward the asset maximum;

(ii) who has gross countable income above 75 percent of the federal poverty guidelines but not in excess of 175 percent of the federal poverty guidelines for the family size, using a six-month budget period, whose equity in assets is not in excess of the limits in section 256B.056, subdivision 3c, and who applies during an inpatient hospitalization; or

(iii) the commissioner shall adjust the income standards under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services.

(b) Effective for applications and renewals processed on or after September 1, 2006, general assistance medical care may not be paid for applicants or recipients who are adults with dependent children under 21 whose gross family income is equal to or less than 275 percent of the federal poverty guidelines who are not described in paragraph (e).

(c) Effective for applications and renewals processed on or after September 1, 2006, general assistance medical care may be paid for applicants and recipients who meet all eligibility requirements of paragraph (a), clause (2), item (i), for a temporary period beginning the date of application. Immediately following approval of general assistance medical care, enrollees shall be enrolled in MinnesotaCare under section 256L.04, subdivision 7, with covered services as provided in section 256L.03 for the rest of the ~~six-month~~ initial eligibility period, until their ~~six-month~~ annual renewal.

(d) To be eligible for general assistance medical care following enrollment in MinnesotaCare as required by paragraph (c), an individual must complete a new application.

(e) Applicants and recipients eligible under paragraph (a), clause (1); who have applied for and are awaiting a determination of blindness or disability by the state medical review team or a determination of eligibility for Supplemental Security Income or Social Security Disability Insurance by the Social Security Administration; who fail to meet the requirements of section 256L.09, subdivision 2; who are homeless as defined by United States Code, title 42, section 11301, et seq.; who are classified as end-stage renal disease beneficiaries in the Medicare program; who are enrolled in private health care coverage as defined in section 256B.02, subdivision 9; who are eligible under paragraph (j); or who receive treatment funded pursuant to section 254B.02 are exempt from the MinnesotaCare enrollment requirements of this subdivision.

(f) For applications received on or after October 1, 2003, eligibility may begin no earlier than the date of application. For individuals eligible under paragraph (a), clause (2), item (i), a redetermination of eligibility must occur every 12 months. Individuals are eligible under paragraph (a), clause (2), item (ii), only during inpatient hospitalization but may reapply if there is a subsequent period of inpatient hospitalization.

(g) Beginning September 1, 2006, Minnesota health care program applications and renewals completed by recipients and applicants who are persons described in paragraph (c) and submitted to the county agency shall be determined for MinnesotaCare eligibility by the county agency. If all other eligibility requirements of this subdivision are met, eligibility for general assistance medical care shall be available in any month during which MinnesotaCare enrollment is pending. Upon notification of eligibility for MinnesotaCare, notice of termination for eligibility for general assistance medical care shall be sent to an applicant or recipient. If all other eligibility requirements of this subdivision are met, eligibility for general assistance medical care shall be available until enrollment in MinnesotaCare subject to the provisions of paragraphs (c), (e), and (f).

(h) The date of an initial Minnesota health care program application necessary to begin a determination of eligibility shall be the date the applicant has provided a name, address, and Social Security number, signed and dated, to the county agency or the Department of Human Services. If the applicant is unable to provide a name, address, Social Security number, and signature when health care is delivered due to a medical condition or disability, a health care provider may act on an applicant's behalf to establish the date of an initial Minnesota health care program application by providing the county agency or Department of Human Services with provider identification and a temporary unique identifier for the applicant. The applicant must complete the remainder of the application and provide necessary verification before eligibility can be determined. The county agency must assist the applicant in obtaining verification if necessary.

(i) County agencies are authorized to use all automated databases containing information regarding recipients' or applicants' income in order to determine eligibility for general assistance medical care or MinnesotaCare. Such use shall be considered sufficient in order to determine eligibility and premium payments by the county agency.

(j) General assistance medical care is not available for a person in a correctional facility unless the person is detained by law for less than one year in a county correctional or detention facility as a person accused or convicted of a crime, or admitted as an inpatient to a hospital on a criminal hold order, and the person is a recipient of general assistance medical care at the time the person is detained by law or admitted on a criminal hold order and as long as the person continues to meet other eligibility requirements of this subdivision.

(k) General assistance medical care is not available for applicants or recipients who do not cooperate with the county agency to meet the requirements of medical assistance.

(l) In determining the amount of assets of an individual eligible under paragraph (a), clause (2), item (i), there shall be included any asset or interest in an asset, including an asset excluded under paragraph (a), that was given away, sold, or disposed of for less than fair market value within the 60 months preceding application for general assistance medical care or during the period of eligibility. Any transfer described in this paragraph shall be presumed to have been for the purpose of establishing eligibility for general assistance medical care, unless the individual furnishes convincing evidence to establish that the transaction was exclusively for another purpose. For purposes of this paragraph, the value of the asset or interest shall be the fair market value at the time it was given away, sold, or disposed of, less the amount of compensation received. For any uncompensated transfer, the number of months of ineligibility, including partial months, shall be calculated by dividing the uncompensated transfer amount by the average monthly per person payment made by the medical assistance program to skilled nursing facilities for the previous calendar year. The individual shall remain ineligible until this fixed period has expired. The period of ineligibility may exceed 30 months, and a reapplication for benefits after 30 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired. The period of ineligibility begins in the month the transfer was reported to the county agency, or if the transfer was not reported, the month in which the county agency discovered the transfer, whichever comes first. For applicants, the period of ineligibility begins on the date of the first approved application.

(m) When determining eligibility for any state benefits under this subdivision, the income and resources of all noncitizens shall be deemed to include their sponsor's income and resources as defined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, title IV, Public Law 104-193, sections 421 and 422, and subsequently set out in federal rules.

(n) Undocumented noncitizens and nonimmigrants are ineligible for general assistance medical care. For purposes of this subdivision, a nonimmigrant is an individual in one or more of the classes listed in United States Code, title 8, section 1101(a)(15), and an undocumented noncitizen is an individual who resides in the United States without the approval or acquiescence of the Immigration and Naturalization Service.

(o) Notwithstanding any other provision of law, a noncitizen who is ineligible for medical assistance due to the deeming of a sponsor's income and resources, is ineligible for general assistance medical care.

(p) Effective July 1, 2003, general assistance medical care emergency services end.

Sec. 19. Minnesota Statutes 2006, section 256D.03, subdivision 4, is amended to read:

Subd. 4. **General assistance medical care; services.** (a)(i) For a person who is eligible under subdivision 3, paragraph (a), clause (2), item (i), general assistance medical care covers, except as provided in paragraph (c):

(1) inpatient hospital services;

(2) outpatient hospital services;

(3) services provided by Medicare certified rehabilitation agencies;

(4) prescription drugs and other products recommended through the process established in section 256B.0625, subdivision 13;

(5) equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level;

- (6) eyeglasses and eye examinations provided by a physician or optometrist;
- (7) hearing aids;
- (8) prosthetic devices;
- (9) laboratory and X-ray services;
- (10) physician's services;
- (11) medical transportation except special transportation;
- (12) chiropractic services as covered under the medical assistance program;
- (13) podiatric services;
- (14) dental services as covered under the medical assistance program;
- (15) outpatient services provided by a mental health center or clinic that is under contract with the county board and is established under section 245.62;
- (16) day treatment services for mental illness provided under contract with the county board;
- (17) prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization;
- (18) psychological services, medical supplies and equipment, and Medicare premiums, coinsurance and deductible payments;
- (19) medical equipment not specifically listed in this paragraph when the use of the equipment will prevent the need for costlier services that are reimbursable under this subdivision;
- (20) services performed by a certified pediatric nurse practitioner, a certified family nurse practitioner, a certified adult nurse practitioner, a certified obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise covered under this chapter as a physician service, (2) the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the operating payment rate, and (3) the service is within the scope of practice of the nurse practitioner's license as a registered nurse, as defined in section 148.171;
- (21) services of a certified public health nurse or a registered nurse practicing in a public health nursing clinic that is a department of, or that operates under the direct authority of, a unit of government, if the service is within the scope of practice of the public health nurse's license as a registered nurse, as defined in section 148.171;
- (22) telemedicine consultations, to the extent they are covered under section 256B.0625, subdivision 3b; ~~and~~
- (23) mental health telemedicine and psychiatric consultation as covered under section 256B.0625, subdivisions 46 and 48; and
- (24) care coordination and patient education services of a community health worker, if the community health worker has earned a certificate from the Minnesota State Colleges and University System approved community health worker curriculum or equivalent. Services provided by community health workers who have at least five

years of supervised experience must be considered eligible for payment but these workers must complete the certificate program by January 1, 2010. Community health workers must work under the supervision of a medical assistance enrolled provider.

(ii) Effective October 1, 2003, for a person who is eligible under subdivision 3, paragraph (a), clause (2), item (ii), general assistance medical care coverage is limited to inpatient hospital services, including physician services provided during the inpatient hospital stay. A \$1,000 deductible is required for each inpatient hospitalization.

(b) Effective August 1, 2005, sex reassignment surgery is not covered under this subdivision.

(c) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. For payments made during fiscal year 1990 and later years, the commissioner shall consult with an independent actuary in establishing prepayment rates, but shall retain final control over the rate methodology.

(d) Recipients eligible under subdivision 3, paragraph (a), shall pay the following co-payments for services provided on or after October 1, 2003:

(1) \$25 for eyeglasses;

(2) \$25 for nonemergency visits to a hospital-based emergency room;

(3) \$3 per brand-name drug prescription and \$1 per generic drug prescription, subject to a \$12 per month maximum for prescription drug co-payments. No co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness; and

(4) 50 percent coinsurance on restorative dental services.

(e) Co-payments shall be limited to one per day per provider for nonpreventive visits, eyeglasses, and nonemergency visits to a hospital-based emergency room. Recipients of general assistance medical care are responsible for all co-payments in this subdivision. The general assistance medical care reimbursement to the provider shall be reduced by the amount of the co-payment, except that reimbursement for prescription drugs shall not be reduced once a recipient has reached the \$12 per month maximum for prescription drug co-payments. The provider collects the co-payment from the recipient. Providers may not deny services to recipients who are unable to pay the co-payment, except as provided in paragraph (f).

(f) If it is the routine business practice of a provider to refuse service to an individual with uncollected debt, the provider may include uncollected co-payments under this section. A provider must give advance notice to a recipient with uncollected debt before services can be denied.

- (g) Any county may, from its own resources, provide medical payments for which state payments are not made.
- (h) Chemical dependency services that are reimbursed under chapter 254B must not be reimbursed under general assistance medical care.
- (i) The maximum payment for new vendors enrolled in the general assistance medical care program after the base year shall be determined from the average usual and customary charge of the same vendor type enrolled in the base year.
- (j) The conditions of payment for services under this subdivision are the same as the conditions specified in rules adopted under chapter 256B governing the medical assistance program, unless otherwise provided by statute or rule.
- (k) Inpatient and outpatient payments shall be reduced by five percent, effective July 1, 2003. This reduction is in addition to the five percent reduction effective July 1, 2003, and incorporated by reference in paragraph (i).
- (l) Payments for all other health services except inpatient, outpatient, and pharmacy services shall be reduced by five percent, effective July 1, 2003.
- (m) Payments to managed care plans shall be reduced by five percent for services provided on or after October 1, 2003.
- (n) A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.
- (o) Fee-for-service payments for nonpreventive visits shall be reduced by \$3 for services provided on or after January 1, 2006. For purposes of this subdivision, a visit means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, advance practice nurse, audiologist, optician, or optometrist.
- (p) Payments to managed care plans shall not be increased as a result of the removal of the \$3 nonpreventive visit co-payment effective January 1, 2006.
- (q) Recipients eligible under subdivision 3, paragraph (a), shall pay a \$25 co-payment for nonemergency visits to a hospital-based emergency room.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 20. Minnesota Statutes 2006, section 256L.01, subdivision 1, is amended to read:

Subdivision 1. **Scope.** For purposes of ~~sections 256L.01 to 256L.18~~ this chapter, the following terms shall have the meanings given them.

Sec. 21. Minnesota Statutes 2006, section 256L.01, subdivision 4, is amended to read:

Subd. 4. **Gross individual or gross family income.** (a) "Gross individual or gross family income" for nonfarm self-employed means income calculated for the ~~six-month~~ 12-month period of eligibility using the net profit or loss reported on the applicant's federal income tax form for the previous year and using the medical assistance families with children methodology for determining allowable and nonallowable self-employment expenses and countable income.

(b) "Gross individual or gross family income" for farm self-employed means income calculated for the ~~six-month~~ 12-month period of eligibility using as the baseline the adjusted gross income reported on the applicant's federal income tax form for the previous year ~~and adding back in reported depreciation amounts that apply to the business in which the family is currently engaged.~~

(c) "Gross individual or gross family income" means the total income for all family members, calculated for the ~~six-month~~ 12-month period of eligibility.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 22. Minnesota Statutes 2006, section 256L.03, subdivision 1, is amended to read:

Subdivision 1. **Covered health services.** ~~For individuals under section 256L.04, subdivision 7, with income no greater than 75 percent of the federal poverty guidelines or for families with children under section 256L.04, subdivision 1, all subdivisions of this section apply.~~ "Covered health services" means the health services reimbursed under chapter 256B, with the exception of inpatient hospital services, special education services, private duty nursing services, adult dental care services other than services covered under section 256B.0625, subdivision 9, orthodontic services, nonemergency medical transportation services, personal care assistant and case management services, nursing home or intermediate care facilities services, inpatient mental health services, and chemical dependency services. Outpatient mental health services covered under the MinnesotaCare program are limited to diagnostic assessments, psychological testing, explanation of findings, mental health telemedicine, psychiatric consultation, medication management by a physician, day treatment, partial hospitalization, and individual, family, and group psychotherapy.

No public funds shall be used for coverage of abortion under MinnesotaCare except where the life of the female would be endangered or substantial and irreversible impairment of a major bodily function would result if the fetus were carried to term; or where the pregnancy is the result of rape or incest.

Covered health services shall be expanded as provided in this section.

Sec. 23. Minnesota Statutes 2006, section 256L.03, subdivision 3, is amended to read:

Subd. 3. **Inpatient hospital services.** (a) Covered health services shall include inpatient hospital services, including inpatient hospital mental health services and inpatient hospital and residential chemical dependency treatment, subject to those limitations necessary to coordinate the provision of these services with eligibility under the medical assistance spenddown. ~~Prior to July 1, 1997, the inpatient hospital benefit for adult enrollees is subject to an annual benefit limit of \$10,000.~~ The inpatient hospital benefit for adult enrollees who qualify under section 256L.04, subdivision 7, or who qualify under section 256L.04, subdivisions 1 and 2, with family gross income that exceeds ~~175~~ 200 percent of the federal poverty guidelines and who are not pregnant, is subject to an annual limit of ~~\$10,000~~ \$20,000.

(b) Admissions for inpatient hospital services paid for under section 256L.11, subdivision 3, must be certified as medically necessary in accordance with Minnesota Rules, parts 9505.0500 to 9505.0540, except as provided in clauses (1) and (2):

(1) all admissions must be certified, except those authorized under rules established under section 254A.03, subdivision 3, or approved under Medicare; and

(2) payment under section 256L.11, subdivision 3, shall be reduced by five percent for admissions for which certification is requested more than 30 days after the day of admission. The hospital may not seek payment from the enrollee for the amount of the payment reduction under this clause.

Sec. 24. Minnesota Statutes 2006, section 256L.03, subdivision 5, is amended to read:

Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b) and (c), the MinnesotaCare benefit plan shall include the following co-payments and coinsurance requirements for all enrollees:

(1) ten percent of the paid charges for inpatient hospital services for adult enrollees, subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual and \$3,000 per family;

(2) \$3 per prescription for adult enrollees;

(3) \$25 for eyeglasses for adult enrollees;

(4) \$3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an episode of service which is required because of a recipient's symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting by a physician or physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse, audiologist, optician, or optometrist; and

(5) \$6 for nonemergency visits to a hospital-based emergency room.

(b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21 ~~in households with family income equal to or less than 175 percent of the federal poverty guidelines. Paragraph (a), clause (1), does not apply to parents and relative caretakers of children under the age of 21 in households with family income greater than 175 percent of the federal poverty guidelines for inpatient hospital admissions occurring on or after January 1, 2001.~~

(c) Paragraph (a), clauses (1) to (4), do not apply to pregnant women and children under the age of 21.

(d) Adult enrollees with family gross income that exceeds ~~175~~ 200 percent of the federal poverty guidelines and who are not pregnant shall be financially responsible for the coinsurance amount, if applicable, and amounts which exceed the ~~\$10,000~~ \$20,000 inpatient hospital benefit limit.

(e) When a MinnesotaCare enrollee becomes a member of a prepaid health plan, or changes from one prepaid health plan to another during a calendar year, any charges submitted towards the ~~\$10,000~~ \$20,000 annual inpatient benefit limit, and any out-of-pocket expenses incurred by the enrollee for inpatient services, that were submitted or incurred prior to enrollment, or prior to the change in health plans, shall be disregarded.

Sec. 25. Minnesota Statutes 2006, section 256L.04, subdivision 1a, is amended to read:

Subd. 1a. **Social Security number required.** (a) Individuals and families applying for MinnesotaCare coverage must provide a Social Security number. This requirement does not apply to an undocumented noncitizen or nonimmigrant who is eligible for MinnesotaCare.

(b) The commissioner shall not deny eligibility to an otherwise eligible applicant who has applied for a Social Security number and is awaiting issuance of that Social Security number.

(c) Newborns enrolled under section 256L.05, subdivision 3, are exempt from the requirements of this subdivision.

(d) Individuals who refuse to provide a Social Security number because of well-established religious objections are exempt from the requirements of this subdivision. The term "well-established religious objections" has the meaning given in Code of Federal Regulations, title 42, section 435.910.

Sec. 26. Minnesota Statutes 2006, section 256L.04, subdivision 7, is amended to read:

Subd. 7. **Single adults and households with no children.** The definition of eligible persons includes all individuals and households with no children who have gross family incomes that are equal to or less than ~~175~~ 200 percent of the federal poverty guidelines.

Sec. 27. Minnesota Statutes 2006, section 256L.04, subdivision 10, is amended to read:

Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is limited to citizens or nationals of the United States, qualified noncitizens, and other persons residing lawfully in the United States as described in section 256B.06, subdivision 4, paragraphs (a) to (e) and (j). Undocumented noncitizens and nonimmigrants are ineligible for MinnesotaCare. This paragraph does not apply to children.

(b) For purposes of this subdivision, a nonimmigrant is an individual in one or more of the classes listed in United States Code, title 8, section 1101(a)(15), and an undocumented noncitizen is an individual who resides in the United States without the approval or acquiescence of the Immigration and Naturalization Service.

(c) Families with children who are citizens or nationals of the United States must cooperate in obtaining satisfactory documentary evidence of citizenship or nationality according to the requirements of the federal Deficit Reduction Act of 2005, Public Law 109-171. State and county workers must assist applicants in obtaining satisfactory documentary evidence of citizenship or nationality.

Sec. 28. Minnesota Statutes 2006, section 256L.05, subdivision 1, is amended to read:

Subdivision 1. **Application and information availability.** Applications and ~~other information~~ application assistance must be made available ~~to~~ at provider offices, local human services agencies, school districts, public and private elementary schools in which 25 percent or more of the students receive free or reduced price lunches, community health offices, ~~and~~ Women, Infants and Children (WIC) program sites, Head Start program sites, public housing councils, crisis nurseries, child care centers, early childhood education and preschool program sites, legal aid offices, libraries, and other sites willing to cooperate in program outreach. These sites may accept applications and forward the forms to the commissioner or local county human services agencies that choose to participate as an enrollment site. Otherwise, applicants may apply directly to the commissioner or to participating local county human services agencies. ~~Beginning January 1, 2000, MinnesotaCare enrollment sites will be expanded to include local county human services agencies which choose to participate.~~

Sec. 29. Minnesota Statutes 2006, section 256L.05, subdivision 1b, is amended to read:

Subd. 1b. **MinnesotaCare enrollment by county agencies.** Beginning September 1, 2006, county agencies shall enroll single adults and households with no children formerly enrolled in general assistance medical care in MinnesotaCare according to section 256D.03, subdivision 3. County agencies shall perform all duties necessary to administer the MinnesotaCare program ongoing for these enrollees, including the redetermination of MinnesotaCare eligibility at ~~six-month~~ renewal.

Sec. 30. Minnesota Statutes 2006, section 256L.05, subdivision 2, is amended to read:

Subd. 2. **Commissioner's duties.** ~~(a)~~ The commissioner or county agency shall use electronic verification as the primary method of income verification. If there is a discrepancy between reported income and electronically verified income, an individual may be required to submit additional verification. In addition, the commissioner shall perform random audits to verify reported income and eligibility. The commissioner may execute data sharing arrangements with the Department of Revenue and any other governmental agency in order to perform income verification related to eligibility and premium payment under the MinnesotaCare program.

~~(b) In determining eligibility for MinnesotaCare, the commissioner shall require applicants and enrollees seeking renewal of eligibility to verify both earned and unearned income. The commissioner shall also require applicants and enrollees to submit the names of their employers and a contact name with a telephone number for each employer for purposes of verifying whether the applicant or enrollee, and any dependents, are eligible for employer subsidized coverage. Data collected is nonpublic data as defined in section 13.02, subdivision 9.~~

Sec. 31. Minnesota Statutes 2006, section 256L.05, subdivision 3a, is amended to read:

Subd. 3a. **Renewal of eligibility.** (a) Beginning ~~January 1, 1999~~ July 1, 2007, an enrollee's eligibility must be renewed every 12 months. The 12-month period begins in the month after the month the application is approved.

~~(b) Beginning October 1, 2004, an enrollee's eligibility must be renewed every six months. The first six month period of eligibility begins the month the application is received by the commissioner. The effective date of coverage within the first six month period of eligibility is as provided in subdivision 3. Each new period of eligibility must take into account any changes in circumstances that impact eligibility and premium amount. An enrollee must provide all the information needed to redetermine eligibility by the first day of the month that ends the eligibility period. The premium for the new period of eligibility must be received as provided in section 256L.06 in order for eligibility to continue.~~

(c) For single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section 256D.03, subdivision 3, the first ~~six-month~~ period of eligibility begins the month the enrollee submitted the application or renewal for general assistance medical care.

Sec. 32. Minnesota Statutes 2006, section 256L.05, subdivision 3c, is amended to read:

Subd. 3c. **Retroactive coverage.** Notwithstanding subdivision 3, the effective date of coverage shall be the ~~first day of the month~~ following termination from medical assistance or general assistance medical care for families and individuals who are eligible for MinnesotaCare and who submitted a written request for retroactive MinnesotaCare coverage with a completed application within 30 days of the mailing of notification of termination from medical assistance or general assistance medical care. The applicant must provide all required verifications within 30 days of the written request for verification. For retroactive coverage, premiums must be paid in full for any retroactive month, current month, and next month within 30 days of the premium billing.

Sec. 33. Minnesota Statutes 2006, section 256L.05, is amended by adding a subdivision to read:

Subd. 3d. **Presumptive eligibility.** Coverage under the program is available during a presumptive eligibility period for children whose family income does not exceed the applicable income standard. The presumptive eligibility period begins on the date on which a health care provider enrolled in the program, or other entity designated by the commissioner, determines, based on preliminary information, that the child's family income does not exceed the applicable income standard. The presumptive eligibility period ends the earlier of the day on which a determination is made of eligibility under this section or the last day of the month following the month presumptive eligibility was determined.

Sec. 34. Minnesota Statutes 2006, section 256L.05, is amended by adding a subdivision to read:

Subd. 3e. **Continuous eligibility.** Children who are eligible under this section shall be continuously eligible until the earlier of the next renewal period, or the time that a child exceeds age 21.

Sec. 35. Minnesota Statutes 2006, section 256L.07, subdivision 1, is amended to read:

Subdivision 1. **General requirements.** (a) ~~Children enrolled in the original children's health plan as of September 30, 1992, children who enrolled in the MinnesotaCare program after September 30, 1992, pursuant to Laws 1992, chapter 549, article 4, section 17, and children who have family gross incomes that are equal to or less than 150 percent of the federal poverty guidelines are eligible without meeting the requirements of subdivision 2 and the four month requirement in subdivision 3, as long as they maintain continuous coverage in the MinnesotaCare program or medical assistance. Children who apply for MinnesotaCare on or after the implementation date of the employer-subsidized health coverage program as described in Laws 1998, chapter 407, article 5, section 45, who have family gross incomes that are equal to or less than 150 percent of the federal poverty guidelines, must meet the requirements of subdivision 2 to be eligible for MinnesotaCare.~~

~~(b)~~ Families enrolled in MinnesotaCare under section 256L.04, subdivision 1, whose income increases above 275 percent of the federal poverty guidelines, are no longer eligible for the program and shall be disenrolled by the commissioner, subject to the continuous eligibility requirement for children under section 256L.05, subdivision 3e. Individuals enrolled in MinnesotaCare under section 256L.04, subdivision 7, whose income increases above ~~175~~ 200 percent of the federal poverty guidelines are no longer eligible for the program and shall be disenrolled by the commissioner. For persons disenrolled under this subdivision, MinnesotaCare coverage terminates the last day of the calendar month following the month in which the commissioner determines that the income of a family or individual exceeds program income limits.

~~(e)~~ (b) Notwithstanding paragraph ~~(b)~~ (a), children may remain enrolled in MinnesotaCare if ten percent of their gross individual or gross family income as defined in section 256L.01, subdivision 4, is less than the annual premium for a ~~six month~~ policy with a \$500 deductible available through the Minnesota Comprehensive Health Association. Children who are no longer eligible for MinnesotaCare under this clause shall be given a 12-month notice period from the date that ineligibility is determined before disenrollment. The premium for children remaining eligible under this clause shall be the maximum premium determined under section 256L.15, subdivision 2, paragraph (b).

~~(d)~~ (c) Notwithstanding paragraphs ~~(b)~~ (a) and ~~(e)~~ (b), parents are not eligible for MinnesotaCare if gross household income exceeds \$25,000 for the six-month period of eligibility.

Sec. 36. Minnesota Statutes 2006, section 256L.07, subdivision 2, is amended to read:

Subd. 2. **Must not have access to employer-subsidized coverage.** (a) To be eligible, ~~a family or individual~~ an adult must not have access to subsidized health coverage through an employer and must not have had access to employer-subsidized coverage through a current employer for 18 months prior to application or reapplication. ~~A family or individual~~ An adult whose employer-subsidized coverage is lost due to an employer terminating health care coverage as an employee benefit during the previous 18 months is not eligible.

(b) This subdivision does not apply to ~~a family or individual~~ an adult who was enrolled in MinnesotaCare within six months or less of reapplication and who no longer has employer-subsidized coverage due to the employer terminating health care coverage as an employee benefit.

(c) For purposes of this requirement, subsidized health coverage means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee or dependent, or a higher percentage as specified by the commissioner. ~~Children are eligible for employer-subsidized coverage through either parent, including the noncustodial parent.~~ The commissioner must treat employer contributions to Internal Revenue Code Section 125 plans and any other employer benefits intended to pay health care costs as qualified employer subsidies toward the cost of health coverage for employees for purposes of this subdivision.

(d) Notwithstanding paragraph (c), if an employer-subsidized health plan requires the employee to pay more than eight percent of the employee's family gross income in co-payments, deductibles, or coinsurance, the health coverage offered shall not constitute employer-subsidized coverage for purposes of determining eligibility for MinnesotaCare.

(e) This subdivision does not apply to children.

Sec. 37. Minnesota Statutes 2006, section 256L.07, subdivision 3, is amended to read:

Subd. 3. **Other health coverage.** (a) ~~Families and individuals~~ Adults enrolled in the MinnesotaCare program must have no health coverage while enrolled or for at least four months prior to application and renewal. ~~Children enrolled in the original children's health plan and children in families with income equal to or less than 150 percent of the federal poverty guidelines, who have other health insurance, are eligible if the coverage:~~

~~(1) lacks two or more of the following:~~

~~(i) basic hospital insurance;~~

~~(ii) medical surgical insurance;~~

~~(iii) prescription drug coverage;~~

~~(iv) dental coverage; or~~

~~(v) vision coverage;~~

~~(2) requires a deductible of \$100 or more per person per year; or~~

~~(3) lacks coverage because the child has exceeded the maximum coverage for a particular diagnosis or the policy excludes a particular diagnosis.~~

The commissioner may change this eligibility criterion for sliding scale premiums in order to remain within the limits of available appropriations. ~~The requirement of no health coverage~~ This paragraph does not apply to ~~newborns~~ children.

(b) Medical assistance, general assistance medical care, and the Civilian Health and Medical Program of the Uniformed Service, CHAMPUS, or other coverage provided under United States Code, title 10, subtitle A, part II, chapter 55, are not considered insurance or health coverage for purposes of the four-month requirement described in this subdivision.

(c) For purposes of this subdivision, an applicant or enrollee who is entitled to Medicare Part A or enrolled in Medicare Part B coverage under title XVIII of the Social Security Act, United States Code, title 42, sections 1395c to 1395w-152, is considered to have health coverage. An applicant or enrollee who is entitled to premium-free Medicare Part A may not refuse to apply for or enroll in Medicare coverage to establish eligibility for MinnesotaCare.

(d) Applicants who were recipients of medical assistance or general assistance medical care within one month of application must meet the provisions of this subdivision and subdivision 2.

(e) Cost-effective health insurance that was paid for by medical assistance is not considered health coverage for purposes of the four-month requirement under this section, except if the insurance continued after medical assistance no longer considered it cost-effective or after medical assistance closed.

Sec. 38. Minnesota Statutes 2006, section 256L.07, subdivision 6, is amended to read:

Subd. 6. **Exception for certain adults.** Single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section 256D.03, subdivision 3, are eligible without meeting the requirements of this section until ~~six-month~~ renewal.

Sec. 39. Minnesota Statutes 2006, section 256L.09, subdivision 4, is amended to read:

Subd. 4. **Eligibility as Minnesota resident.** (a) For purposes of this section, a permanent Minnesota resident is a person who has demonstrated, through persuasive and objective evidence, that the person is domiciled in the state and intends to live in the state permanently.

(b) To be eligible as a permanent resident, an applicant must demonstrate the requisite intent to live in the state permanently by:

(1) showing that the applicant maintains a residence at a verified address ~~other than a place of public accommodation~~, through the use of evidence of residence described in section 256D.02, subdivision 12a, paragraph (b), clause (4) (2);

(2) demonstrating that the applicant has been continuously domiciled in the state for no less than 180 days immediately before the application; and

(3) signing an affidavit declaring that (A) the applicant currently resides in the state and intends to reside in the state permanently; and (B) the applicant did not come to the state for the primary purpose of obtaining medical coverage or treatment.

(c) A person who is temporarily absent from the state does not lose eligibility for MinnesotaCare. "Temporarily absent from the state" means the person is out of the state for a temporary purpose and intends to return when the purpose of the absence has been accomplished. A person is not temporarily absent from the state if another state has determined that the person is a resident for any purpose. If temporarily absent from the state, the person must follow the requirements of the health plan in which the person is enrolled to receive services.

Sec. 40. Minnesota Statutes 2006, section 256L.15, subdivision 1, is amended to read:

Subdivision 1. **Premium determination.** (a) Families with children and individuals shall pay a premium determined according to subdivision 2, except that no premium shall be charged to individuals under the age of 21.

(b) Pregnant women ~~and children under age two~~ are exempt from the provisions of section 256L.06, subdivision 3, paragraph (b), clause (3), requiring disenrollment for failure to pay premiums. For pregnant women, this exemption continues until the first day of the month following the 60th day postpartum. Women who remain enrolled during pregnancy or the postpartum period, despite nonpayment of premiums, shall be disenrolled on the first of the month following the 60th day postpartum for the penalty period that otherwise applies under section 256L.06, unless they begin paying premiums.

(c) Members of the military and their families who meet the eligibility criteria for MinnesotaCare upon eligibility approval made within 24 months following the end of the member's tour of active duty shall have their premiums paid by the commissioner. The effective date of coverage for an individual or family who meets the criteria of this paragraph shall be the first day of the month following the month in which eligibility is approved. This exemption shall apply for 12 months.

EFFECTIVE DATE. This section is effective July 1, 2007, or upon federal approval, whichever is later.

Sec. 41. Minnesota Statutes 2006, section 256L.15, subdivision 2, is amended to read:

Subd. 2. **Sliding fee scale; monthly gross individual or family income.** (a) The commissioner shall establish a sliding fee scale to determine the percentage of monthly gross individual or family income that households at different income levels must pay to obtain coverage through the MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly gross individual or family income. The sliding fee scale must contain separate tables based on enrollment of one, two, or three or more persons. The sliding fee scale begins with a premium of 1.5 percent of monthly gross individual or family income for individuals or families with incomes below the limits for the medical assistance program for families and children in effect on January 1, 1999, and proceeds through the following evenly spaced steps: 1.8, 2.3, 3.1, 3.8, 4.8, 5.9, 7.4, and 8.8 percent. These percentages are matched to evenly spaced income steps ranging from the medical assistance income limit for families and children in effect on January 1, 1999, to 275 percent of the federal poverty guidelines for the applicable family size, up to a family size of five. The sliding fee scale for a family of five must be used for families of more than five. ~~Effective October 1, 2003, the commissioner shall increase each percentage by 0.5 percentage points for enrollees with income greater than 100 percent but not exceeding 200 percent of the federal poverty guidelines and shall increase each percentage by 1.0 percentage points for families and children with incomes greater than 200 percent of the federal poverty guidelines.~~ The sliding fee scale and percentages are not subject to the provisions of chapter 14. If a family or individual reports increased income after enrollment, premiums shall be adjusted at the time the change in income is reported.

(b) ~~Children in~~ Families whose gross income is above 275 percent of the federal poverty guidelines shall pay the maximum premium. The maximum premium is defined as a base charge for one, two, or three or more enrollees so that if all MinnesotaCare cases paid the maximum premium, the total revenue would equal the total cost of MinnesotaCare medical coverage and administration. In this calculation, administrative costs shall be assumed to equal ten percent of the total. The costs of medical coverage for pregnant women and children under age two and the enrollees in these groups shall be excluded from the total. The maximum premium for two enrollees shall be twice the maximum premium for one, and the maximum premium for three or more enrollees shall be three times the maximum premium for one.

~~(c) After calculating the percentage of premium each enrollee shall pay under paragraph (a), eight percent shall be added to the premium.~~

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 42. Minnesota Statutes 2006, section 256L.17, subdivision 2, is amended to read:

Subd. 2. **Limit on total assets.** (a) Effective July 1, 2002, or upon federal approval, whichever is later, in order to be eligible for the MinnesotaCare program, a household of two or more persons must not own more than \$20,000 in total net assets, and a household of one person must not own more than \$10,000 in total net assets.

(b) For purposes of this subdivision, assets are determined according to section 256B.056, subdivision 3c, except that workers' compensation settlements received due to a work-related injury shall not be considered.

(c) State-funded MinnesotaCare is not available for applicants or enrollees who are otherwise eligible for medical assistance but fail to verify assets. Enrollees who become eligible for federally funded medical assistance shall be terminated from state-funded MinnesotaCare and transferred to medical assistance.

Sec. 43. Minnesota Statutes 2006, section 256L.17, subdivision 3, is amended to read:

Subd. 3. **Documentation.** (a) The commissioner of human services shall require individuals and families, at the time of application or renewal, to indicate on a checkoff form developed by the commissioner whether they satisfy the MinnesotaCare asset requirement. ~~This form must include the following or similar language: "To be eligible for MinnesotaCare, individuals and families must not own net assets in excess of \$30,000 for a household of two or more persons or \$15,000 for a household of one person, not including a homestead, household goods and personal effects, assets owned by children, vehicles used for employment, court ordered settlements up to \$10,000, individual retirement accounts, and capital and operating assets of a trade or business up to \$200,000. Do you and your household own net assets in excess of these limits?"~~

(b) The commissioner may require individuals and families to provide any information the commissioner determines necessary to verify compliance with the asset requirement, if the commissioner determines that there is reason to believe that an individual or family has assets that exceed the program limit.

Sec. 44. Minnesota Statutes 2006, section 256L.17, subdivision 7, is amended to read:

Subd. 7. **Exception for certain adults.** Single adults and households with no children formerly enrolled in general assistance medical care and enrolled in MinnesotaCare according to section 256D.03, subdivision 3, are exempt from the requirements of this section until ~~six month~~ renewal.

Sec. 45. Laws 2005, First Special Session chapter 4, article 9, section 3, subdivision 2, is amended to read:

Subd. 2. **Community and Family Health Improvement**

Summary by Fund

General	40,413,000	40,382,000
State Government Special Revenue	141,000	128,000
Health Care Access	3,510,000	3,516,000
Federal TANF	6,000,000	6,000,000

~~**FAMILY PLANNING BASE REDUCTION.** Base level funding for the family planning special projects grant program is reduced by \$1,877,000 each year of the biennium beginning July 1, 2007, provided that this reduction shall only take place upon full implementation of the family planning project section of the 1115 waiver. Notwithstanding Minnesota Statutes, section 145.925, the commissioner shall give priority to community health care clinics providing family planning services that either serve a high number~~

~~of women who do not qualify for medical assistance or are unable to participate in the medical assistance program as a medical assistance provider when allocating the remaining appropriations. Notwithstanding section 15, this paragraph shall not expire.~~

SHAKEN BABY VIDEO. Of the state government special revenue fund appropriation, \$13,000 in 2006 is appropriated to the commissioner of health to provide a video to hospitals on shaken baby syndrome. The commissioner of health shall assess a fee to hospitals to cover the cost of the approved shaken baby video and the revenue received is to be deposited in the state government special revenue fund.

Sec. 46. **APPROPRIATION.**

(a) \$..... is appropriated from the health care access fund to the commissioner of human services for the biennium beginning July 1, 2007, for the purpose of Minnesota health care programs outreach grants and the enrollment incentive programs under Minnesota Statutes, section 256.962.

(b) \$1,156,000 is appropriated each fiscal year beginning July 1, 2007, from the general fund to the commissioner of health for family planning grants under Minnesota Statutes, section 145.925.

(c) \$..... is appropriated for the biennium beginning July 1, 2007, from the general fund to the commissioner of human services for the critical access dental providers reimbursement rates under Minnesota Statutes, section 256B.76, paragraph (c).

(d) \$..... is appropriated for the biennium beginning July 1, 2007, from the general fund to the commissioner of health for the subsidies for federally qualified health centers under Minnesota Statutes, section 145.9269.

(e) \$..... is appropriated for the biennium beginning July 1, 2007, from the general fund to the commissioner of human services for the patient incentive health program established in Minnesota Statutes, section 256.01, subdivision 2b, paragraph (b).

Sec. 47. **REPEALER.**

Minnesota Statutes 2006, sections 62A.301; 256B.0631; and 256L.035, are repealed.

ARTICLE 2

MINNESOTA HEALTH INSURANCE EXCHANGE; SECTION 125 PLANS

Section 1. Minnesota Statutes 2006, section 13.46, subdivision 2, is amended to read:

Subd. 2. **General.** (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

(1) according to section 13.05;

(2) according to court order;

- (3) according to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to verify an individual's identity; determine eligibility, amount of assistance, and the need to provide services to an individual or family across programs; evaluate the effectiveness of programs; and investigate suspected fraud;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) to the Department of Revenue to administer and evaluate tax refund or tax credit programs and to identify individuals who may benefit from these programs. The following information may be disclosed under this paragraph: an individual's and their dependent's names, dates of birth, Social Security numbers, income, addresses, and other data as required, upon request by the Department of Revenue. Disclosures by the commissioner of revenue to the commissioner of human services for the purposes described in this clause are governed by section 270B.14, subdivision 1. Tax refund or tax credit programs include, but are not limited to, the dependent care credit under section 290.067, the Minnesota working family credit under section 290.0671, the property tax refund and rental credit under section 290A.04, and the Minnesota education credit under section 290.0674;
- (9) between the Department of Human Services, the Department of Education, and the Department of Employment and Economic Development for the purpose of monitoring the eligibility of the data subject for unemployment benefits, for any employment or training program administered, supervised, or certified by that agency, for the purpose of administering any rehabilitation program or child care assistance program, whether alone or in conjunction with the welfare system, or to monitor and evaluate the Minnesota family investment program by exchanging data on recipients and former recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;
- (10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;
- (11) data maintained by residential programs as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state according to Part C of Public Law 98-527 to protect the legal and human rights of persons with developmental disabilities or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;
- (12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;
- (13) data on a child support obligor who makes payments to the public agency may be disclosed to the Minnesota Office of Higher Education to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);
- (14) participant Social Security numbers and names collected by the telephone assistance program may be disclosed to the Department of Revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a Minnesota family investment program participant may be disclosed to law enforcement officers who provide the name of the participant and notify the agency that:

(i) the participant:

(A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony under the laws of the jurisdiction from which the individual is fleeing; or

(B) is violating a condition of probation or parole imposed under state or federal law;

(ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and

(iii) the request is made in writing and in the proper exercise of those duties;

(16) the current address of a recipient of general assistance or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient and to law enforcement officers who are investigating the recipient in connection with a felony level offense;

(17) information obtained from food support applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act, according to Code of Federal Regulations, title 7, section 272.1(c);

(18) the address, Social Security number, and, if available, photograph of any member of a household receiving food support shall be made available, on request, to a local, state, or federal law enforcement officer if the officer furnishes the agency with the name of the member and notifies the agency that:

(i) the member:

(A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

(B) is violating a condition of probation or parole imposed under state or federal law; or

(C) has information that is necessary for the officer to conduct an official duty related to conduct described in subitem (A) or (B);

(ii) locating or apprehending the member is within the officer's official duties; and

(iii) the request is made in writing and in the proper exercise of the officer's official duty;

(19) the current address of a recipient of Minnesota family investment program, general assistance, general assistance medical care, or food support may be disclosed to law enforcement officers who, in writing, provide the name of the recipient and notify the agency that the recipient is a person required to register under section 243.166, but is not residing at the address at which the recipient is registered under section 243.166;

(20) certain information regarding child support obligors who are in arrears may be made public according to section 518A.74;

(21) data on child support payments made by a child support obligor and data on the distribution of those payments excluding identifying information on obligees may be disclosed to all obligees to whom the obligor owes support, and data on the enforcement actions undertaken by the public authority, the status of those actions, and data on the income of the obligor or obligee may be disclosed to the other party;

(22) data in the work reporting system may be disclosed under section 256.998, subdivision 7;

(23) to the Department of Education for the purpose of matching Department of Education student data with public assistance data to determine students eligible for free and reduced price meals, meal supplements, and free milk according to United States Code, title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state funds that are distributed based on income of the student's family; and to verify receipt of energy assistance for the telephone assistance plan;

(24) the current address and telephone number of program recipients and emergency contacts may be released to the commissioner of health or a local board of health as defined in section 145A.02, subdivision 2, when the commissioner or local board of health has reason to believe that a program recipient is a disease case, carrier, suspect case, or at risk of illness, and the data are necessary to locate the person;

(25) to other state agencies, statewide systems, and political subdivisions of this state, including the attorney general, and agencies of other states, interstate information networks, federal agencies, and other entities as required by federal regulation or law for the administration of the child support enforcement program;

(26) to personnel of public assistance programs as defined in section 256.741, for access to the child support system database for the purpose of administration, including monitoring and evaluation of those public assistance programs;

(27) to monitor and evaluate the Minnesota family investment program by exchanging data between the Departments of Human Services and Education, on recipients and former recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;

(28) to evaluate child support program performance and to identify and prevent fraud in the child support program by exchanging data between the Department of Human Services, Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b), without regard to the limitation of use in paragraph (c), Department of Health, Department of Employment and Economic Development, and other state agencies as is reasonably necessary to perform these functions; ~~or~~

(29) counties operating child care assistance programs under chapter 119B may disseminate data on program participants, applicants, and providers to the commissioner of education; or

(30) pursuant to section 256L.02, subdivision 6, between the welfare system and the Minnesota Health Insurance Exchange, under section 62A.67, in order to enroll and collect premiums from individuals in the MinnesotaCare program under chapter 256L and to administer the individual's and their families' participation in the program.

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed according to the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16), (17), or (18), or paragraph (b), are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

For the purposes of this subdivision, a request will be deemed to be made in writing if made through a computer interface system.

Sec. 2. **[62A.67] MINNESOTA HEALTH INSURANCE EXCHANGE.**

Subdivision 1. **Title; citation.** This section may be cited as the "Minnesota Health Insurance Exchange."

Subd. 2. **Creation; tax exemption.** The Minnesota Health Insurance Exchange is created for the limited purpose of providing individuals with greater access, choice, portability, and affordability of health insurance products. The Minnesota Health Insurance Exchange is a not-for-profit corporation under chapter 317A and section 501(c) of the Internal Revenue Code.

Subd. 3. **Definitions.** The following terms have the meanings given them unless otherwise provided in text.

(a) "Board" means the board of directors of the Minnesota Health Insurance Exchange under subdivision 13.

(b) "Commissioner" means:

(1) the commissioner of commerce for health insurers subject to the jurisdiction of the Department of Commerce;

(2) the commissioner of health for health insurers subject to the jurisdiction of the Department of Health; or

(3) either commissioner's designated representative.

(c) "Exchange" means the Minnesota Health Insurance Exchange.

(d) "HIPAA" means the Health Insurance Portability and Accountability Act of 1996.

(e) "Individual market health plans," unless otherwise specified, means individual market health plans defined in section 62A.011.

(f) "Section 125 Plan" means a Premium Only Plan under section 125 of the Internal Revenue Code.

Subd. 4. **Insurer and health plan participation.** All health plans as defined in section 62A.011, subdivision 3, issued or renewed in the individual market shall participate in the exchange. No health plans in the individual market may be issued or renewed outside of the exchange. Group health plans as defined in section 62A.10 shall not be offered through the exchange. Health plans offered through the Minnesota Comprehensive Health Association as defined in section 62E.10 are offered through the exchange to eligible enrollees as determined by the Minnesota Comprehensive Health Association. Health plans offered through MinnesotaCare under chapter 256L are offered through the exchange to eligible enrollees as determined by the commissioner of human services.

Subd. 5. **Approval of health plans.** No health plan may be offered through the exchange unless the commissioner has first certified that:

(1) the insurer seeking to offer the health plan is licensed to issue health insurance in the state; and

(2) the health plan meets the requirements of this section, and the health plan and the insurer are in compliance with all other applicable health insurance laws.

Subd. 6. **Individual market health plans.** Individual market health plans offered through the exchange continue to be regulated by the commissioner as specified in chapters 62A, 62C, 62D, 62E, 62Q, and 72A, and must include the following provisions that apply to all health plans issued or renewed through the exchange:

(1) premiums for children under the age of 19 shall not vary by age in the exchange; and

(2) premiums for children under the age of 19 must be excluded from rating factors requirements under section 62A.65, subdivision 3, paragraph (b).

Subd. 7. **Individual participation and eligibility.** Individuals are eligible to purchase health plans directly through the exchange or through an employer Section 125 Plan under section 62A.68. Nothing in this section requires guaranteed issue of individual market health plans offered through the exchange. Individuals are eligible to purchase individual market health plans through the exchange by meeting one or more of the following qualifications:

(1) the individual is a Minnesota resident, meaning the individual is physically residing on a permanent basis in a place that is the person's principal residence and from which the person is absent only for temporary purposes;

(2) the individual is a student attending an institution outside of Minnesota and maintains Minnesota residency;

(3) the individual is not a Minnesota resident but is employed by an employer physically located within the state and the individual's employer does not offer a group health insurance plan as defined in section 62A.10, but does offer a Section 125 Plan through the exchange under section 62A.68;

(4) the individual is not a Minnesota resident but is self-employed and the individual's principal place of business is in the state; or

(5) the individual is a dependent, as defined in section 62L.02, of another individual who is eligible to participate in the exchange.

Subd. 8. **Continuation of coverage.** Enrollment in a health plan may be canceled for nonpayment of premiums, fraud, or changes in eligibility for MinnesotaCare under chapter 256L. Enrollment in an individual market health plan may not be canceled or renewed because of any change in employer or employment status, marital status, health status, age, residence, or any other change that does not affect eligibility as defined in this section.

Subd. 9. **Responsibilities of the exchange.** The exchange shall serve as the sole entity for enrollment and collection and transfer of premium payments for health plans offered through the exchange. The exchange shall be responsible for the following functions:

(1) publicize the exchange, including but not limited to its functions, eligibility rules, and enrollment procedures;

(2) provide assistance to employers to set up an employer Section 125 Plan under section 62A.68;

(3) create a system to allow individuals to compare and enroll in health plans offered through the exchange;

(4) create a system to collect and transmit to the applicable plans all premium payments or contributions made by or on behalf of individuals, including developing mechanisms to receive and process automatic payroll deductions for individuals enrolled in employer Section 125 Plans;

(5) refer individuals interested in MinnesotaCare under chapter 256L to the Department of Human Services to determine eligibility;

(6) establish a mechanism with the Department of Human Services to transfer premiums and subsidies for MinnesotaCare to qualify for federal matching payments;

(7) collect and assess information for eligibility for premium incentives under chapter 256L;

(8) upon request, issue certificates of previous coverage according to the provisions of HIPAA and as referenced in section 62Q.181 to all such individuals who cease to be covered by a participating health plan through the exchange;

(9) establish procedures to account for all funds received and disbursed by the exchange for individual participants of the exchange; and

(10) make available to the public, at the end of each calendar year, a report of an independent audit of the exchange's accounts.

Subd. 10. Powers of the exchange. The exchange shall have the power to:

(1) contract with insurance producers licensed in accident and health insurance under chapter 60K and vendors to perform one or more of the functions specified in subdivision 10;

(2) contract with employers to act as the plan administrator for participating employer Section 125 Plans and to undertake the obligations required by federal law of a plan administrator;

(3) establish and assess fees on health plan premiums of health plans purchased through the exchange to fund the cost of administering the exchange;

(4) seek and directly receive grant funding from government agencies or private philanthropic organizations to defray the costs of operating the exchange;

(5) establish and administer rules and procedures governing the operations of the exchange;

(6) establish one or more service centers within Minnesota;

(7) sue or be sued or otherwise take any necessary or proper legal action;

(8) establish bank accounts and borrow money; and

(9) enter into agreements with the commissioners of commerce, health, human services, revenue, employment and economic development, and other state agencies as necessary for the exchange to implement the provisions of this section.

Subd. 11. Dispute resolution. The exchange shall establish procedures for resolving disputes with respect to the eligibility of an individual to participate in the exchange. The exchange does not have the authority or responsibility to intervene in or resolve disputes between an individual and a health plan or health insurer. The exchange shall refer complaints from individuals participating in the exchange to the commissioner of human services to be resolved according to sections 62Q.68 to 62Q.73.

Subd. 12. **Governance.** The exchange shall be governed by a board of directors with 11 members. The board shall convene on or before July 1, 2007, after the initial board members have been selected. The initial board membership consists of the following:

(1) the commissioner of commerce;

(2) the commissioner of human services;

(3) the commissioner of health;

(4) four members appointed by a joint committee of the Minnesota senate and the Minnesota house of representatives to serve three-year terms; and

(5) four members appointed by the governor to serve three-year terms.

Subd. 13. **Subsequent board membership.** Ongoing membership of the exchange consists of the following effective July 1, 2010:

(1) the commissioner of commerce;

(2) the commissioner of human services;

(3) the commissioner of health;

(4) four members appointed by the governor with the approval of a joint committee of the senate and house of representatives to serve two- or three-year terms. Appointed members may serve more than one term; and

(5) four members elected by the membership of the exchange of which two are elected to serve a two-year term and two are elected to serve a three-year term. Elected members may serve more than one term.

Subd. 14. **Operations of the board.** Officers of the board of directors are elected by members of the board and serve one-year terms. Six members of the board constitutes a quorum, and the affirmative vote of six members of the board is necessary and sufficient for any action taken by the board. Board members serve without pay, but are reimbursed for actual expenses incurred in the performance of their duties.

Subd. 15. **Operations of the exchange.** The board of directors shall appoint an exchange director who shall:

(1) be a full-time employee of the exchange;

(2) administer all of the activities and contracts of the exchange; and

(3) hire and supervise the staff of the exchange.

Subd. 16. **Insurance producers.** When a producer licensed in accident and health insurance under chapter 60K enrolls an eligible individual in the exchange, the health plan chosen by an individual may pay the producer a commission.

Subd. 17. **Implementation.** Health plan coverage through the exchange begins on January 1, 2009. The exchange must be operational to assist employers and individuals by September 1, 2008, and be prepared for enrollment by December 1, 2008. Enrollees of individual market health plans, MinnesotaCare, and the Minnesota Comprehensive Health Association as of December 2, 2008, are automatically enrolled in the exchange on

January 1, 2009, in the same health plan and at the same premium they were enrolled in as of December 2, 2008, subject to the provisions of this section. As of January 1, 2009, all enrollees of individual market health plans, MinnesotaCare, and the Minnesota Comprehensive Health Association shall make premium payments to the exchange.

Subd. 18. **Study of insurer issue requirements.** In consultation with the commissioners of commerce and health, the exchange shall study and make recommendations on rating requirements and risk adjustment mechanisms that could be implemented to facilitate increased enrollment in the exchange by employers and employees through employer Section 125 Plans. The exchange shall report study findings and recommendations to the chairs of house and senate committees having jurisdiction over commerce and health by January 15, 2011.

Sec. 3. **[62A.68] SECTION 125 PLANS.**

Subdivision 1. **Definitions.** The following terms have the meanings given unless otherwise provided in text.

(a) "Current employee" means an employee currently on an employer's payroll other than a retiree or disabled former employee.

(b) "Employer" means a person, firm, corporation, partnership, association, business trust, or other entity employing one or more persons, including a political subdivision of the state, filing payroll tax information on such employed person or persons.

(c) "Section 125 Plan" means a Premium Only Plan under section 125 of the Internal Revenue Code.

(d) "Exchange" means the Minnesota Health Insurance Exchange under section 62A.67.

(e) "Exchange director" means the appointed director under section 62A.67, subdivision 16.

Subd. 2. **Section 125 Plan requirement.** Effective January 1, 2009, all employers with 11 or more current employees shall offer a Section 125 Plan through the exchange to allow their employees to pay for health insurance premiums with pretax dollars. The following employers are exempt from the Section 125 Plan requirement:

(1) employers that offer a group health insurance plan as defined in 62A.10;

(2) employers that offer group health insurance through a self-insured plan as defined in section 62E.02; and

(3) employers with fewer than 11 current employees, except that employers under this clause may voluntarily offer a Section 125 Plan.

Subd. 3. **Tracking compliance.** By July 1, 2008, the exchange, in consultation with the commissioners of commerce, health, employment and economic development, and revenue shall establish a method for tracking employer compliance with the Section 125 Plan requirement.

Subd. 4. **Employer requirements.** Employers that are required to offer or choose to offer a Section 125 Plan through the exchange shall enter into an annual binding agreement with the exchange, which includes the terms in paragraphs (a) to (h).

(a) The employer shall designate the exchange director to be the plan's administrator for the employer's plan and the exchange director agrees to undertake the obligations required of a plan administrator under federal law.

(b) Only the coverage and benefits offered by participating insurers in the exchange constitutes the coverage and benefits of the participating employer plan.

(c) Any individual eligible to participate in the exchange may elect coverage under any participating health plan for which they are eligible, and neither the employer nor the exchange shall limit choice of coverage from among all the participating insurance plans for which the individual is eligible.

(d) The employer shall deduct premium amounts on a pretax basis in an amount not to exceed an employee's wages and make payments to the exchange as directed by employees for health plans employees enroll in through the exchange.

(e) The employer shall not offer individuals eligible to participate in the exchange any separate or competing group health plan under section 62A.10.

(f) The employer reserves the right to determine the terms and amounts of the employer's contribution to the plan, if any.

(g) The employer shall make available to the exchange any of the employer's documents, records, or information, including copies of the employer's federal and state tax and wage reports that are necessary for the exchange to verify:

(1) that the employer is in compliance with the terms of its agreement with the exchange governing the participating employer plan;

(2) that the participating employer plan is in compliance with applicable state and federal laws, including those relating to nondiscrimination in coverage; and

(3) the eligibility of those individuals enrolled in the participating employer plan.

(h) The exchange shall not provide the participating employer plan with any additional or different services or benefits not otherwise provided or offered to all other participating employer plans.

Subd. 5. **Section 125 eligible health plans.** Individuals eligible to enroll in health plans through an employer Section 125 Plan through the exchange may enroll in any health plan offered through the exchange for which the individual is eligible including individual market health plans, MinnesotaCare, and the Minnesota Comprehensive Health Association.

Sec. 4. Minnesota Statutes 2006, section 62E.141, is amended to read:

62E.141 INCLUSION IN EMPLOYER-SPONSORED PLAN.

No employee of an employer that offers a group health plan, under which the employee is eligible for coverage, is eligible to enroll, or continue to be enrolled, in the comprehensive health association, except for enrollment or continued enrollment necessary to cover conditions that are subject to an unexpired preexisting condition limitation, preexisting condition exclusion, or exclusionary rider under the employer's health plan. This section does not apply to persons enrolled in the Comprehensive Health Association as of June 30, 1993. With respect to persons eligible to enroll in the health plan of an employer that has more than 29 current employees, as defined in section 62L.02, this section does not apply to persons enrolled in the Comprehensive Health Association as of December 31, 1994.

Sec. 5. Minnesota Statutes 2006, section 62L.12, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A health carrier may sell, issue, or renew individual conversion policies to eligible employees otherwise eligible for conversion coverage under section 62D.104 as a result of leaving a health maintenance organization's service area.

(b) A health carrier may sell, issue, or renew individual conversion policies to eligible employees otherwise eligible for conversion coverage as a result of the expiration of any continuation of group coverage required under sections 62A.146, 62A.17, 62A.21, 62C.142, 62D.101, and 62D.105.

(c) A health carrier may sell, issue, or renew conversion policies under section 62E.16 to eligible employees.

(d) A health carrier may sell, issue, or renew individual continuation policies to eligible employees as required.

(e) A health carrier may sell, issue, or renew individual health plans if the coverage is appropriate due to an unexpired preexisting condition limitation or exclusion applicable to the person under the employer's group health plan or due to the person's need for health care services not covered under the employer's group health plan.

(f) A health carrier may sell, issue, or renew an individual health plan, if the individual has elected to buy the individual health plan not as part of a general plan to substitute individual health plans for a group health plan nor as a result of any violation of subdivision 3 or 4.

(g) Nothing in this subdivision relieves a health carrier of any obligation to provide continuation or conversion coverage otherwise required under federal or state law.

(h) Nothing in this chapter restricts the offer, sale, issuance, or renewal of coverage issued as a supplement to Medicare under sections 62A.3099 to 62A.44, or policies or contracts that supplement Medicare issued by health maintenance organizations, or those contracts governed by sections 1833, 1851 to 1859, 1860D, or 1876 of the federal Social Security Act, United States Code, title 42, section 1395 et seq., as amended.

(i) Nothing in this chapter restricts the offer, sale, issuance, or renewal of individual health plans necessary to comply with a court order.

(j) A health carrier may offer, issue, sell, or renew an individual health plan to persons eligible for an employer group health plan, if the individual health plan is a high deductible health plan for use in connection with an existing health savings account, in compliance with the Internal Revenue Code, section 223. In that situation, the same or a different health carrier may offer, issue, sell, or renew a group health plan to cover the other eligible employees in the group.

(k) A health carrier may offer, sell, issue, or renew an individual health plan to one or more employees of a small employer if the individual health plan is marketed directly to all employees of the small employer and the small employer does not contribute directly or indirectly to the premiums or facilitate the administration of the individual health plan. The requirement to market an individual health plan to all employees does not require the health carrier to offer or issue an individual health plan to any employee. For purposes of this paragraph, an employer is not contributing to the premiums or facilitating the administration of the individual health plan if the employer does not contribute to the premium and merely collects the premiums from an employee's wages or salary through payroll deductions and submits payment for the premiums of one or more employees in a lump sum to the health carrier. Except for coverage under section 62A.65, subdivision 5, paragraph (b), or 62E.16, at the request of an employee, the health carrier may bill the employer for the premiums payable by the employee, provided that the employer is

not liable for payment except from payroll deductions for that purpose. If an employer is submitting payments under this paragraph, the health carrier shall provide a cancellation notice directly to the primary insured at least ten days prior to termination of coverage for nonpayment of premium. Individual coverage under this paragraph may be offered only if the small employer has not provided coverage under section 62L.03 to the employees within the past 12 months.

The employer must provide a written and signed statement to the health carrier that the employer is not contributing directly or indirectly to the employee's premiums. The health carrier may rely on the employer's statement and is not required to guarantee-issue individual health plans to the employer's other current or future employees.

(l) Nothing in this chapter restricts the offer, sale, issuance, or renewal of individual health plans through the Minnesota Health Insurance Exchange under section 62A.67 or 62A.68.

Sec. 6. Minnesota Statutes 2006, section 256L.02, subdivision 3, is amended to read:

Subd. 3. **Financial management.** (a) The commissioner shall manage spending for the MinnesotaCare program in a manner that maintains a minimum reserve. As part of each state revenue and expenditure forecast, the commissioner must make an assessment of the expected expenditures for the covered services for the remainder of the current biennium and for the following biennium. The estimated expenditure, including the reserve, shall be compared to an estimate of the revenues that will be available in the health care access fund. Based on this comparison, and after consulting with the chairs of the house Ways and Means Committee and the senate Finance Committee, and the Legislative Commission on Health Care Access, the commissioner shall, as necessary, make the adjustments specified in paragraph (b) to ensure that expenditures remain within the limits of available revenues for the remainder of the current biennium and for the following biennium. The commissioner shall not hire additional staff using appropriations from the health care access fund until the commissioner of finance makes a determination that the adjustments implemented under paragraph (b) are sufficient to allow MinnesotaCare expenditures to remain within the limits of available revenues for the remainder of the current biennium and for the following biennium.

(b) The adjustments the commissioner shall use must be implemented in this order: first, stop enrollment of single adults and households without children; second, upon 45 days' notice, stop coverage of single adults and households without children already enrolled in the MinnesotaCare program; third, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income above 200 percent of the federal poverty guidelines; fourth, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income at or below 200 percent; and fifth, require applicants to be uninsured for at least six months prior to eligibility in the MinnesotaCare program. If these measures are insufficient to limit the expenditures to the estimated amount of revenue, the commissioner shall further limit enrollment or decrease premium subsidies.

(c) The commissioner shall work in cooperation with the Minnesota Health Insurance Exchange under section 62A.67 to make adjustments under paragraph (b) as required under this subdivision.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 7. Minnesota Statutes 2006, section 256L.02, is amended by adding a subdivision to read:

Subd. 5. **Enrollment responsibilities.** According to section 256L.05, subdivision 6, effective January 1, 2009, the Minnesota Health Insurance Exchange under section 62A.67 shall assume responsibility for enrolling eligible applicants and enrollees in a health plan for MinnesotaCare coverage. The commissioner shall maintain responsibility for determining eligibility for MinnesotaCare.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 8. Minnesota Statutes 2006, section 256L.02, is amended by adding a subdivision to read:

Subd. 6. **Exchange of data.** An entity that is part of the welfare system as defined in section 13.46, subdivision 1, paragraph (c), and the Minnesota Health Insurance Exchange under section 62A.67 may exchange private data about individuals without the individual's consent in order to enroll and collect premiums from individuals in the MinnesotaCare program under chapter 256L and to administer the individual's and the individual's family's participation in the program. This subdivision only applies if the entity that is part of the welfare system and the Minnesota Health Insurance Exchange have entered into an agreement that complies with the requirements in Code of Federal Regulations, title 45, section 164.314.

Sec. 9. Minnesota Statutes 2006, section 256L.05, subdivision 5, is amended to read:

Subd. 5. **Availability of private insurance.** ~~(a) The commissioner, in consultation with the commissioners of health and commerce, shall provide information regarding the availability of private health insurance coverage and the possibility of disenrollment under section 256L.07, subdivision 1, paragraphs (b) and (c), to all: (1) families enrolled in the MinnesotaCare program whose gross family income is equal to or more than 225 percent of the federal poverty guidelines; and (2) single adults and households without children enrolled in the MinnesotaCare program whose gross family income is equal to or more than 165 percent of the federal poverty guidelines. This information must be provided Minnesota Health Insurance Exchange under section 62A.67 upon initial enrollment and annually thereafter. The commissioner shall also include information regarding the availability of private health insurance coverage in~~

~~(b) The notice of ineligibility provided to persons subject to disenrollment under section 256L.07, subdivision 1, paragraphs (b) and (c), must include information about assistance with identifying and selecting private health insurance coverage provided by the Minnesota Health Insurance Exchange under section 62A.67.~~

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 10. Minnesota Statutes 2006, section 256L.05, is amended by adding a subdivision to read:

Subd. 6. **Minnesota Health Insurance Exchange.** The commissioner shall refer all MinnesotaCare applicants and enrollees to the Minnesota Health Insurance Exchange under section 62A.67. The Minnesota Health Insurance Exchange shall provide those referred with assistance in selecting a managed care plan through which to receive MinnesotaCare covered services and in analyzing health plans available through the private market. MinnesotaCare applicants and enrollees shall effect enrollment in a managed care plan or a private market health plan through the Minnesota Health Insurance Exchange.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 11. Minnesota Statutes 2006, section 256L.12, subdivision 7, is amended to read:

Subd. 7. **Managed care plan vendor requirements.** The following requirements apply to all counties or vendors who contract with the Department of Human Services to serve MinnesotaCare recipients. Managed care plan contractors:

(1) shall authorize and arrange for the provision of the full range of services listed in section 256L.03 in order to ensure appropriate health care is delivered to enrollees;

(2) shall accept the prospective, per capita payment or other contractually defined payment from the commissioner in return for the provision and coordination of covered health care services for eligible individuals enrolled in the program;

(3) may contract with other health care and social service practitioners to provide services to enrollees;

(4) shall provide for an enrollee grievance process as required by the commissioner and set forth in the contract with the department;

(5) shall retain all revenue from enrollee co-payments;

(6) shall accept all eligible MinnesotaCare enrollees, without regard to health status or previous utilization of health services;

(7) shall demonstrate capacity to accept financial risk according to requirements specified in the contract with the department. A health maintenance organization licensed under chapter 62D, or a nonprofit health plan licensed under chapter 62C, is not required to demonstrate financial risk capacity, beyond that which is required to comply with chapters 62C and 62D; ~~and~~

(8) shall submit information as required by the commissioner, including data required for assessing enrollee satisfaction, quality of care, cost, and utilization of services; and

(9) shall participate in the Minnesota Health Insurance Exchange under section 62A.67 for the purpose of enrolling individuals under this chapter.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 12. Minnesota Statutes 2006, section 256L.15, subdivision 1a, is amended to read:

Subd. 1a. **Payment options.** (a) The commissioner may offer the following payment options to an enrollee:

(1) payment by check;

(2) payment by credit card;

(3) payment by recurring automatic checking withdrawal;

(4) payment by onetime electronic transfer of funds;

(5) payment by wage withholding with the consent of the employer and the employee; or

(6) payment by using state tax refund payments.

At application or reapplication, a MinnesotaCare applicant or enrollee may authorize the commissioner to use the Revenue Recapture Act in chapter 270A to collect funds from the applicant's or enrollee's refund for the purposes of meeting all or part of the applicant's or enrollee's MinnesotaCare premium obligation. The applicant or enrollee may authorize the commissioner to apply for the state working family tax credit on behalf of the applicant or enrollee. The setoff due under this subdivision shall not be subject to the \$10 fee under section 270A.07, subdivision 1.

(b) Effective January 1, 2009, the Minnesota Health Insurance Exchange under section 62A.67 is responsible for collecting MinnesotaCare premiums.

EFFECTIVE DATE. This section is effective January 1, 2009.

Sec. 13. Minnesota Statutes 2006, section 256L.15, is amended by adding a subdivision to read:

Subd. 5. **Premium discount incentive.** Adults and families with children are eligible for a premium reduction of \$3 per month for each child who met goals for preventive care or an adult who met goals for cardiac or diabetes care in the previous calendar year. The maximum premium reduction may not exceed \$15 per month per family. The commissioner, in consultation with the Minnesota Health Insurance Exchange, shall establish specific goals for preventive care, including cardiac and diabetes care, that make an enrollee eligible for the premium reduction. The premium discount incentive is administered by the Minnesota Health Insurance Exchange under section 62A.67.

EFFECTIVE DATE. This section is effective January 1, 2009.

ARTICLE 3

HEALTH INFORMATION

Section 1. Minnesota Statutes 2006, section 256B.0625, subdivision 3b, is amended to read:

Subd. 3b. **Telemedicine consultations.** Medical assistance covers telemedicine consultations. Telemedicine consultations must be made via two-way, interactive video or store-and-forward technology. Store-and-forward technology includes telemedicine consultations that do not occur in real time via synchronous transmissions, and that do not require a face-to-face encounter with the patient for all or any part of any such telemedicine consultation. The patient record must include a written opinion from the consulting physician providing the telemedicine consultation. ~~A communication between two physicians that consists solely of a telephone conversation is not a telemedicine consultation.~~ Coverage is limited to three telemedicine consultations per recipient per calendar week. Telemedicine consultations shall be paid at the full allowable rate. The commissioner shall develop policies for coverage of and payment for additional telemedicine services including patient communications by e-mail, teleconferencing, telephone consultations, and other virtual visits or consultations.

Sec. 2. **STATEWIDE INFORMATION EXCHANGE.**

The Minnesota health care connection is authorized to build a statewide information exchange, help organizers of local and regional data exchange efforts, and ensure that Minnesota's data exchange projects are consistent with national technology platforms and networks.

Sec. 3. **PAY-FOR-USE PROGRAMS.**

The commissioner of human services shall adopt pay-for-use programs that offer financial incentives to providers for the implementation and use of health care information technology in clinical practice. To be eligible for payments under this section, the information technology must meet national standards for interoperability, functionality, and security and provide clinicians with data upon which to improve the quality and safety of patient care.

Sec. 4. **APPROPRIATION.**

(a) \$..... is appropriated from the health care access fund to the commissioner of health for the fiscal year ending June 30, 2008, to provide grants under Minnesota Statutes, section 144.3345, to health care providers in rural and underserved communities for interoperable and transferable health information technologies.

(b) \$..... for the fiscal year ending June 30, 2008, and \$..... for the fiscal year ending June 30, 2009, are appropriated from the general fund to the commissioner of human services for electronic health information pay-for-use programs."

Delete the title and insert:

"A bill for an act relating to health care; establishing uniform claims standards; requiring an interoperable electronic health records system; extending an advisory task force expiration date; establishing an electronic health record revolving account and loan program; modifying hospital information reporting; establishing the Health Care Transformation Task Force; providing subsidies to federally qualified health centers; establishing a prescription drug discount program; requiring a health care program outreach; establishing a primary care access initiative; changing eligibility verification for medical assistance; modifying provisions for medical assistance, general assistance medical care, and MinnesotaCare; repealing the family planning base reduction; establishing the Minnesota Health Insurance Exchange; requiring certain employers to offer a Section 125 Plan; modifying provisions for health plans and establishing a premium discount incentive; appropriating money; amending Minnesota Statutes 2006, sections 13.46, subdivision 2; 62E.02, subdivision 7; 62E.141; 62J.495; 62J.82; 62L.02, subdivision 11; 62L.12, subdivision 2; 62Q.165, subdivisions 1, 2; 256B.056, subdivision 10; 256B.0625, subdivisions 3b, 30, by adding a subdivision; 256D.03, subdivisions 3, 4; 256L.01, subdivisions 1, 4; 256L.02, subdivision 3, by adding subdivisions; 256L.03, subdivisions 1, 3, 5; 256L.04, subdivisions 1a, 7, 10; 256L.05, subdivisions 1, 1b, 2, 3a, 3c, 5, by adding subdivisions; 256L.07, subdivisions 1, 2, 3, 6; 256L.09, subdivision 4; 256L.12, subdivision 7; 256L.15, subdivisions 1, 1a, 2, by adding a subdivision; 256L.17, subdivisions 2, 3, 7; Laws 2005, First Special Session chapter 4, article 9, section 3, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 145; 256; 256B; repealing Minnesota Statutes 2006, sections 62A.301; 256B.0631; 256L.035."

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 368, A bill for an act relating to health; eliminating the statewide hospitality fee; appropriating money; repealing Minnesota Statutes 2006, sections 157.15, subdivision 19; 157.16, subdivision 3a.

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 369, A bill for an act relating to health; eliminating the second inspection fee and the statewide hospitality fee for elementary and secondary schools; amending Minnesota Statutes 2006, section 157.16, subdivisions 3, 3a.

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 443, A bill for an act relating to education finance; encouraging school programs offering alternative school year calendars; authorizing grants; appropriating money; amending Minnesota Statutes 2006, sections 124D.12; 124D.126, by adding a subdivision.

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

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 446, A bill for an act relating to the environment; restricting outdoor light pollution; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **PURPOSE.**

The legislature finds that it is beneficial to conserve energy in all forms, to reduce oppressive glare from lighting, to minimize light pollution, and to preserve the night environment. The legislature requests the cooperation of public and private utilities, billboard owners, commercial and industrial businesses, and others owning or operating outdoor lights in reducing light pollution to the greatest extent practicable.

Sec. 2. **[16B.327] DEFINITIONS.**

Subdivision 1. **Application.** For the purposes of section 16B.328, the definitions in this section have the meanings given.

Subd. 2. **Energy conservation.** "Energy conservation" means reducing energy use and includes using a light with lower wattage or time controls.

Subd. 3. **Cutoff luminaire.** "Cutoff luminaire" means a luminaire in which 2.5 percent or less of the lamp lumens are emitted above a horizontal plane through the luminaire's lowest part and ten percent or less of the lamp lumens are emitted at a vertical angle 80 degrees above the luminaire's lowest point.

Subd. 4. **Light pollution.** "Light pollution" means the night sky glow caused by the scattering of artificial light in the atmosphere.

Subd. 5. **Outdoor lighting fixture.** "Outdoor lighting fixture" means any type of fixed or movable lighting equipment that is designed or used for illumination outdoors. The term includes billboard lighting, streetlights, searchlights, and other lighting used for advertising purposes and area lighting. The term does not include lighting equipment that is required by law to be installed on motor vehicles or lighting required for the safe operation of aircraft.

Sec. 3. **[16B.328] STANDARDS FOR STATE FUNDED OUTDOOR LIGHTING FIXTURES; MODEL ORDINANCE.**

Subdivision 1. **Outdoor lighting fixtures.** (a) An outdoor lighting fixture may be installed or replaced using state funds only if:

(1) the new or replacement outdoor lighting fixture is a cutoff luminaire if the rated output of the outdoor lighting fixture is greater than 1,800 lumens;

(2) the minimum illuminance adequate for the intended purpose is used with consideration given to nationally recognized standards;

(3) for lighting of a designated highway of the state highway system, the Department of Transportation determines that the purpose of the outdoor lighting fixture cannot be achieved by the installation of reflective road markers, lines, warning or informational signs, or other effective passive methods; and

(4) full consideration has been given to energy conservation and savings, reducing glare, minimizing light pollution, and preserving the natural night environment.

(b) Paragraph (a) does not apply if:

(1) a federal law, rule, or regulation preempts state law;

(2) the outdoor lighting fixture is used on a temporary basis because emergency personnel require additional illumination for emergency procedures;

(3) the outdoor lighting fixture is used on a temporary basis for nighttime work;

(4) special events or situations require additional illumination, provided that the illumination installed shields the outdoor lighting fixtures from direct view and minimizes upward lighting and light pollution;

(5) the outdoor lighting fixture is used solely to highlight the aesthetic aspects of a single object or distinctive building; or

(6) a compelling safety interest exists that cannot be addressed by another method.

(c) This subdivision does not apply to the operation and maintenance of lights or lighting systems purchased or installed, or for which design work is completed, before August 1, 2007.

Subd. 2. **Model ordinance.** The commissioner of administration, in consultation with the commissioner of commerce, associations for local governments, and any other interested person, shall develop a model ordinance that can be adapted for use by cities, counties, and towns, governing outdoor lighting to reduce light pollution. The model ordinance must include provisions addressing elements similar to those in subdivision 1. In addition, the model ordinance must address:

(1) standards for lighting on private property, outdoor advertising, lighting on commercial, industrial, or institutional property, canopies covering fueling stations, and public streets, sidewalks, and alleys;

(2) how illumination levels should be measured;

(3) possible exemptions, such as for temporary emergency or hazard lighting;

(4) recommended elements for an exterior lighting plan for a development;

(5) treatment of nonconforming lighting;

(6) lighting standards that might apply in special subdistricts;

(7) light pole maximum heights; and

(8) light trespass."

Correct the title numbers accordingly

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 450, A bill for an act relating to human services; authorizing a planned closure rate adjustment for a nursing facility in Big Stone County; amending Minnesota Statutes 2006, section 256B.437, by adding a subdivision.

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

The report was adopted.

Pelowski from the Committee on Governmental Operations, Reform, Technology and Elections to which was referred:

H. F. No. 524, A bill for an act relating to elections; campaign finance; changing certain disclosure requirements; limiting independent expenditures by political party units; regulating electioneering communications; increasing certain expenditure limits; establishing a work group; amending Minnesota Statutes 2006, sections 10A.01, by adding a subdivision; 10A.14, subdivision 1; 10A.20, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 10A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 10A.01, is amended by adding a subdivision to read:

Subd. 16a. **Electioneering communication.** "Electioneering communication" means any communication that refers to a clearly identified candidate and is made between the day following the special or primary election and the day of the special or general election, for the office sought by the candidate. "Electioneering communication" does not include:

(1) a communication appearing in a news story, commentary, or editorial distributed by a broadcasting station, unless the broadcasting station is owned or controlled by a political party unit, political committee, or candidate; or

(2) a campaign expenditure.

Sec. 2. Minnesota Statutes 2006, section 10A.14, subdivision 1, is amended to read:

Subdivision 1. **First registration.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must register with the board by filing a statement of organization no later than ~~14 days~~ 48 hours after the committee, fund, or party unit has made a contribution, received contributions, or made expenditures in excess of \$100.

Sec. 3. **[10A.165] COORDINATED ELECTIONEERING COMMUNICATIONS; CONTRIBUTIONS; EXPENDITURES.**

If an individual, political committee, political fund, or political party unit makes an expenditure for an electioneering communication that is coordinated with a principal campaign committee or political party unit, the electioneering communication constitutes a contribution to, and an expenditure by, the principal campaign committee of the candidate named in the electioneering communication or of the political party unit whose candidate is named in the electioneering communication.

Sec. 4. Minnesota Statutes 2006, section 10A.20, is amended by adding a subdivision to read:

Subd. 6c. **Electioneering communication.** (a) An individual, political committee, political fund, or political party unit that makes an expenditure for an electioneering communication between the day following the special or general primary through the special or general election that in an aggregate amount exceeds \$500 must, within 24 hours of the public distribution of the electioneering communication, file a report, electronically or by fax, with the board containing the following information:

(1) the amount of each expenditure over \$100, the name and address of the person whom the expenditure was made, and the purpose of the expenditure;

(2) the election or primary to which each electioneering communication pertains and the name of any candidate to be identified in the communication; and

(3) in the case of a report filed by an individual, the name, address, and employer or occupation, if self-employed, of the individual making the expenditure for the electioneering communication.

(b) An additional report containing the information specified in this subdivision must be filed within 24 hours after the public distribution of an electioneering communication each time an individual, political committee, political fund, or political party unit has made an expenditure for the electioneering communication that in the aggregate exceeds \$500.

Sec. 5. **INTERNET CAMPAIGN REPORTING STUDY.**

The Campaign Finance and Public Disclosure Board shall study the feasibility of creating an online campaign finance reporting system. The board must study the initial costs and long-term savings of creating a system for filing online all reports required by Minnesota Statutes, chapter 10A. The board must report to the chairs of the Governmental Operations, Reform, Technology and Elections Committee, and the State Government Finance Committee in the House of Representatives, and the chairs of the State and Local Government Operations and Oversight Committee and the State Government Budget Division in the senate by January 15, 2008."

Delete the title and insert:

"A bill for an act relating to elections; regulating certain electioneering communications; changing certain filing requirements; requiring a study; amending Minnesota Statutes 2006, sections 10A.01, by adding a subdivision; 10A.14, subdivision 1; 10A.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 10A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 586, A bill for an act relating to human services; designating certain nursing facilities in Rice County as metro for purposes of determining reimbursement rates; amending Minnesota Statutes 2006, section 256B.431, by adding a subdivision.

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

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 611, A bill for an act relating to labor; protecting certain communication in the workplace between labor organizations and employees; prohibiting certain employer conduct; providing civil remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 781, A bill for an act relating to human services; authorizing the licensure of two intermediate care facilities for persons with developmental disabilities to replace one larger facility; establishing the payment rate for the new facilities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

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

The report was adopted.

Pelowski from the Committee on Governmental Operations, Reform, Technology and Elections to which was referred:

H. F. No. 790, A bill for an act relating to public facilities; modifying provisions of the Minnesota Public Facilities Authority Act; making technical and housekeeping changes; modifying Pollution Control Agency project priority rule; amending Minnesota Statutes 2006, sections 116.182, subdivision 5; 446A.02; 446A.03; 446A.04; 446A.051; 446A.07; 446A.072; 446A.073; 446A.074; 446A.075; 446A.081; 446A.085; 446A.09; 446A.11, subdivision 13; 446A.17, subdivision 1; repealing Minnesota Statutes 2006, sections 446A.05; 446A.06; 446A.15, subdivision 6.

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

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 821, A bill for an act relating to crimes; adjusting the monetary thresholds for certain property offenses; amending Minnesota Statutes 2006, sections 609.52, subdivision 3; 609.535, subdivision 2a; 609.595, subdivisions 1, 2.

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 835, A bill for an act relating to education; establishing a six-year pilot program to examine the impact of school calendar arrangements on student learning; appropriating money.

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 990, A bill for an act relating to education; directing local school boards to adopt and implement a parent and family involvement policy; proposing coding for new law in Minnesota Statutes, chapter 124D.

Reported the same back with the following amendments:

Page 1, line 8, delete "ensures" and insert "promotes and supports"

Page 1, line 9, after "school" insert "that"

Page 1, line 10, delete "are promoted and supported"

Page 1, line 11, after "caregivers" insert "who"

Page 1, line 13, delete "parents are welcome" and insert "welcoming parents" and after "and" insert "seeking" and delete "are sought"

Page 1, line 14, delete "parents are full partners" and insert "partnerships with parents"

Page 1, line 16, before "community" insert "providing" and delete "are used"

Page 1, line 21, after the period, insert "The advisory committee must represent the diversity of the district."

Page 2, line 1, delete "use" and insert "consider"

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 1067, A bill for an act relating to human services; modifying mental health provisions; clarifying county board duties; instituting mental health service delivery reform; authorizing children's mental health grants; establishing restrictive procedures certification; modifying medical assistance coverage for mental health services; modifying MinnesotaCare coverage; requiring reports; amending Minnesota Statutes 2006, sections 148C.11, subdivision 1; 245.465, by adding a subdivision; 245.4874; 246.54, subdivision 1; 256B.0625, subdivision 20, by adding a subdivision; 256B.0943, subdivision 8; 256B.0945, subdivision 4; 256B.69, subdivisions 4, 5g, 5h; 256B.763; 256D.03, subdivision 4; 256L.03, subdivision 1; 256L.035; 256L.12, subdivision 9a; 609.115, subdivision 9; Laws 2005, chapter 98, article 3, section 25; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Rules, part 9585.0030.

Reported the same back with the following amendments:

Page 2, line 24, delete "covered by the entity that administers" and insert "within the limits of"

Page 2, line 31, delete "(a)"

Page 3, line 1, delete "state Mental Health Advisory Council" and insert "State Advisory Council on Mental Health"

Page 3, line 8, after the semicolon, insert "and"

Page 3, line 9, delete "; and" and insert a period

Page 3, delete lines 10 to 24

Page 4, after line 13, insert:

"(vii) home and community-based waiver services;

"(viii) assistance with finding and maintaining employment;"

Page 4, line 14, delete "(vii)" and insert "(ix)"

Page 4, line 15, delete "(viii)" and insert "(x)"

Page 4, line 31, delete "described in paragraph (c)"

Page 4, line 32, delete "individuals" and insert "counties"

Page 5, line 5, after "services" insert "for persons with developmental disabilities and related conditions"

Page 5, line 14, delete "paragraph (c) may request to" and insert "paragraphs (c) and (d) may"

Page 5, line 18, delete "beyond 40 percent of the" and insert a period

Page 5, delete lines 19 and 20

Page 5, after line 22, insert:

"(h) Payment for Medicaid services provided under this subdivision for the months of May and June shall be made no earlier than July 1 of the same calendar year."

Page 7, line 27, delete "covered by the entity which administers" and insert "within the limits of"

Page 8, delete section 6

Page 15, lines 3 to 20, reinstate the stricken language and delete the new language

Renumber the sections in sequence and correct internal references

Correct the title numbers accordingly

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

The report was adopted.

Pelowski from the Committee on Governmental Operations, Reform, Technology and Elections to which was referred:

H. F. No. 1155, A bill for an act relating to state government; appropriating money to establish a statewide self-advocacy network project.

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

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 1209, A bill for an act relating to commerce; regulating certain transactions with homeowners whose homes are in foreclosure; amending Minnesota Statutes 2006, sections 325N.01; 325N.03; 325N.04; 325N.10, subdivisions 3, 4, by adding a subdivision; 325N.13; 325N.14; 325N.17; 325N.18, by adding a subdivision; Laws 2004, chapter 263, section 26.

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

The report was adopted.

Pelowski from the Committee on Governmental Operations, Reform, Technology and Elections to which was referred:

H. F. No. 1267, A bill for an act relating to state employees; making technical and housekeeping changes; amending Minnesota Statutes 2006, sections 43A.191, subdivision 3; 43A.23, subdivision 1; 43A.49; repealing Minnesota Statutes 2006, section 43A.345.

Reported the same back with the following amendments:

Page 3, line 12, delete "2008" and insert "2009"

Page 3, delete section 4

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1279, A bill for an act relating to the metropolitan transit police; clarifying law enforcement agency jurisdiction; including transit police in distribution of forfeited items; amending Minnesota Statutes 2006, sections 473.407, subdivision 1; 609.531, subdivision 1.

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

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1309, A bill for an act relating to state government; defining political subdivision for the purposes of the chapter governing the state auditor; applying provisions for the state auditor to all political subdivisions; amending Minnesota Statutes 2006, sections 6.47; 6.51; 6.54; 6.55; 6.551; 6.57; 6.59; 6.60; 6.62, subdivision 2; 6.63; 6.64; 6.65; 6.66; 6.67; 6.68; 6.70; 6.71; 6.76; 103D.355; proposing coding for new law in Minnesota Statutes, chapter 6; repealing Minnesota Statutes 2006, section 6.56, subdivision 1.

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

The report was adopted.

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

H. F. No. 1316, A bill for an act relating to health and the environment; prohibiting the sale of certain mercury-containing products; modifying restrictions on the sale, use, and disposal of certain mercury-containing products; requiring certain consumer information; modifying lamp recycling facility operation requirements; providing for mercury reduction at crematoriums; requiring a report; amending Minnesota Statutes 2006, sections 115A.932, subdivision 1; 116.92, subdivisions 3, 7a, by adding subdivisions; 116.93, subdivision 2; 149A.95, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 121A; 325E.

Reported the same back with the following amendments:

Page 2, lines 19 and 20, reinstate the stricken language

Page 2, line 28, delete "12-point" and insert "10-point" and delete everything after the second "must" and insert a colon

Page 2, delete lines 29 to 31 and insert:

"(1) clearly inform the purchaser that mercury is present in the item;

(2) explain that the fluorescent lamp should be disposed of according to applicable federal, state, and local laws; and

(3) provide a toll-free telephone number and a uniform resource locator Internet address to a Web site that contains information on applicable disposal laws."

Page 3, line 9, delete "12-point" and insert "10-point"

Page 4, line 4, delete "mercury-containing" and insert "mercury"

Page 4, line 5, before "relay" insert "mercury"

Page 4, after line 17, insert:

"(c) The prohibition in this subdivision does not apply to existing medical equipment if the switch or relay is used to replace a switch or relay, which is a component of medical equipment in use prior to January 1, 2008, provided the owner of the equipment has made every reasonable effort to determine that no compatible nonmercury replacement component exists."

Page 4, line 21, delete "mercury" and insert "mercury-containing"

Page 5, line 11, delete "product"

Page 5, line 12, delete the first "product" and before "means" insert "or 'containing mercury'" and delete "any" and insert "that the"

Page 5, line 13, delete "that"

Page 5, line 23, before "an" insert "by March 1 each year, beginning in 2008,"

Page 5, after line 25, insert:

"The agency shall specify the format for the report under clause (4) and make the reported information available on the agency's Web site."

Page 6, lines 7 and 8, delete ", store,"

Page 6, after line 10, insert:

"(c) After December 31, 2009, a school shall not:

(1) store elemental mercury for any purpose; and

(2) store an instrument of measurement that contains mercury including, but not limited to, a thermometer, barometer, sphygmomanometer, or a manometer containing mercury.

(d) This section does not apply to thermostats for heating, ventilation, and air conditioning in the school."

Page 6, delete section 15

Page 7, delete section 17 and insert:

"Sec. 16. **MERCURY REDUCTION AND ABATEMENT STUDY.**

(a) In order to determine the best practices for mercury reduction and abatement from crematoria, the University of Minnesota mortuary science program is requested to conduct a feasibility study that includes:

(1) development of technical solutions and determination of best practices for removing mercury amalgam fillings; and

(2) a survey related to any social concerns that may come from mercury abatement policies that would address public concerns and options for abatement.

(b) The University of Minnesota mortuary science program is requested to participate in a stakeholder process including funeral directors, crematory operators, the Pollution Control Agency, and any other interested entities and report any findings back to the house and senate committees having jurisdiction over health and the environment no later than February 1, 2009."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "providing"

Page 1, line 6, delete everything before the second semicolon and insert "requesting a study"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 1342, A bill for an act relating to crimes; defining qualified domestic-related offenses and crimes of violence; making technical changes; amending Minnesota Statutes 2006, sections 609.02, subdivision 16; 609.377, subdivision 3; 624.712, subdivision 5; 629.725.

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

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 1364, A bill for an act relating to commerce; amending insurance requirements for building contractors; amending Minnesota Statutes 2006, section 326.94, subdivision 2.

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

The report was adopted.

Lieder from the Transportation Finance Division to which was referred:

H. F. No. 1376, A bill for an act relating to transportation; amending requirements for expedited extinguishment of interest in a town road; nullifying such extinguishments under certain circumstances; amending Minnesota Statutes 2006, section 164.06, subdivision 2.

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

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 1393, A bill for an act relating to corrections; clarifying and updating law governing MINNCOR prison industries; adjusting the date for community corrections counties to submit expenditure and cost statements; amending Minnesota Statutes 2006, sections 16A.72; 16B.181, subdivision 2; 16C.23, subdivision 2; 241.27, subdivisions 1, 2, 3, 4; 241.278; 401.15, subdivision 1; repealing Minnesota Statutes 2006, sections 241.021, subdivision 5; 241.85, subdivision 2.

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

The report was adopted.

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

H. F. No. 1418, A bill for an act relating to natural resources; modifying rulemaking authority; modifying authority to designate infested waters; modifying water supply plan requirements; modifying state park permit provisions; extending expiration of the Mineral Coordinating Committee; amending Minnesota Statutes 2006, sections 84.027, by adding a subdivision; 84D.03, subdivision 1; 84D.12, subdivisions 1, 3; 85.053, subdivisions 1, 2, 8; 93.0015, subdivision 3; 103G.291, subdivision 3; 473.1565, subdivision 1; 473.859, subdivision 3; repealing Laws 2006, chapter 236, article 1, section 2.

Reported the same back with the following amendments:

Page 2, delete section 5

Page 7, line 2, delete "236, article 1" and insert "273"

Renumber the sections in sequence and correct the internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

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

H. F. No. 1476, A bill for an act relating to the environment; modifying provisions for individual sewage treatment systems; appropriating money; amending Minnesota Statutes 2006, section 115.55, subdivisions 1, 2, 3, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 29, strike "by January 1,"

Page 2, line 30, delete "2008" and insert "within a year of the final adoption by the agency"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1492, A bill for an act relating to the Metropolitan Council; authorizing sale of discount bus passes to certain charitable organizations; amending Minnesota Statutes 2006, section 473.408, by adding a subdivision.

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 1583, A bill for an act relating to human services; authorizing the licensure of four intermediate care facilities for persons with developmental disabilities to replace one larger facility; establishing a transition period rate; establishing the payment rate for the new facilities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

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

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1611, A bill for an act relating to the metropolitan area; modifying provisions for planning, designing, and constructing light rail transit in the metropolitan area; amending Minnesota Statutes 2006, sections 473.399; 473.3993, subdivision 3; 473.3994; 473.3997; 473.4051; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Laws 1999, chapter 230, section 44.

Reported the same back with the following amendments:

Page 1, before line 8, insert:

"Section 1. Minnesota Statutes 2006, section 473.166, is amended to read:

473.166 CONTROLLED ACCESS; ~~TRANSIT-FIXED-GUIDEWAY~~; APPROVAL.

Before acquiring land for or constructing a controlled access highway ~~or transit fixed guideway~~ in the area, the state Transportation Department or local government unit proposing the acquisition or construction shall submit to the council a statement describing the proposed project. The statement must be in the form and detail required by

the council. The council shall review the statement to ascertain its consistency with its policy plan and the development guide. No project may be undertaken unless the council determines that it is consistent with the policy plan. This approval is in addition to the requirements of any other statute, ordinance or rule."

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1663, A bill for an act relating to environment; modifying provisions for regulating genetically engineered organisms; amending Minnesota Statutes 2006, sections 116C.92; 116C.94, subdivision 1; 116C.97, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 16, delete "state tribal leaders" and insert "federally recognized tribes within Minnesota"

Page 2, after line 33, insert:

"Sec. 4. **WILD RICE STUDY.**

By February 15, 2008, the commissioner of natural resources must prepare a study for natural wild rice that includes:

(1) the current location and estimated acreage and area of natural stands;

(2) identified threats to natural stands, including, but not limited to, development pressure, water levels, pollution, invasive species, and genetic strains; and

(3) recommendations to the house and senate committees with jurisdiction over natural resources on protecting and increasing natural wild rice stands in the state.

In developing the study, the commissioner must contact and ask for comments from the state's wild rice industry, the commissioner of agriculture, local officials with significant areas of wild rice within their jurisdictions, tribal leaders within affected federally recognized tribes, and interested citizens.

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

Sec. 5. **CONSTRUCTION.**

Nothing in this act affects, alters, or modifies the authorities, responsibilities, obligations, or powers of the state or any political subdivision thereof or any federally recognized tribe."

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "requiring a wild rice study;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

Pelowski from the Committee on Governmental Operations, Reform, Technology and Elections to which was referred:

H. F. No. 1670, A bill for an act relating to elections; clarifying certain procedures and terminology; changing or eliminating certain requirements; changing certain duties; imposing penalties; amending Minnesota Statutes 2006, sections 103C.305, subdivision 3; 201.016, subdivision 1a; 201.054, subdivision 1; 201.056; 201.061, subdivisions 1, 3, 4; 201.071, subdivisions 3, 4; 201.081; 201.091, subdivisions 1, 8; 201.27, subdivision 1; 203B.04, subdivisions 1, 4, 6; 203B.05, subdivision 2; 203B.07, subdivisions 1, 2; 203B.08, subdivision 3; 203B.081; 203B.10; 203B.12, subdivision 4; 203B.13, subdivisions 1, 2; 203B.21, subdivision 3; 204B.06, subdivision 8; 204B.08, subdivision 3; 204B.09, subdivisions 1, 3; 204B.16, subdivision 1; 204B.45, subdivision 2; 205.10, by adding a subdivision; 205.13, by adding a subdivision; 205.16, subdivision 4; 205A.05, by adding a subdivision; 205A.06, by adding a subdivision; 205A.07, subdivisions 3, 3a; 205A.10, subdivision 1; 205A.11, subdivision 2; 206.82, subdivision 2; 211A.02, subdivision 2; 211A.05, subdivisions 1, 2; 211B.11, subdivision 1; 211B.37; 447.32, subdivision 4; Laws 2004, chapter 293, article 1, section 37, subdivision 2; repealing Minnesota Statutes 2006, sections 201.061, subdivision 7; 201.096; 203B.02, subdivision 1a; 203B.13, subdivision 3a; 204D.10, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 103C.305, subdivision 3, is amended to read:

Subd. 3. **Ballots.** Ballots shall be prepared by the county auditor. The names of candidates shall be placed on the "canary ballot" described in section 204D.11, subdivision 3. The office title printed on the ballot must be either "Soil and Water Conservation District Supervisor" or "Conservation District Supervisor," based upon the district from which the supervisor is to be elected.

Sec. 2. Minnesota Statutes 2006, section 201.054, subdivision 1, is amended to read:

Subdivision 1. **Registration.** An individual may register to vote:

- (1) at any time before the 20th day preceding any election as provided in section 201.061, subdivision 1;
- (2) on the day of an election as provided in section 201.061, subdivision 3; or
- (3) when submitting an absentee ballot, by enclosing a completed registration ~~and~~ application as provided in section 203B.04, subdivision 4.

Sec. 3. Minnesota Statutes 2006, section 201.061, subdivision 4, is amended to read:

Subd. 4. **Registration by election judges; procedures.** Registration at the polling place on election day shall be conducted by the election judges. The election judge who registers an individual at the polling place on election day shall not handle that voter's ballots at any time prior to the opening of the ballot box after the voting ends. Registration ~~cards~~ applications and forms for oaths shall be available at each polling place. If an individual who registers on election day proves residence by oath of a registered voter, the form containing the oath shall be attached to the individual's registration ~~card~~ application. Registration ~~cards~~ applications completed on election day shall be forwarded to the county auditor who shall add the name of each voter to the registration system unless the information forwarded is substantially deficient. A county auditor who finds an election day registration substantially deficient shall give written notice to the individual whose registration is found deficient. An election day registration shall not be found deficient solely because the individual who provided proof of residence was ineligible to do so.

Sec. 4. Minnesota Statutes 2006, section 201.071, subdivision 3, is amended to read:

Subd. 3. **Deficient registration.** No voter registration application is deficient if it contains the voter's name, address, date of birth, current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification number, the last four digits of the voter's Social Security number, if the voter has been issued a Social Security number, prior registration, if any, and signature. The absence of a zip code number does not cause the registration to be deficient. Failure to check a box on an application form that a voter has certified to be true does not cause the registration to be deficient. The election judges shall request an individual to correct a voter registration application if it is deficient or illegible ~~or if the name or number of the voter's school district is missing or obviously incorrect~~. No eligible voter may be prevented from voting unless the voter's registration application is deficient or the voter is duly and successfully challenged in accordance with section 201.195 or 204C.12.

A voter registration application accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a voter registration application accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the registration deficient.

A voter registration application accepted before January 1, 2004, is not deficient for lack of a valid Minnesota driver's license or state identification number or the last four digits of a Social Security number. A voter registration application submitted by a voter who does not have a Minnesota driver's license or state identification number, or a Social Security number, is not deficient for lack of any of these numbers.

Sec. 5. Minnesota Statutes 2006, section 201.071, subdivision 4, is amended to read:

Subd. 4. **Change of registration.** ~~Any A~~ A county auditor who receives a registration ~~card~~ application indicating that an individual was previously registered in a different county in Minnesota shall ~~notify the county auditor of that county~~ update the voter's record electronically through the statewide registration system in the manner prescribed ~~in the rules of~~ by the secretary of state. ~~A county auditor receiving a registration card indicating that a voter was previously registered in a different precinct in the same county or receiving a notification as provided in this subdivision shall remove that individual's voter registration card from the files.~~ ~~Any A~~ A county auditor who receives a registration ~~card~~ application or notification requiring a change of registration records under this subdivision as a result of an election day registration shall also check the statewide registration system to determine whether the individual voted in more than one precinct in the most recent election.

Sec. 6. Minnesota Statutes 2006, section 201.081, is amended to read:

201.081 REGISTRATION FILES.

The statewide registration system is the official record of registered voters. The voter registration ~~cards~~ applications and the terminal providing access to the statewide registration system must be under the control of the county auditor or the public official to whom the county auditor has delegated the responsibility for maintaining voter registration records. The voter registration ~~cards~~ applications and terminals providing access to the statewide registration system must not be removed from the control of the county auditor except as provided in this subdivision. The county auditor may make photographic copies of voter registration ~~cards~~ applications in the manner provided by section 138.17.

A properly completed voter registration ~~card~~ application that has been submitted to the secretary of state or a county auditor must be maintained by the secretary of state or the county auditor for at least 22 months after the date that the information on the ~~card~~ application is entered into the database of the statewide registration system. The secretary of state or the county auditor may dispose of the ~~cards~~ applications after retention for 22 months in the manner provided by section 138.17.

Sec. 7. Minnesota Statutes 2006, section 201.091, subdivision 1, is amended to read:

Subdivision 1. **Master list.** Each county auditor shall prepare and maintain a current list of registered voters in each precinct in the county which is known as the master list. The master list must be created by entering each completed voter registration ~~card~~ application received by the county auditor into the statewide registration system. It must show the name, residence address, and date of birth of each voter registered in the precinct. The information contained in the master list may only be made available to public officials for purposes related to election administration, jury selection, and in response to a law enforcement inquiry concerning a violation of or failure to comply with any criminal statute or state or local tax statute.

Sec. 8. Minnesota Statutes 2006, section 201.091, subdivision 8, is amended to read:

Subd. 8. **Registration places.** Each county auditor shall designate a number of public buildings in those political subdivisions of the county where preregistration of voters is allowed as provided in section 201.061, subdivision 1, where eligible voters may register to vote. At least one public building must be designated for each 30,000 residents of the county. At least one telecommunications device for the deaf must be available for voter registration information in each county seat and in every city of the first, second, and third class.

An adequate supply of registration ~~cards~~ applications and instructions must be maintained at each designated location, and a designated individual must be available there to accept registration ~~cards~~ applications and transmit them to the county auditor.

A person who, because of disability, needs assistance in order to determine eligibility or to register must be assisted by a designated individual. Assistance includes but is not limited to reading the registration form and instructions and filling out the registration form as directed by the eligible voter.

Sec. 9. Minnesota Statutes 2006, section 201.27, subdivision 1, is amended to read:

Subdivision 1. **Intentional violation.** No officer, deputy, clerk, or other employee shall intentionally:

(1) fail to perform or enforce any of the provisions of this chapter except subdivision 2;

(2) remove a registration ~~and application~~ or record from its proper place in the registration files in a manner or for a purpose not authorized by law;

(3) destroy or make an unauthorized change to a record required to be kept by this chapter; or

(4) add a name or names to the voter registration files, records, or cards, except as authorized by law.

An individual who violates this subdivision is guilty of a felony.

Sec. 10. Minnesota Statutes 2006, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. **Application procedures.** Except as otherwise allowed by subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided by the secretary of state, notwithstanding rules on absentee ballot forms, and shall furnish them to any person on request. By January 1 of each even-numbered year, the secretary of state shall make the forms to be used available to auditors through electronic means. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

(a) the county auditor of the county where the applicant maintains residence; or

(b) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

An application shall be approved if it is timely received, signed and dated by the applicant, contains the applicant's name and residence and mailing addresses, and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in section 203B.02. The application may contain a request for the voter's date of birth, which must not be made available for public inspection. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device. An application mailed or returned in person to the county auditor or municipal clerk on behalf of a voter by a person other than the voter must be deposited in the mail or returned in person to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election. The absentee ballot applications or a list of persons applying for an absentee ballot may not be made available for public inspection until the close of voting on election day.

An application under this subdivision may contain an application under subdivision 5 to automatically receive an absentee ballot application.

Sec. 11. Minnesota Statutes 2006, section 203B.04, subdivision 4, is amended to read:

Subd. 4. **Registration at time of application.** An eligible voter who is not registered to vote but who is otherwise eligible to vote by absentee ballot may register by including a completed voter registration ~~and application~~ application with the absentee ballot. The individual shall present proof of residence as required by section 201.061, subdivision 3, to the individual who witnesses the marking of the absentee ballots. A military voter, as defined in section 203B.01, may register in this manner if voting pursuant to sections 203B.04 to 203B.15, or may register pursuant to sections 203B.16 to 203B.27.

Sec. 12. Minnesota Statutes 2006, section 203B.05, subdivision 2, is amended to read:

Subd. 2. **City, school district, and town elections.** For city, town, and school district elections not held on the same day as a statewide election, ~~for school district elections not held on the same day as a statewide election, and for town elections conducted under the Australian ballot system,~~ applications for absentee ballots shall be filed with

the city, school district, or town clerk and the duties prescribed by this chapter for the county auditor shall be performed by the city, school district, or town clerk unless the county auditor agrees to perform those duties on behalf of the city, school district, or town clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by this subdivision shall be paid by the city, town, or school district holding the election.

Notwithstanding any other law, this chapter applies to school district elections held on the same day as a statewide election or an election for a county or municipality wholly or partially within the school district.

Sec. 13. Minnesota Statutes 2006, section 203B.07, subdivision 1, is amended to read:

Subdivision 1. **Delivery of envelopes, directions.** The county auditor or the municipal clerk shall prepare, print, and transmit a return envelope, a ballot envelope, and a copy of the directions for casting an absentee ballot to each applicant whose application for absentee ballots is accepted pursuant to section 203B.04. The directions for casting an absentee ballot shall be printed in at least 14-point bold type with heavy leading and may be printed on the ballot envelope. When a person requests the directions in Braille or on cassette tape, the county auditor or municipal clerk shall provide them in the form requested. The secretary of state shall prepare Braille and cassette copies and make them available.

When a voter registration ~~card~~ application is sent to the applicant as provided in section 203B.06, subdivision 4, the directions or registration ~~card~~ application shall include instructions for registering to vote.

Sec. 14. Minnesota Statutes 2006, section 203B.08, subdivision 3, is amended to read:

Subd. 3. **Procedures on receipt of ballots.** When absentee ballots are returned to a county auditor or municipal clerk, that official shall stamp or initial and date the return envelope ~~with an official seal of the office~~ and place it in a secure location with other return envelopes received by that office. The county auditor or municipal clerk shall deliver to the appropriate election judges on election day all ballots received before or with the last mail delivery by the United States Postal Service on election day. A town clerk may request the United States Postal Service to deliver absentee ballots to the polling place on election day instead of to the official address of the town clerk.

Sec. 15. Minnesota Statutes 2006, section 203B.10, is amended to read:

203B.10 DELIVERY OF ABSENTEE BALLOT APPLICATIONS TO ELECTION JUDGES.

(a) On the day before an election:

~~(a)~~ (1) the county auditor shall deliver to the municipal clerks within that county the applications for absentee ballots theretofore received and endorsed as provided in section 203B.06, subdivision 5; and

~~(b)~~ (2) the municipal clerks shall deliver the applications received from the county auditor and the applications for absentee ballots filed with their respective offices and endorsed as provided in section 203B.06, subdivision 5, to the appropriate election judges. Applications received on election day pursuant to section 203B.04, subdivision 2, shall be promptly delivered to the election judges in the precincts or to the judges of an absentee ballot board.

(b) Delivery of the applications to the municipal clerks and election judges in the precinct is not required if the absentee ballot envelopes have been accepted or rejected by an absentee ballot board pursuant to section 203B.13.

Sec. 16. Minnesota Statutes 2006, section 204B.06, subdivision 8, is amended to read:

Subd. 8. **Proof of eligibility.** A candidate for judicial office or for the office of county attorney shall submit with the affidavit of candidacy proof that the candidate is licensed to practice law in this state. Proof means providing a copy of a current attorney license.

A candidate for county sheriff shall submit with the affidavit of candidacy proof of licensure as a peace officer in this state. Proof means providing a copy of a current Peace Officer Standards and Training Board license.

Sec. 17. Minnesota Statutes 2006, section 204B.08, subdivision 3, is amended to read:

Subd. 3. **Number of signatures.** The number of signatures required on a nominating petition shall be as follows:

(a) for a federal or state office voted on statewide ~~or for United States senator~~, one percent of the total number of individuals voting in the state at the last preceding state general election, or 2,000, whichever is less;

(b) for a congressional office, five percent of the total number of individuals voting in the district at the last preceding state general election, or 1,000, whichever is less;

(c) for a county or legislative office, ten percent of the total number of individuals voting in the county or legislative district at the last preceding state or county general election, or 500, whichever is less;

(d) for a municipal office in a city of the first class, the number specified in section 205.121; and

(e) for any other municipal or school district office, ten percent of the total number of individuals voting in the municipality, ward, school district, or other election district at the last preceding municipal, or school district if applicable, general election, or 500, whichever is less.

Sec. 18. Minnesota Statutes 2006, section 205A.10, subdivision 1, is amended to read:

Subdivision 1. **Materials, ballots.** The school district clerk shall prepare and have printed the necessary election materials, including ballots, for a school district election. ~~The name of each candidate for office shall be rotated with the names of the other candidates for the same office so that the name of each candidate appears substantially an equal number of times at the top, at the bottom, and at each intermediate place in the group of candidates for that office~~ names must be arranged on school district ballots in the manner provided in section 204D.08, subdivision 3, for state elections.

Sec. 19. Minnesota Statutes 2006, section 205A.11, subdivision 2, is amended to read:

Subd. 2. **Combined polling place.** When no other election is being held in two or more precincts on the day of a school district election, the school board may designate one or more combined polling places at which the voters in those precincts may vote in the school district election. In school districts that have organized into separate board member election districts under section 205A.12, a combined polling place for a school general election must be arranged so that it does not include more than one board member election district.

Sec. 20. Minnesota Statutes 2006, section 206.82, subdivision 2, is amended to read:

Subd. 2. **Plan.** ~~(a) Subject to paragraph (b),~~ The municipal clerk in a municipality where an electronic voting system is used and the county auditor of a county in which an electronic voting system is used in more than one municipality and the county auditor of a county in which a counting center serving more than one municipality is

located shall prepare a plan which indicates acquisition of sufficient facilities, computer time, and professional services and which describes the proposed manner of complying with section 206.80. The plan must be signed, notarized, and submitted to the secretary of state more than 60 days before the first election at which the municipality uses an electronic voting system. Prior to July 1 of each subsequent general election year, the clerk or auditor shall submit to the secretary of state notification of any changes to the plan on file with the secretary of state. The secretary of state shall review each plan for its sufficiency and may request technical assistance from the Department of Administration or other agency which may be operating as the central computer authority. The secretary of state shall notify each reporting authority of the sufficiency or insufficiency of its plan within 20 days of receipt of the plan. The attorney general, upon request of the secretary of state, may seek a district court order requiring an election official to fulfill duties imposed by this subdivision or by rules promulgated pursuant to this section.

~~(b) Systems implemented by counties and municipalities in calendar year 2006 are exempt from paragraph (a) and section 206.58, subdivision 4, if:~~

~~(1) the municipality has fewer than 10,000 residents; and~~

~~(2) a valid county plan was filed by the county auditor of the county in which the municipality is located.~~

Sec. 21. Laws 2004, chapter 293, article 1, section 37, subdivision 2, is amended to read:

Subd. 2. **Social security number.** A voter must not be included on the list of voters prepared under Minnesota Statutes, section 201.121, subdivision 1, whose registration is incomplete because of a failure to match the last four digits of the voter's Social Security number until the commissioner of public safety has:

(1) entered into an agreement with the commissioner of the Social Security Administration under Minnesota Statutes, section 201.1615, regarding the use of the last four digits of a Social Security number to verify voter registration information;

~~(2) assembled a complete and current database of the last four digits of the Social Security number of each resident of this state as maintained by the Social Security Administration; and~~

~~(3)~~ (2) certified, along with the secretary of state, that the voter registration system has been tested and shown to properly verify the last four digits of a voter's Social Security number."

Delete the title and insert:

"A bill for an act relating to elections; clarifying certain procedures and terminology; changing or eliminating certain requirements; changing certain duties; amending Minnesota Statutes 2006, sections 103C.305, subdivision 3; 201.054, subdivision 1; 201.061, subdivision 4; 201.071, subdivisions 3, 4; 201.081; 201.091, subdivisions 1, 8; 201.27, subdivision 1; 203B.04, subdivisions 1, 4; 203B.05, subdivision 2; 203B.07, subdivision 1; 203B.08, subdivision 3; 203B.10; 204B.06, subdivision 8; 204B.08, subdivision 3; 205A.10, subdivision 1; 205A.11, subdivision 2; 206.82, subdivision 2; Laws 2004, chapter 293, article 1, section 37, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1674, A bill for an act relating to the environment; directing the Environmental Quality Board to study and adopt rules relating to environmental review of certain biofuel production facilities; proposing coding for new law in Minnesota Statutes, chapter 116D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **BIOFUEL PERMITTING REPORT.**

By January 15, 2008, the Pollution Control Agency, the commissioner of natural resources, and the Environmental Quality Board shall report to the house and senate committees and divisions with jurisdiction over agriculture and environment policy and budget on the process to issue permits for biofuel production facilities. The report shall include:

(1) information on the timing of the permits and measures taken to improve the timing of the permitting process;

(2) recommended changes to statutes, rules, or procedures to improve the biofuel facility permitting process and reduce the groundwater needed for production; and

(3) other information or analysis that may be helpful in understanding or improving the biofuel production facility permitting process.

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

Delete the title and insert:

"A bill for an act relating to the environment; requiring a report on the issuance of permits for biofuel processing facilities."

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 1700, A bill for an act relating to education; appropriating money to increase parent and community involvement in the education of their children; requiring a report.

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 1809, A bill for an act relating to health; allowing applications for and renewals of essential community provider status; providing grants and other funding to safety net health care providers; modifying reimbursement rates; requiring grants for MinnesotaCare outreach and unreimbursed health care costs; requiring a study of the MinnesotaCare application and enrollment process; appropriating money; amending Minnesota Statutes 2006, sections 62Q.19, subdivisions 2, 6; 62Q.23; 144.3345, subdivision 2; 256B.0625, subdivision 30, by adding a subdivision; 256L.04, by adding a subdivision.

Reported the same back with the following amendments:

Pages 1 to 2, delete sections 1 to 3

Page 5, delete section 7

Page 5, line 15, delete everything after "design" and insert ", operation, and funding of an"

Page 5, line 18, after the period, insert "An organization must not provide or perform abortion services under this program."

Page 5, line 20, after "commissioner" insert "of human services"

Page 6, delete section 11

Page 6, delete subdivision 1 and insert:

"Subdivision 1. **General fund.** \$..... for the fiscal year ending June 30, 2008, and \$..... for the fiscal year ending June 30, 2009, are appropriated from the general fund to the commissioner of health for the loan forgiveness program established under Minnesota Statutes, section 144.1501, to be used to address shortages of health care professionals practicing in primary care clinics, community health centers, community mental health centers, and community dental clinics that primarily serve low-income and uninsured patients."

Page 6, delete lines 27 to 29 and insert:

"(b) \$..... is appropriated from the health care access fund to the commissioner of human services for the fiscal year ending June 30, 2008, to provide a grant to a research center associated with a safety net hospital and county-affiliated health system to develop the capabilities necessary for evaluating the effects of changes in state health policies on low-income and uninsured individuals, including the impact on state health care program costs, health outcomes, cost-shifting to different units and levels of government, and utilization patterns including use of emergency room care and hospitalization rates."

Page 6, line 32, delete "9" and insert "5"

Page 7, line 3, delete "10" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "providing"

Page 1, line 4, delete "modifying reimbursement rates;"

Page 1, line 5, delete "MinnesotaCare outreach and" and delete "requiring a study of"

Page 1, line 6, delete everything before "appropriating"

Correct the title numbers accordingly

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

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 1873, A bill for an act relating to health; requiring annual reports on cost containment goals; establishing a medical expenditure review committee; establishing a health care transformation task force; modifying goals for universal coverage; requiring written hospital charity care policies; modifying performance payments for medical groups; requiring a payment reform plan; providing grants for community collaboratives; requiring a contract for nonprofit organization accountability; appropriating money; amending Minnesota Statutes 2006, sections 62J.04, subdivision 3; 62J.17, subdivision 6a, by adding a subdivision; 62Q.165, subdivisions 1, 2; 144.56, by adding a subdivision; 256.01, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 62J.04, subdivision 3, is amended to read:

Subd. 3. **Cost containment duties.** The commissioner shall:

(1) establish statewide and regional cost containment goals for total health care spending under this section ~~and~~ collect data as described in sections 62J.38 to 62J.41 to monitor statewide achievement of the cost containment goals, and annually report to the legislature on whether the goals were achieved and, if not, what action should be taken to ensure that goals are achieved in the future;

(2) divide the state into no fewer than four regions, with one of those regions being the Minneapolis/St. Paul metropolitan statistical area but excluding Chisago, Isanti, Wright, and Sherburne Counties, for purposes of fostering the development of regional health planning and coordination of health care delivery among regional health care systems and working to achieve the cost containment goals;

(3) monitor the quality of health care throughout the state and take action as necessary to ensure an appropriate level of quality;

(4) issue recommendations regarding uniform billing forms, uniform electronic billing procedures and data interchanges, patient identification cards, and other uniform claims and administrative procedures for health care providers and private and public sector payers. In developing the recommendations, the commissioner shall review

the work of the work group on electronic data interchange (WEDI) and the American National Standards Institute (ANSI) at the national level, and the work being done at the state and local level. The commissioner may adopt rules requiring the use of the Uniform Bill 82/92 form, the National Council of Prescription Drug Providers (NCPDP) 3.2 electronic version, the Centers for Medicare and Medicaid Services 1500 form, or other standardized forms or procedures;

(5) undertake health planning responsibilities;

(6) authorize, fund, or promote research and experimentation on new technologies and health care procedures;

(7) within the limits of appropriations for these purposes, administer or contract for statewide consumer education and wellness programs that will improve the health of Minnesotans and increase individual responsibility relating to personal health and the delivery of health care services, undertake prevention programs including initiatives to improve birth outcomes, expand childhood immunization efforts, and provide start-up grants for worksite wellness programs;

(8) undertake other activities to monitor and oversee the delivery of health care services in Minnesota with the goal of improving affordability, quality, and accessibility of health care for all Minnesotans; and

(9) make the cost containment goal data available to the public in a consumer-oriented manner.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 2. Minnesota Statutes 2006, section 62J.81, subdivision 1, is amended to read:

Subdivision 1. **Required disclosure of estimated payment.** (a) A health care provider, as defined in section 62J.03, subdivision 8, or the provider's designee as agreed to by that designee, shall, at the request of a consumer, provide that consumer with a good faith estimate of the ~~reimbursement~~ allowable payment the provider ~~expects to receive from the health plan company in which the consumer is enrolled~~ has agreed to accept from the consumer's health plan company for the services specified by the consumer, specifying the amount of the allowable payment due from the health plan company. Health plan companies must allow contracted providers, or their designee, to release this information. ~~A good faith estimate must also be made available at the request of a consumer who is not enrolled in a health plan company. If a consumer has no applicable public or private coverage, the health care provider must give the consumer a good faith estimate of the average allowable reimbursement the provider accepts as payment from private third-party payers for the services specified by the consumer and the estimated amount the noncovered consumer will be required to pay.~~ Payment information provided by a provider, or by the provider's designee as agreed to by that designee, to a patient pursuant to this subdivision does not constitute a legally binding estimate of the allowable charge for or cost to the consumer of services.

(b) A health plan company, as defined in section 62J.03, subdivision 10, shall, at the request of an enrollee or the enrollee's designee, provide that enrollee with a good faith estimate of the ~~reimbursement~~ allowable amount the health plan company ~~would expect to pay to~~ has contracted for with a specified provider within the network as total payment for a health care service specified by the enrollee and the portion of the allowable amount due from the enrollee and the enrollee's out-of-pocket costs. ~~If requested by the enrollee, the health plan company shall also provide to the enrollee a good faith estimate of the enrollee's out-of-pocket cost for the health care service.~~ An estimate provided to an enrollee under this paragraph is not a legally binding estimate of the ~~reimbursement allowable amount or enrollee's out-of-pocket cost.~~

EFFECTIVE DATE. This section is effective August 1, 2007.

Sec. 3. **[62J.84] HEALTH CARE TRANSFORMATION TASK FORCE.**

Subdivision 1. **Task force.** The Health Care Transformation Task Force consists of:

(1) the Legislative Commission on Health Care Access established under section 62J.07;

(2) the commissioners of human services, health, and commerce;

(3) four persons designated by the SmartBuy alliance to represent private sector purchasers, including one representing public employers, one representing large employers, one representing small employers, and one representing labor unions; and

(4) six persons designated by the partnership for action to transform health care, a multisector policy alliance of hospitals and health systems, health plan companies, physicians, and other health care organizations.

Subd. 2. **Public input.** The commissioner of health shall review available research and conduct statewide, regional, and local surveys, focus groups, and other activities to determine Minnesotans' values, preferences, opinions, and perceptions related to health care and to the issues confronting the task force, and shall report the findings to the task force.

Subd. 3. **Inventory and assessment of existing activities.** The task force shall complete an inventory and assessment of all public and private organized activities, coalitions, and collaboratives working on tasks relating to health system improvement including, but not limited to, patient safety, quality measurement and reporting, evidence-based practice, adoption of health information technology, disease management and chronic care coordination, medical homes, access to health care, cultural competence, prevention and public health, consumer incentives, price and cost transparency, nonprofit organization community benefits, education, research, and health care workforce. By December 15, 2007, the task force shall present recommendations to the legislature, the governor, and to those working on these activities on how these activities may be made more effective and how coordination and communication may be improved.

Subd. 4. **Action plan.** By December 15, 2007, the task force shall develop and present, to the legislature and the governor, a statewide action plan for transforming the health care system to improve affordability, quality, and access. The plan may consist of legislative actions, administrative actions of governmental entities, collaborative actions, and actions of individuals and individual organizations. The plan must include specific and measurable goals and deadlines for affordability, quality, and access. The plan must include a method of coordination and communication among the activities identified under subdivision 3.

Sec. 4. Minnesota Statutes 2006, section 62Q.165, subdivision 1, is amended to read:

Subdivision 1. **Definition.** It is the commitment of the state to achieve universal health coverage for all Minnesotans by the year 2010. Universal coverage is achieved when:

(1) every Minnesotan has access to a full range of quality health care services;

(2) every Minnesotan is able to obtain affordable health coverage which pays for the full range of services, including preventive and primary care; and

(3) every Minnesotan pays into the health care system according to that person's ability.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 5. Minnesota Statutes 2006, section 62Q.165, subdivision 2, is amended to read:

Subd. 2. **Goal.** It is the goal of the state to make continuous progress toward reducing the number of Minnesotans who do not have health coverage so that by January 1, 2000, ~~fewer than four percent of the state's population will be without health coverage~~ 2010, all Minnesota residents have access to affordable health care. The goal will be achieved by improving access to private health coverage through insurance reforms and market reforms, by making health coverage more affordable for low-income Minnesotans through purchasing pools and state subsidies, and by reducing the cost of health coverage through cost containment programs and methods of ensuring that all Minnesotans are paying into the system according to their ability.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 6. Minnesota Statutes 2006, section 62Q.80, is amended by adding a subdivision to read:

Subd. 1a. **Demonstration project.** The commissioner of health shall award a demonstration project grant to a community-based health care initiative to develop and operate a community-based health care coverage program to operate within Carlton, Cook, Lake, and St. Louis Counties. The demonstration project shall extend for five years and must comply with all the requirements of this section.

Sec. 7. Minnesota Statutes 2006, section 62Q.80, subdivision 3, is amended to read:

Subd. 3. **Approval.** (a) Prior to the operation of a community-based health care coverage program, a community-based health initiative shall submit to the commissioner of health for approval the community-based health care coverage program developed by the initiative. ~~The commissioner shall only approve a program that has been awarded a community access program grant from the United States Department of Health and Human Services.~~ The commissioner shall ensure that the program meets the federal grant requirements and any requirements described in this section and is actuarially sound based on a review of appropriate records and methods utilized by the community-based health initiative in establishing premium rates for the community-based health care coverage program.

(b) Prior to approval, the commissioner shall also ensure that:

(1) the benefits offered comply with subdivision 8 and that there are adequate numbers of health care providers participating in the community-based health network to deliver the benefits offered under the program;

(2) the activities of the program are limited to activities that are exempt under this section or otherwise from regulation by the commissioner of commerce;

(3) the complaint resolution process meets the requirements of subdivision 10; and

(4) the data privacy policies and procedures comply with state and federal law.

Sec. 8. Minnesota Statutes 2006, section 62Q.80, subdivision 4, is amended to read:

Subd. 4. **Establishment.** ~~(*)~~ The initiative shall establish and operate upon approval by the commissioner of health a community-based health care coverage program. The operational structure established by the initiative shall include, but is not limited to:

(1) establishing a process for enrolling eligible individuals and their dependents;

(2) collecting and coordinating premiums from enrollees and employers of enrollees;

- (3) providing payment to participating providers;
 - (4) establishing a benefit set according to subdivision 8 and establishing premium rates and cost-sharing requirements;
 - (5) creating incentives to encourage primary care and wellness services; and
 - (6) initiating disease management services, as appropriate.
- ~~(b) The payments collected under paragraph (a), clause (2), may be used to capture available federal funds.~~

Sec. 9. Minnesota Statutes 2006, section 62Q.80, subdivision 13, is amended to read:

Subd. 13. **Report.** (a) The initiative shall submit quarterly status reports to the commissioner of health on January 15, April 15, July 15, and October 15 of each year, with the first report due January 15, ~~2007~~ 2008. The status report shall include:

- (1) the financial status of the program, including the premium rates, cost per member per month, claims paid out, premiums received, and administrative expenses;
 - (2) a description of the health care benefits offered and the services utilized;
 - (3) the number of employers participating, the number of employees and dependents covered under the program, and the number of health care providers participating;
 - (4) a description of the health outcomes to be achieved by the program and a status report on the performance measurements to be used and collected; and
 - (5) any other information requested by the commissioner of health or commerce or the legislature.
- (b) The initiative shall contract with an independent entity to conduct an evaluation of the program to be submitted to the commissioners of health and commerce and the legislature by January 15, ~~2009~~ 2010. The evaluation shall include:
- (1) an analysis of the health outcomes established by the initiative and the performance measurements to determine whether the outcomes are being achieved;
 - (2) an analysis of the financial status of the program, including the claims to premiums loss ratio and utilization and cost experience;
 - (3) the demographics of the enrollees, including their age, gender, family income, and the number of dependents;
 - (4) the number of employers and employees who have been denied access to the program and the basis for the denial;
 - (5) specific analysis on enrollees who have aggregate medical claims totaling over \$5,000 per year, including data on the enrollee's main diagnosis and whether all the medical claims were covered by the program;
 - (6) number of enrollees referred to state public assistance programs;

(7) a comparison of employer-subsidized health coverage provided in a comparable geographic area to the designated community-based geographic area served by the program, including, to the extent available:

(i) the difference in the number of employers with 50 or fewer employees offering employer-subsidized health coverage;

(ii) the difference in uncompensated care being provided in each area; and

(iii) a comparison of health care outcomes and measurements established by the initiative; and

(8) any other information requested by the commissioner of health or commerce.

Sec. 10. Minnesota Statutes 2006, section 62Q.80, subdivision 14, is amended to read:

Subd. 14. **Sunset.** This section expires December 31, ~~2011~~ 2012.

Sec. 11. Minnesota Statutes 2006, section 256.01, subdivision 2b, is amended to read:

Subd. 2b. **Performance payments.** (a) The commissioner shall develop and implement a pay-for-performance system to provide performance payments to:

(1) eligible medical groups and clinics that demonstrate optimum care in serving individuals with chronic diseases who are enrolled in health care programs administered by the commissioner under chapters 256B, 256D, and 256L;

(2) medical groups that implement effective medical home models of patient care that improve quality and reduce costs through effective primary and preventive care, care coordination, and management of chronic conditions; and

(3) eligible medical groups and clinics that evaluate medical provider usage patterns and provide feedback to individual medical providers on that provider's practice patterns relative to peer medical providers.

(b) The commissioner shall also develop and implement a patient incentive health program to provide incentives and rewards to patients who are enrolled in health care programs administered by the commissioner under chapters 256B, 256D, and 256L, and who have agreed to and meet personal health goals established with their primary care provider to manage a chronic disease or condition including, but not limited to, diabetes, high blood pressure, and coronary artery disease.

(c) The commissioner may receive any federal matching money that is made available through the medical assistance program for managed care oversight contracted through vendors including consumer surveys, studies, and external quality reviews as required by the Federal Balanced Budget Act of 1997, Code of Federal Regulations, title 42, part 438, subpart E. Any federal money received for managed care oversight is appropriated to the commissioner for this purpose. The commissioner may expend the federal money received in either year of the biennium.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 12. Minnesota Statutes 2006, section 256B.0625, is amended by adding a subdivision to read:

Subd. 49. **Physician-directed care coordination services.** The commissioner shall develop and implement a physician-directed care coordination program for medical assistance recipients who are not enrolled in the prepaid medical assistance program and who are receiving services on a fee-for-service basis. This program provides payment to primary care clinics for care coordination for people who have complex and chronic medical conditions. Clinics must meet certain criteria such as the capacity to develop care plans; have a dedicated care coordinator; and have an adequate number of fee-for-service clients, evaluation mechanisms, and quality improvement processes to qualify for reimbursement.

Sec. 13. **HEALTH CARE PAYMENT SYSTEM REFORM.**

Subdivision 1. **Payment reform plan.** The commissioners of employee relations, human services, commerce, and health shall develop a plan for promoting and facilitating changes in payment rates and methods for paying for health care services, drugs, devices, supplies, and equipment in order to:

- (1) reward the provision of cost-effective primary and preventive care;
- (2) reward the use of evidence-based care;
- (3) discourage underutilization, overuse, and misuse;
- (4) reward the use of the most cost-effective settings, drugs, devices, providers, and treatments; and
- (5) encourage consumers to maintain good health and use the health care system appropriately.

Subd. 2. **Report.** The commissioners shall submit a report to the legislature by December 15, 2007, describing the payment reform plan. The report must include proposed legislation for implementing those components of the plan requiring legislative action or appropriations of money.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 14. **COMMUNITY COLLABORATIVE PILOT PROJECTS TO COVER THE UNINSURED.**

Subdivision 1. **Community collaboratives.** The commissioner of health shall provide grants to and authorization for up to three community collaboratives that satisfy the requirements in this section. To be eligible to receive a grant and authorization under this section, a community collaborative must include:

- (1) one or more counties;
- (2) one or more local hospitals;
- (3) one or more local employers who collectively provide at least 300 jobs in the community;
- (4) one or more health care clinics or physician groups; and
- (5) a third-party payer, which may be a county-based purchasing plan operating under Minnesota Statutes, section 256B.692, a self-insured employer, or a health plan company as defined in Minnesota Statutes, section 62Q.01, subdivision 4.

Subd. 2. Pilot project requirements. (a) Community collaborative pilot projects must:

(1) identify and enroll persons in the community who are uninsured, and who have, or are at risk of developing, one of the following chronic conditions: mental illness, diabetes, asthma, hypertension, or other chronic condition designated by the project;

(2) assist uninsured persons obtain private-sector health insurance coverage if possible or enroll in any public health care programs for which they are eligible. If the uninsured individual is unable to obtain health coverage, the community collaborative must enroll the individual in a local health care assistance program that provides specified services to prevent or effectively manage the chronic condition;

(3) include components to help uninsured persons retain employment or to become employable, if currently unemployed;

(4) ensure that each uninsured person enrolled in the program has a medical home responsible for providing, or arranging for, health care services and assisting in the effective management of the chronic condition;

(5) coordinate services between all providers and agencies serving an enrolled individual; and

(6) be coordinated with the state's Q-Care initiative and improve the use of evidence-based treatments and effective disease management programs in the broader community, beyond those individuals enrolled in the project.

(b) Projects established under this section are not insurance and are not subject to state-mandated benefit requirements or insurance regulations.

Subd. 3. Criteria. Proposals must be evaluated by actuarial, financial, and clinical experts based on the likelihood that the project would produce a positive return on investment for the community. In awarding grants, the commissioner of health shall give preference to proposals that:

(1) have broad community support from local businesses, provider counties, and other public and private organizations;

(2) would provide services to uninsured persons who have, or are at risk of developing, multiple, co-occurring chronic conditions;

(3) integrate or coordinate resources from multiple sources, such as employer contributions, county funds, social service programs, and provider financial or in-kind support;

(4) provide continuity of treatment and services when uninsured individuals in the program become eligible for public or private health insurance or when insured individuals lose their coverage;

(5) demonstrate how administrative costs for health plan companies and providers can be reduced through greater simplification, coordination, consolidation, standardization, reducing billing errors, or other methods; and

(6) involve local contributions to the cost of the pilot projects.

Subd. 4. Grants. The commissioner of health shall provide implementation grants of up to one-half of the community collaborative's costs for planning, administration, and evaluation. The commissioner shall also provide grants to community collaboratives to develop a fund to pay up to 50 percent of the cost of the services provided to uninsured individuals. The remaining costs must be paid for through other sources or by agreement of a health care provider to contribute the cost as charity care.

Subd. 5. **Evaluation.** The commissioner of health shall evaluate the effectiveness of each community collaborative project awarded a grant, by comparing actual costs for serving the identified uninsured persons to the predicted costs that would have been incurred in the absence of early intervention and consistent treatment to manage the chronic condition, including the costs to medical assistance, MinnesotaCare, and general assistance medical care. The commissioner shall require community collaborative projects, as a condition of receipt of a grant award, to provide the commissioner with all information necessary for this evaluation.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 15. **HEALTH CARE PAYMENT REFORM PILOT PROJECTS.**

Subdivision 1. **Pilot projects.** (a) The commissioners of health, human services, and employee relations shall develop and administer payment reform pilot projects for state employees and persons enrolled in medical assistance, MinnesotaCare, or general assistance medical care, to the extent permitted by federal requirements. The purpose of the projects is to promote and facilitate changes in payment rates and methods for paying for health care services, drugs, devices, supplies, and equipment in order to:

- (1) reward the provision of cost-effective primary and preventive care;
- (2) reward the use of evidence-based care;
- (3) reward coordination of care for patients with chronic conditions;
- (4) discourage overuse and misuse;
- (5) reward the use of the most cost-effective settings, drugs, devices, providers, and treatments;
- (6) encourage consumers to maintain good health and use the health care system appropriately.

(b) The pilot projects must involve the use of designated care professionals or clinics to serve as a patient's medical home and be responsible for coordinating health care services across the continuum of care. The pilot projects must evaluate different payment reform models and must be coordinated with the Minnesota senior health options program and the Minnesota disability health options program. To the extent possible, the commissioners shall coordinate state purchasing activities with other public employers and with private purchasers, self-insured groups, and health plan companies to promote the use of pilot projects encompassing both public and private purchasers and markets.

Subd. 2. **Payment methods and incentives.** The commissioners shall modify existing payment methods and rates for those enrollees and health care providers participating in the pilot project in order to provide incentives for care management, team-based care, and practice redesign, and increase resources for primary care, chronic condition care, and care provided to complex patients. The commissioners may create financial incentives for patients to select a medical home under the pilot project by reducing, modifying, or eliminating deductibles and co-payments for certain services, or through other incentives. The commissioners may require patients to remain with their designated medical home for a specified period of time. Alternative payment methods may include complete or partial capitation, fee-for-service payments, or other payment methodologies. The payment methods may provide for the payment of bonuses to medical home providers or other providers, or to patients, for the achievement of performance goals. The payment methods may include allocating a portion of the payment that would otherwise be paid to health plans under state prepaid health care programs to the designated medical home for specified services.

Subd. 3. **Requirements.** In order to be designated a medical home under the pilot project, health care professionals or clinics must demonstrate their ability to:

- (1) be the patient's first point of contact 24 hours a day, seven days a week;
- (2) provide or arrange for patients' comprehensive health care needs, including the ability to structure planned chronic disease visits and to manage chronic disease through the use of disease registries;
- (3) coordinate patients' care when care must be provided outside the medical home;
- (4) provide longitudinal care, not just episodic care, including meeting long-term and unique personal needs;
- (5) utilize an electronic health record and incorporate a plan to develop and make available to patients that choose a medical home an electronic personal health record that is prepopulated with the patient's data, consumer-directed, connected to the provider, 24-hour accessible, and owned and controlled by the patient;
- (6) systematically improve quality of care using, among other inputs, patient feedback; and
- (7) create a provider network that provides for increased reimbursement for a medical home in a cost-neutral manner.

Subd. 4. **Evaluation.** Pilot projects must be evaluated based on patient satisfaction, provider satisfaction, clinical process and outcome measures, program costs and savings, and economic impact on health care providers. Pilot projects must be evaluated based on the extent to which the medical home:

- (1) coordinated health care services across the continuum of care and thereby reduced duplication of services and enhanced communication across providers;
- (2) provided safe and high-quality care by increasing utilization of effective treatments, reduced use of ineffective treatments, reduced barriers to essential care and services, and eliminated barriers to access;
- (3) reduced unnecessary hospitalizations and emergency room visits and increased use of cost-effective care and settings;
- (4) encouraged long-term patient and provider relationships by shifting from episodic care to consistent, coordinated communication and care with a specified team of providers or individual providers;
- (5) engaged and educated consumers by encouraging shared patient and provider responsibility and accountability for disease prevention, health promotion, chronic disease management, acute care, and overall well-being, encouraging informed medical decision-making, ensuring the availability of accurate medical information, and facilitated the transfer of accurate medical information;
- (6) encouraged innovation in payment methodologies by using patient and provider incentives to coordinate care and utilize medical home services and fostering the expansion of a technology infrastructure that supports collaboration; and
- (7) reduced overall health care costs as compared to conventional payment methods for similar patient populations.

Subd. 5. **Rulemaking.** The commissioners are exempt from administrative rulemaking under chapter 14 for purposes of developing, administering, contracting for, and evaluating pilot projects under this section. The commissioner shall publish a proposed request for proposals in the State Register and allow 30 days for comment before issuing the final request for proposals.

Subd. 6. **Regulatory and payment barriers.** The commissioners shall study state and federal statutory and regulatory barriers to the creation of medical homes and provide a report and recommendations to the legislature by December 15, 2007.

Sec. 16. **HEALTH CARE SYSTEM CONSOLIDATION.**

The commissioner of health shall study the effect of health care provider and health plan company consolidation in the four metropolitan statistical areas in Minnesota on: health care costs, including provider payment rates; quality of care; and access to care. The commissioner shall separately consider hospitals, specialty groups, and primary care groups. The commissioner shall present findings and recommendations to the legislature by December 15, 2007.

Sec. 17. **APPROPRIATIONS.**

(a) \$..... is appropriated from the general fund to the commissioner of human services for the biennium beginning July 1, 2007, to provide performance payments under Minnesota Statutes, section 256.01, subdivision 2b.

(b) \$..... is appropriated from the general fund to the commissioner of health for the biennium beginning July 1, 2007, to provide grants to community collaboratives under section 14.

(c) \$..... is appropriated from the general fund to the commissioner of health for the biennium beginning July 1, 2007, to establish the Health Care Transformation Task Force under Minnesota Statutes, section 62J.84.

(d) \$1,050,000 is appropriated for the biennium beginning July 1, 2007, from the general fund to the commissioner of health for the demonstration project grant described in Minnesota Statutes, section 62Q.80, subdivision 1a. This is a onetime appropriation and is available until June 30, 2012.

(e) \$..... for the fiscal year ending June 30, 2008, and \$..... for the fiscal year ending June 30, 2009, are appropriated from the general fund to the commissioner of health for the medical education and research fund administered under Minnesota Statutes, section 62J.692, to expand multidisciplinary education and training programs and primary care education initiatives, to maintain Minnesota's primary care workforce capacity.

(f) \$..... for the fiscal year ending June 30, 2008, and \$..... for the fiscal year ending June 30, 2009, are appropriated to the commissioner of health to work with institutions of higher education to establish or fund existing initiatives to recruit and retain nurse educators in nursing education programs, in order to expand the educational capacity needed to address Minnesota's nursing shortage.

Sec. 18. **REPEALER.**

Minnesota Statutes 2006, section 62J.052, subdivision 1, is repealed effective August 1, 2007."

Delete the title and insert:

"A bill for an act relating to health; requiring annual reports on cost containment goals; establishing a health care transformation task force; modifying goals for universal coverage; establishing a demonstration project for community-based health care initiative; modifying performance payments for medical groups; requiring a physician-

directed care coordination program; requiring a payment reform plan; providing grants for community collaboratives; establishing health care payment reform pilot projects; requiring a study; appropriating money; amending Minnesota Statutes 2006, sections 62J.04, subdivision 3; 62J.81, subdivision 1; 62Q.165, subdivisions 1, 2; 62Q.80, subdivisions 3, 4, 13, 14, by adding a subdivision; 256.01, subdivision 2b; 256B.0625, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 2006, section 62J.052, subdivision 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 1888, A bill for an act relating to education; providing for 3R high schools and academic rigor; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 120B.

Reported the same back with the following amendments:

Page 2, line 6, delete "3R" and insert "4R" and after "(a)" insert "A 4R high school is one that actively and effectively imbues relevance, rigor, results, and relationships into all aspects of its educational enterprise."

Page 2, line 7, delete "3R" and insert "4R"

Page 2, line 9, delete "3R" and insert "4R" and after "must" insert "use the funds to provide pupil support services or" and after "a" insert "department-approved" and delete "approved by the Department"

Page 2, line 10, delete "of Education"

Page 2, line 18, delete "3R" and insert "4R"

Page 2, line 32, delete "3R" and insert "4R"

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

Page 3, line 9, delete "3R" and insert "4R"

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

Page 3, line 31, delete "3R" and insert "4R"

Page 3, line 34, delete "3R" and insert "4R" in both places

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

Page 4, line 11, delete "3R" and insert "4R"

Page 4, after line 20, insert:

"(f) Aid recipients must not expend more than five percent of the 4R high school aid they receive each year for administrative costs under this section."

Page 4, line 22, after the period, insert "The requirement to complete one full year of dual-credit secondary and postsecondary academic or career and technical courses or programs applies to students in the 2014-2015 graduating class and later."

Page 4, line 26, delete "3R" and insert "4R" in both places

Amend the title as follows:

Page 1, line 2, delete "3R" and insert "4R"

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

The report was adopted.

Hilstrom from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1973, A bill for an act relating to local government; enabling the merger of the Minneapolis Public Library and the Hennepin County library system; authorizing the transfer of property, assets, and certain bond proceeds related to the Minneapolis Public Library to Hennepin County; authorizing the transfer of Minneapolis Public Library employees to Hennepin County; amending Minnesota Statutes 2006, sections 275.065, subdivision 3; 383B.237; 383B.239; 383B.245; 383B.247.

Reported the same back with the following amendments:

Page 2, line 15, delete "may" and insert "shall" and after "County" insert "on the merger date"

Page 2, line 22, delete "may" and insert "shall"

Page 2, line 23, after "County" insert "on the merger date"

Page 5, line 3, delete everything after "County" and insert a period

Page 5, delete lines 4 and 5

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 2011, A bill for an act relating to education finance; authorizing funding for the expansion of the rites of passage program as a way to narrow the racial achievement gap; requiring a program evaluation; appropriating money.

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 2021, A bill for an act relating to education; appropriating money to the independent Office of Educational Accountability through the University of Minnesota; directing the Office of Educational Accountability to convene measurement experts to consider how school performance report card data are most usefully displayed; amending Minnesota Statutes 2006, sections 120B.31, subdivision 3; 120B.36, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 120B.31, subdivision 3, is amended to read:

Subd. 3. **Educational accountability.** (a) The Independent Office of Educational Accountability, as authorized by Laws 1997, First Special Session chapter 4, article 5, section 28, subdivision 2, is established, and shall be funded through the Board of Regents of the University of Minnesota. The office shall advise the education committees of the legislature and the commissioner of education, at least on a biennial basis, on the degree to which the statewide educational accountability and reporting system includes a comprehensive assessment framework that measures school accountability for students achieving the goals described in the state's results-oriented graduation rule. The office shall ~~consider~~ determine and annually report to the legislature whether and how effectively:

(1) the statewide system of educational accountability utilizes multiple indicators to provide valid and reliable comparative and contextual data on students, schools, districts, and the state, and if not, recommend ways to improve the accountability reporting system-;

(2) the commissioner makes statistical adjustments when reporting student data over time, consistent with subdivision (4);

(3) the commissioner uses indicators of student achievement growth over time and a value-added assessment model that estimates the effects of the school and school district on student achievement to measure school performance, consistent with section 120B.36, subdivision 1;

(4) the commissioner makes data available on students who do not pass one or more of the state's required GRAD tests and do not receive a diploma as a consequence, and categorizes these data according to gender, race, socio-economic status, English language proficiency, and receipt of Title I or other remedial services; and

(5) the commissioner makes data available on students who do not pass one or more of the state's required GRAD tests and do not receive a diploma as a consequence, and categorizes these data according to gender, race, eligibility for free or reduced lunch, and English language proficiency.

(b) When the office reviews the statewide educational accountability and reporting system, it shall also consider:

- (1) the objectivity and neutrality of the state's educational accountability system; and
- (2) the impact of a testing program on school curriculum and student learning.

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

Sec. 2. Minnesota Statutes 2006, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance report cards.** (a) The commissioner shall use objective criteria based on levels of student performance to ~~identify four to six designations applicable to high and low performing public schools. The objective criteria shall include~~ report at least student academic performance, school safety, and staff characteristics, with a value-added ~~growth~~ growth component added ~~by the 2006-2007~~ no later than the 2008-2009 school year. The report must indicate a school's adequate yearly progress status.

(b) The commissioner shall develop, annually update, and post on the department Web site school performance report cards. ~~A school's designation must be clearly stated on each school performance report card.~~

(c) The commissioner must make available the first ~~school designations and school~~ performance report cards by November 2003, and during the beginning of each school year thereafter.

(d) A school or district may appeal its adequate yearly progress status in writing ~~a designation under this section~~ to the commissioner within 30 days of receiving the ~~designation~~ notice of its status. The commissioner's decision to uphold or deny an appeal is final.

(e) School performance report cards data are nonpublic data under section 13.02, subdivision 9, until not later than ten days after the appeal procedure described in paragraph (d) concludes. The department shall annually post school performance report cards to its public Web site no later than September 1.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the school performance report cards for the 2006-2007 school year and later.

Sec. 3. **SCHOOL PERFORMANCE REPORT CARDS; ADVISORY GROUP RECOMMENDATIONS.**

(a) To sustain equity and excellence in education, the Independent Office of Educational Accountability under Minnesota Statutes, section 120B.31, subdivision 3, must convene and facilitate an advisory group of measurement experts to consider and recommend how to structure school performance data and school performance report cards under Minnesota Statutes, section 120B.36, subdivision 1, to fully, fairly, and accurately report student achievement and emphasize school excellence under Minnesota's system of educational accountability and public reporting. The advisory group at least must consider and recommend how to: evaluate student achievement using multiple measures of growth that take into account student demographic characteristics, consistent with Minnesota Statutes, section 120B.31, subdivision 4; and identify outstanding schools based on student achievement and achievement growth and using multiple performance measures that are objective and consistent with the highest standards in the field of educational measurements and accountability. The advisory group, at its discretion, may also consider and make recommendations on other related statewide accountability and reporting matters.

(b) Advisory group members under paragraph (a) include: two qualified experts in measurement in education selected by the State Council on Measurement in Education; three regionally diverse school district research and evaluation directors selected by the Minnesota Assessment Group; one school superintendent selected by the Minnesota Association of School Administrators; one University of Minnesota faculty selected by the dean of the

College of Education and Human Development; one licensed teacher selected by Education Minnesota; and the director of evaluation and testing at the Minnesota Department of Education. Advisory group members' terms and other advisory group matters are subject to Minnesota Statutes, section 15.059, subdivision 6. The Independent Office of Educational Accountability must present the advisory group's recommendations under paragraph (a) to the education policy and finance committees of the legislature by February 15, 2008. The advisory group expires on February 16, 2008.

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

Sec. 4. **APPROPRIATION; INDEPENDENT OFFICE OF EDUCATIONAL ACCOUNTABILITY.**

\$...... in fiscal year 2008 and \$...... in fiscal year 2009 are appropriated from the general fund to the Board of Regents of the University of Minnesota for the Independent Office of Educational Accountability under Minnesota Statutes, section 120B.31, subdivision 3. The base appropriation for the Independent Office of Educational Accountability in fiscal years 2010 and 2011 is \$...... each year."

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 34, 131, 269, 272, 524, 1267, 1316, 1364, 1492, 1611 and 1670 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 543 and 805 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Ruud introduced:

H. F. No. 2165, A bill for an act relating to commerce; limiting the use of evergreen clauses in certain leases and contracts; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Benson; Greiling; Peterson, S., and Ruud introduced:

H. F. No. 2166, A bill for an act relating to education; appropriating money to the Department of Education for a grant to the Minnesota Historical Society to provide professional development for teachers.

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

Davnie, Mullery, Thao and Hilstrom introduced:

H. F. No. 2167, A bill for an act relating to public safety; reorganizing the Minnesota Financial Crimes Oversight Council and Task Force; transferring responsibility over the oversight council and task force from the commissioner of public safety to the attorney general; providing the oversight council with more autonomy, including more control over appropriated money; striking the requirement that the oversight council seek a nonstate match to state-appropriated funds; expanding the oversight council's and task force's jurisdiction to include organized retail crime; expanding the authority of the oversight council over the task force commander; adding legislators to the oversight council; requiring a \$1 surcharge on each driver's license and Minnesota identification card issued and statutorily appropriating this money for the oversight council and task force; requiring an annual report; amending Minnesota Statutes 2006, sections 171.06, subdivision 2; 299A.681; Laws 2005, chapter 136, article 1, section 9, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 8.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Kahn; Gunther; Hilty; Juhnke; Hansen; Heidgerken; Otremba; Eken; Jaros; Abeler; Johnson; Peterson, A.; Koenen; Thao and Clark introduced:

H. F. No. 2168, A bill for an act relating to agriculture; providing for the development and regulation of an industrial hemp industry; authorizing rulemaking; providing a defense for possession and cultivation of industrial hemp; modifying the definition of marijuana; amending Minnesota Statutes 2006, sections 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.09; 18J.11, subdivision 1, by adding a subdivision; 152.01, subdivision 9; 375.30, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 18K.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Peterson, A., introduced:

H. F. No. 2169, A bill for an act relating to education finance; modifying the calculation of sparsity revenue; reestablishing a levy for school districts in statutory operating debt; amending Minnesota Statutes 2006, section 126C.10, subdivisions 6, 7; proposing coding for new law in Minnesota Statutes, chapter 126C.

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

Kahn, Pelowski, Seifert, Moe and Haws introduced:

H. F. No. 2170, A bill for an act relating to retirement; creating unclaimed account procedures for the Minnesota State Colleges and Universities system individual retirement account plan and supplemental plan; amending Minnesota Statutes 2006, sections 354B.20, by adding a subdivision; 354B.25, subdivision 5, by adding a subdivision; 354C.12, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 354C.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Mullery introduced:

H. F. No. 2171, A bill for an act relating to tax increment financing; providing a plan election for first year to receive increment; amending Minnesota Statutes 2006, sections 469.175, subdivision 1; 469.176, subdivision 1.

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

Brod, Swails, Buesgens, McNamara, Finstad and Mariani introduced:

H. F. No. 2172, A bill for an act relating to education; allowing charter school students to participate in extracurricular activities in their resident school district; amending Minnesota Statutes 2006, sections 123B.36, subdivision 1; 123B.49, subdivision 4; 124D.10, subdivision 8.

The bill was read for the first time and referred to the Committee on E-12 Education.

Eastlund and Hackbarth introduced:

H. F. No. 2173, A bill for an act relating to education finance; increasing the compensatory pilot grants for Independent School District No. 15, St. Francis, for two years; appropriating money.

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

Kalin and Knuth introduced:

H. F. No. 2174, A resolution memorializing the Minnesota Sesquicentennial Commission to take account of energy efficiency.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Kalin; Sertich; Peterson, A.; Hilty; Knuth; Gardner; Faust; Berns; Ozment and Brynaert introduced:

H. F. No. 2175, A bill for an act relating to energy; requiring commissioner of administration to construct accessible database reporting energy use in public buildings; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

Kalin, Gardner, Paulsen and Hilstrom introduced:

H. F. No. 2176, A bill for an act relating to state government; requiring the state to maintain searchable databases on tax increment financing and JOBZ; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 6; 116J.

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

Bunn, Swails and Bigham introduced:

H. F. No. 2177, A bill for an act relating to health and the environment; establishing a Health Risk Advisory Council; amending Minnesota Statutes 2006, section 103H.201, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Thissen, Abeler, Atkins, Walker, Huntley, Brod and Murphy, E., introduced:

H. F. No. 2178, A bill for an act relating to human services; restoring funding for certain long-term care programs; expanding home and community-based long-term care services for older adults and family caregivers; establishing new grant programs; establishing a statewide priority to enhance the mobility of older adults; establishing demonstration projects; requiring a study of adult protection and ombudsman services; requiring a study of access by older adults to services under the elderly waiver; requiring a study of service adequacy across long-term care waivers; requiring a study of access to hospice services; establishing a tax credit for family caregivers of adults of all ages; appropriating money; amending Minnesota Statutes 2006, sections 256.975, by adding subdivisions; 256B.0917, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 290.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Berns introduced:

H. F. No. 2179, A bill for an act relating to health occupations; modifying the time period in which applicants applying for a license to practice medicine must take and pass the United States Medical Licensing Examination; amending Minnesota Statutes 2006, section 147.02, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Anderson, B., introduced:

H. F. No. 2180, A bill for an act relating to human services; establishing a board of oversight of human services appeals; amending Minnesota Statutes 2006, section 14.63; proposing coding for new law in Minnesota Statutes, chapter 245A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Abeler and Huntley introduced:

H. F. No. 2181, A bill for an act relating to human services; requiring certain medical assistance enrollees who are children with high-cost mental health conditions to receive mental health care coordination and social support services through the U special kids program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Loeffler; Murphy, E.; Huntley and Peterson, S., introduced:

H. F. No. 2182, A bill for an act relating to human services; establishing an advisory committee to simplify program administration; requiring studies and reports; amending Minnesota Statutes 2006, section 256.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Thao, Otremba, Fritz, Abeler and Murphy, E., introduced:

H. F. No. 2183, A bill for an act relating to health care; regulating certain high deductible health plans; amending Minnesota Statutes 2006, section 62Q.65.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Liebling and Norton introduced:

H. F. No. 2184, A bill for an act relating to health; modifying the medical education and research cost distribution formula; appropriating money; amending Minnesota Statutes 2006, section 62J.692, subdivisions 1, 4, 7a, 8, 10.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lanning, Simon, Slawik, Dill, Hamilton, Eastlund, McFarlane, Demmer and Erhardt introduced:

H. F. No. 2185, A bill for an act relating to education; establishing a grant program to help communities promote, practice, and cultivate positive child and youth development; appropriating money.

The bill was read for the first time and referred to the Committee on E-12 Education.

Hornstein, Bigham, Walker, Slawik and Hilstrom introduced:

H. F. No. 2186, A bill for an act relating to child support; modifying requirements for six-month review; providing income information and enforcement remedies; amending Minnesota Statutes 2006, sections 518.1781; 518A.28; 518A.60; 518A.65; 518A.66; 518A.68; 518A.69; 518A.74, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Erickson and Shimanski introduced:

H. F. No. 2187, A bill for an act relating to volunteer firefighter relief associations; requiring establishment of investment policies and reporting on results; repealing certain reporting requirements; amending Minnesota Statutes 2006, section 356A.06, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapter 424A.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Brynaert, Erhardt, Johnson, Gunther, Brown, Lieder and Hausman introduced:

H. F. No. 2188, A bill for an act relating to drivers' licenses; requiring road examination upon every third driver's license renewal; amending Minnesota Statutes 2006, section 171.13, subdivisions 2, 7.

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

Paymar introduced:

H. F. No. 2189, A bill for an act relating to land use; establishing statewide moratorium on new billboards; declaring existing billboards nonconforming uses; proposing coding for new law in Minnesota Statutes, chapter 173.

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

Atkins, Sviggum, Mahoney, Anzels and Otremba introduced:

H. F. No. 2190, A bill for an act relating to motor fuels; regulating biodiesel fuel sales; amending Minnesota Statutes 2006, section 239.77, subdivision 2.

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

Madore introduced:

H. F. No. 2191, A bill for an act relating to drivers' licenses; permitting use of address designated by secretary of state for data protection purposes; amending Minnesota Statutes 2006, sections 171.06, subdivision 3; 171.07, subdivisions 1, 3.

The bill was read for the first time and referred to the Transportation Finance Division.

Hilstrom introduced:

H. F. No. 2192, A bill for an act relating to the city of Brooklyn Center; expanding the permitted uses of increments of a tax increment financing district; amending Laws 1994, chapter 587, article 9, section 14, subdivision 2.

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

Hilstrom introduced:

H. F. No. 2193, A bill for an act relating to the city of Brooklyn Center; expanding the permitted uses of increments of a tax increment financing district; amending Laws 1994, chapter 587, article 9, section 14, subdivisions 1, 2, 3.

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

Kahn introduced:

H. F. No. 2194, A bill for an act relating to retirement; postretirement earnings offsets to pensions for teacher retirement fund associations in cities of the first class; modifying provisions on the procurement of actuarial services for state and local public retirement programs; appropriating money; amending Minnesota Statutes 2006, sections 16A.055, subdivision 5; 356.214, subdivisions 1, 3, by adding a subdivision; 356.215, subdivisions 1, 2, 3, 11, 18; repealing Minnesota Statutes 2006, sections 354A.31, subdivisions 3, 3a; 356.214, subdivision 2; 356.215, subdivision 2a.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Demmer introduced:

H. F. No. 2195, A bill for an act relating to highways; directing commissioner of transportation to issue necessary permits for construction by city of Rochester of interchange at highway 52 and 65th Street NW.

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

Sailer; Juhnke; Hansen; Urdahl; Gardner; Welti; Peterson, A.; Bly; Koenen; Eken; Tschumper; Faust; Olin; Heiderken; Lieder and Moe introduced:

H. F. No. 2196, A bill for an act relating to agriculture; modifying provisions of the waste pesticide collection program; increasing the minimum annual program expenditure amount; amending Minnesota Statutes 2006, sections 18B.065; 18B.26, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Zellers; Simpson; Finstad; Emmer; Anderson, S.; Berns; Severson; DeLaForest; Lanning; Nornes; Brod; Hackbarth; Gunther; McNamara; Dettmer; Seifert; Peppin; Dean; Marquart; Erhardt; Hosch; Haws; Nelson; Hilstrom; Otremba; Lillie; Simon; Bigham; Atkins; Lesch; Juhnke; Solberg; Eastlund; Gottwalt and Wardlow introduced:

H. F. No. 2197, A bill for an act relating to highways; designating I-94 as Purple Heart Trail; amending Minnesota Statutes 2006, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Transportation Finance Division.

Dill introduced:

H. F. No. 2198, A bill for an act relating to taxation; modifying the levy authority of the Cook County Hospital District; amending Laws 1989, chapter 211, section 8, subdivision 4, as amended.

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

Hansen introduced:

H. F. No. 2199, A bill for an act relating to capital improvements; appropriating money for a span arch bridge in South St. Paul; authorizing the sale and issuance of state bonds.

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

Magnus and Hamilton introduced:

H. F. No. 2200, A bill for an act relating to energy; promoting use of hydrogen as energy resource using an innovative commercial demonstration of integrated biorefinery system for production of liquid transportation biofuels, biobased chemicals, and substitutes for petroleum-based feedstocks and products that will cause a net reduction of emissions of greenhouse gases; 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 Finance.

Olin and Bunn introduced:

H. F. No. 2201, A bill for an act relating to game and fish; providing for certain licenses to be issued without a fee; amending Minnesota Statutes 2006, section 97A.441, by adding a subdivision.

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

Paymar introduced:

H. F. No. 2202, A bill for an act relating to local government; modifying nonconforming use provisions as applied to billboards; amending Minnesota Statutes 2006, section 462.357, subdivision 1e.

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

Paymar introduced:

H. F. No. 2203, A bill for an act relating to transportation; imposing a surcharge on outdoor advertising permits; appropriating money for removal of dilapidated billboards; proposing coding for new law in Minnesota Statutes, chapter 173.

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

Rukavina introduced:

H. F. No. 2204, A bill for an act relating to economic development; appropriating money to the Board of Invention.

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

Bigham, Hilstrom, Mullery and Smith introduced:

H. F. No. 2205, A bill for an act relating to crimes; providing for applicability of certain old sex offender provisions for crimes committed before enactment of new sex offender law; amending Minnesota Statutes 2006, section 609.3455, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Kalin introduced:

H. F. No. 2206, A bill for an act relating to motor vehicles; providing for recovery of costs of impound lot operators; establishing abandoned vehicle account; amending Minnesota Statutes 2006, sections 115A.908, subdivision 2; 168B.087, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 168B.

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

Westrom introduced:

H. F. No. 2207, A bill for an act relating to traffic regulations; amending definition of recreational vehicle combination to include any type of towed middle vehicle; amending Minnesota Statutes 2006, section 169.01, subdivision 78.

The bill was read for the first time and referred to the Transportation Finance Division.

Slocum and Thissen introduced:

H. F. No. 2208, A bill for an act relating to taxation; exempting construction material and equipment used to construct a new city hall and maintenance facility in Richfield; amending Minnesota Statutes 2006, section 297A.71, by adding a subdivision.

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

Madore, Slocum and Atkins introduced:

H. F. No. 2209, A bill for an act relating to consumer protection; changing motor vehicle damage disclosure requirement; amending Minnesota Statutes 2006, section 325F.6641, subdivisions 1, 2.

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

Clark introduced:

H. F. No. 2210, A bill for an act relating to public safety; appropriating money for restorative justice.

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

Olin and Marquart introduced:

H. F. No. 2211, A bill for an act relating to capital investment; appropriating money for an indoor ice arena in the city of Badger; authorizing the issuance of general obligation bonds.

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

Loeffler; Hausman; Lanning; Carlson; Kelliher; Solberg; Dean; Kahn; Murphy, M.; Mariani and Tingelstad introduced:

H. F. No. 2212, A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for restoration and renovation of the capitol building.

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

Morrow and Lieder introduced:

H. F. No. 2213, A bill for an act relating to transportation; requiring permit to tow oversized and overweight vehicle under certain conditions; amending Minnesota Statutes 2006, sections 169.829, subdivision 2; 169.86, by adding a subdivision.

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

Juhnke introduced:

H. F. No. 2214, A bill for an act relating to taxation; property; decreasing the minimum acreage requirements for certain special agricultural homestead property; amending Minnesota Statutes 2006, section 273.124, subdivision 14.

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

Knuth; Peterson, A.; Sailer and Scalze introduced:

H. F. No. 2215, A bill for an act relating to the environment; requiring commissioner of natural resources and director of Explore Minnesota Tourism to develop a travel green program; requiring a report.

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

Scalze introduced:

H. F. No. 2216, A bill for an act relating to natural resources; modifying watercraft surcharge; modifying water recreation account; providing for a nonresident fishing surcharge; amending Minnesota Statutes 2006, sections 86B.415, subdivisions 1, 2, 3, 4, 5, 7; 86B.706, subdivision 3; 97A.475, subdivision 7.

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

Dominguez, Paymar and Mariani introduced:

H. F. No. 2217, A bill for an act relating to alternative dispute resolution; providing for a study and assessment of alternative dispute resolution; appropriating money.

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

Slocum and Hilty introduced:

H. F. No. 2218, A bill for an act relating to utilities; specifying conditions and procedures for the payment of compensation to certain intervenors in utility proceedings; amending Minnesota Statutes 2006, section 216B.16, subdivision 10.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Koenen; Ruth; Olin; Bly; Tingelstad; Solberg; Gunther; Demmer; Erhardt; Slocum; Fritz; Severson; Abeler; Anzelc; Wollschlager; Dill; Cornish; Hosch; Pelowski; Juhnke; Brown; Haws; Faust; Jaros; Hilty; Norton; Poppe; Peterson, A., and Sailer introduced:

H. F. No. 2219, A bill for an act relating to transportation; increasing gasoline and special fuel tax rates; providing for phase-in of motor vehicle sales tax revenues to transportation; amending Minnesota Statutes 2006, sections 296A.07, subdivision 3; 296A.08, subdivision 2; 297B.09, subdivision 1.

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

Anderson, B.; Hackbarth and Erickson introduced:

H. F. No. 2220, A bill for an act relating to local government; limiting local government requirements for use of certain nonconforming lots; amending Minnesota Statutes 2006, sections 394.36, by adding a subdivision; 462.357, subdivision 1e.

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

Peterson, S., introduced:

H. F. No. 2221, A bill for an act relating to education finance; increasing funding for the Board of Teaching; appropriating money.

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

Otremba and Westrom introduced:

H. F. No. 2222, A bill for an act relating to capital improvements; authorizing the issuance of general obligation bonds; appropriating money for Central Lakes Regional Sanitary District sewer system.

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

Abeler and Hilstrom introduced:

H. F. No. 2223, A bill for an act relating to local government; authorizing home rule charter cities to provide by charter the procedures for appointment of housing and redevelopment authority commissioners; amending Minnesota Statutes 2006, section 469.003, subdivision 6.

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

Walker, Clark and Dominguez introduced:

H. F. No. 2224, A bill for an act relating to public safety; appropriating money for African-American juvenile crime prevention grants.

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

Demmer introduced:

H. F. No. 2225, A bill for an act relating to game and fish; modifying restrictions on using artificial lights to locate animals; amending Minnesota Statutes 2006, section 97B.081, subdivision 2.

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

Lanning introduced:

H. F. No. 2226, A bill for an act relating to gambling; allowing postsecondary institutions to conduct raffles under certain conditions; amending Minnesota Statutes 2006, section 609.761, by adding a subdivision.

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

Juhnke introduced:

H. F. No. 2227, A bill for an act relating to state government; appropriating money for agricultural, veterans, and military affairs purposes; establishing and modifying certain programs; modifying certain accounts and fees; amending Minnesota Statutes 2006, sections 17.03, subdivision 3; 17.101, subdivision 2; 17.102, subdivisions 1, 3, 4, by adding subdivisions; 17.117, subdivisions 5a, 5b; 18B.33, subdivision 1; 18B.34, subdivision 1; 18B.345;

18C.305, by adding a subdivision; 18E.03, subdivision 4; 28A.082, subdivision 1; 41B.043, subdivisions 2, 3, 4; 41B.047; 41B.055; 41B.06; 41C.05, subdivision 2; 168.1255, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 35; 41A; 192; repealing Minnesota Statutes 2006, sections 17.109; 18B.315; 18C.425, subdivision 5; 41B.043, subdivision 1a.

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

Anzelski introduced:

H. F. No. 2228, A bill for an act relating to taxation; sales tax; extending the agricultural exemption to logging tires; amending Minnesota Statutes 2006, section 297A.69, subdivision 3.

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

Mullery introduced:

H. F. No. 2229, A bill for an act relating to public safety; establishing ignition interlock device pilot project for repeat DWI offenders and providing a temporary exception to mandatory sentencing law for offenders required to use these devices; amending Minnesota Statutes 2006, section 169A.275, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 171.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Loeffler introduced:

H. F. No. 2230, A bill for an act relating to taxation; property; eliminating future residential relative homesteads; changing the class rate on certain nonhomestead residential property; amending Minnesota Statutes 2006, sections 273.124, subdivision 1; 273.13, subdivision 25.

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

Brown, Marquart, Olin, Kalin and Ward introduced:

H. F. No. 2231, A bill for an act relating to local government aids; providing for aid to towns; amending Minnesota Statutes 2006, section 477A.013, by adding a subdivision.

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

Smith introduced:

H. F. No. 2232, A bill for an act relating to taxation; property; changing certain requirements relating to the open space property tax law; amending Minnesota Statutes 2006, section 273.112, subdivision 3, by adding a subdivision.

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

Kalin introduced:

H. F. No. 2233, A bill for an act relating to local government; authorizing transfer of development credits banks for local governments; amending Minnesota Statutes 2006, sections 394.25, subdivision 2; 462.357, subdivision 1.

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

Otremba, Westrom, Ozment, Simpson, Hausman, Eken, Ward, Lieder, Fritz and Sailer introduced:

H. F. No. 2234, A bill for an act relating to highways; designating the "Dallas Sams Memorial Highway"; amending Minnesota Statutes 2006, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Transportation Finance Division.

Juhnke, Marquart, Brod, Simpson and Dittrich introduced:

H. F. No. 2235, A bill for an act relating to estate taxation; providing an exclusion for certain farm and small business properties; amending Minnesota Statutes 2006, sections 291.005, subdivision 1; 291.03, subdivision 1, by adding subdivisions.

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

Liebling, Norton, Welti and Demmer introduced:

H. F. No. 2236, A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for the Southeastern Minnesota Regional Public Safety Training Center.

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

Nelson; Gunther; Koenen; Atkins; Hilstrom; Carlson; Fritz; Zellers; Peterson, N.; Rukavina; Peterson, A.; Eken; Simpson; Howes; Urdahl and Lillie introduced:

H. F. No. 2237, A bill for an act relating to taxation; providing a sales tax exemption for construction materials and equipment used to construct improvements in a tax increment financing district in the city of Bloomington; extending the duration of a tax increment financing district in the city of Bloomington and modifying its boundaries; providing for the issuance of certain state obligations; appropriating money; amending Minnesota Statutes 2006, section 297A.71, by adding a subdivision; Laws 1996, chapter 464, article 1, section 8, subdivision 3.

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

Brynaert, Greiling, Demmer, Gottwalt, Loeffler, Zellers, Lillie, Slawik and Brod introduced:

H. F. No. 2238, A bill for an act relating to insurance; creating a statewide health insurance program for school district employees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Thissen, Davnie and Wagenius introduced:

H. F. No. 2239, A bill for an act relating to local government; authorizing the transfer of all powers, duties, and obligations of the Board of Estimate and Taxation in the city of Minneapolis to the Minneapolis City Council.

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

Rukavina and Sertich introduced:

H. F. No. 2240, A bill for an act relating to capital improvements; appropriating money for renewable biomass energy production by the Laurentian Energy Authority; authorizing the sale and issuance of state bonds.

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

Clark introduced:

H. F. No. 2241, A bill for an act relating to appropriations; appropriating money for health and human services for certain programs and grants; appropriating money to the Minnesota Housing Finance Agency.

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

Marquart and Juhnke introduced:

H. F. No. 2242, A bill for an act relating to taxation; property; reducing the class rate on certain seasonal restaurant property; amending Minnesota Statutes 2006, section 273.13, subdivision 25.

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

Tschumper introduced:

H. F. No. 2243, A bill for an act relating to taxes; authorizing the city of Lanesboro to impose a local sales tax.

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

Morgan introduced:

H. F. No. 2244, A bill for an act relating to taxation; sales and use; exempting construction materials and equipment for a surface water treatment plant; amending Minnesota Statutes 2006, section 297A.71, by adding a subdivision.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 60, A bill for an act relating to local government; authorizing the city of Duluth to establish accounts to pay for postemployment benefits owed to retired employees and to generate revenue dedicated to meet certain city obligations; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 11A and 353.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Prettner Solon, Bakk and Fredrickson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Huntley moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 60. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1045, 1019, 1294, 1311, 470, 538 and 1168.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1045, A bill for an act relating to Scott County; renaming the Scott County Housing and Redevelopment Authority.

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

S. F. No. 1019, A bill for an act relating to utilities; making technical change relating to ex parte rules of Public Utilities Commission; amending Minnesota Statutes 2006, section 216A.037, subdivision 1.

The bill was read for the first time.

Johnson moved that S. F. No. 1019 and H. F. No. 1549, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1294, A bill for an act relating to utilities; authorizing electronic filing with Public Utilities Commission; making technical and clarifying changes; amending Minnesota Statutes 2006, sections 216.15; 216.17; 216.18; 216B.18; 216B.241, by adding a subdivision; 216B.26; 216B.33; 216B.62, subdivisions 3, 4, 6; 216B.63; 216E.07; 237.295.

The bill was read for the first time.

Johnson moved that S. F. No. 1294 and H. F. No. 1678, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1311, A bill for an act relating to local government; authorizing cities to operate preventive health services programs; amending Minnesota Statutes 2006, section 15.46.

The bill was read for the first time.

Scalze moved that S. F. No. 1311 and H. F. No. 905, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 470, A bill for an act relating to motor vehicles; extending permissible route for three-unit paper products vehicles; allowing certain trucks to qualify for special paper products vehicle permit; changing effective date authorizing permit for special paper products vehicle; amending Minnesota Statutes 2006, section 169.864, subdivisions 1, 2; Laws 2005, First Special Session chapter 1, article 4, section 39.

The bill was read for the first time and referred to the Transportation Finance Division.

S. F. No. 538, A bill for an act relating to state government; establishing a heating and cooling policy for building projects funded with state appropriations; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

S. F. No. 1168, A bill for an act relating to commerce; amending insurance requirements for building contractors; amending Minnesota Statutes 2006, section 326.94, subdivision 2.

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

CONSENT CALENDAR

Sertich moved that the Consent Calendar be continued. The motion prevailed.

CALENDAR FOR THE DAY

Sertich moved that the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Paulsen moved that the name of Erhardt be added as an author on H. F. No. 81. The motion prevailed.

Mullery moved that the name of Kohls be added as an author on H. F. No. 97. The motion prevailed.

Brod moved that the name of Morgan be added as an author on H. F. No. 261. The motion prevailed.

Haws moved that the name of Brod be added as an author on H. F. No. 300. The motion prevailed.

Seifert moved that the name of Tillberry be added as an author on H. F. No. 338. The motion prevailed.

Severson moved that the name of Emmer be added as an author on H. F. No. 346. The motion prevailed.

Thao moved that the name of Ruth be added as an author on H. F. No. 377. The motion prevailed.

Hilty moved that the name of Rukavina be added as an author on H. F. No. 404. The motion prevailed.

Cornish moved that the name of Nornes be added as an author on H. F. No. 498. The motion prevailed.

Severson moved that his name be stricken as an author on H. F. No. 528. The motion prevailed.

Wollschlager moved that the name of Tillberry be added as an author on H. F. No. 551. The motion prevailed.

Loeffler moved that the name of Lillie be added as an author on H. F. No. 609. The motion prevailed.

Zellers moved that the name of Heidgerken be added as an author on H. F. No. 622. The motion prevailed.

Murphy, E., moved that the name of Liebling be added as an author on H. F. No. 678. The motion prevailed.

Ward moved that the name of Doty be added as an author on H. F. No. 687. The motion prevailed.

Hackbarth moved that his name be stricken as an author on H. F. No. 722. The motion prevailed.

Tschumper moved that the names of Faust and Sailer be added as authors on H. F. No. 726. The motion prevailed.

Haws moved that the name of Garofalo be added as an author on H. F. No. 732. The motion prevailed.

Hackbarth moved that the name of Olin be added as an author on H. F. No. 775. The motion prevailed.

Faust moved that the name of Hortman be added as an author on H. F. No. 806. The motion prevailed.

Winkler moved that the name of Tillberry be added as an author on H. F. No. 979. The motion prevailed.

Norton moved that the names of Gottwalt and Eastlund be added as authors on H. F. No. 990. The motion prevailed.

Slawik moved that the name of Laine be added as an author on H. F. No. 1023. The motion prevailed.

Jaros moved that the name of Erickson be added as an author on H. F. No. 1068. The motion prevailed.

Laine moved that the name of Hornstein be added as chief author on H. F. No. 1104. The motion prevailed.

Rukavina moved that the name of Tillberry be added as an author on H. F. No. 1111. The motion prevailed.

Doty moved that the name of Kranz be added as an author on H. F. No. 1129. The motion prevailed.

Olin moved that the name of Clark be added as an author on H. F. No. 1154. The motion prevailed.

Loeffler moved that the names of Tingelstad and Lenczewski be added as authors on H. F. No. 1183. The motion prevailed.

Benson moved that the name of Lillie be added as an author on H. F. No. 1233. The motion prevailed.

Marquart moved that the names of Tillberry and Hortman be added as authors on H. F. No. 1240. The motion prevailed.

Atkins moved that the names of Tillberry and Brod be added as authors on H. F. No. 1249. The motion prevailed.

Paulsen moved that the name of Brod be added as an author on H. F. No. 1349. The motion prevailed.

Davnie moved that the name of Heidgerken be added as an author on H. F. No. 1414. The motion prevailed.

Kahn moved that the name of Carlson be added as an author on H. F. No. 1440. The motion prevailed.

Bly moved that his name be stricken as an author on H. F. No. 1445. The motion prevailed.

Dittrich moved that the name of Lenczewski be added as an author on H. F. No. 1484. The motion prevailed.

Moe moved that the name of Hortman be added as an author on H. F. No. 1508. The motion prevailed.

Dittrich moved that the name of Simon be added as an author on H. F. No. 1559. The motion prevailed.

Fritz moved that the name of Loeffler be added as an author on H. F. No. 1612. The motion prevailed.

Kahn moved that the name of Winkler be added as an author on H. F. No. 1618. The motion prevailed.

Hosch moved that the name of Kranz be added as an author on H. F. No. 1625. The motion prevailed.

Tillberry moved that the name of Kranz be added as an author on H. F. No. 1632. The motion prevailed.

Peterson, A., moved that the name of Kalin be added as an author on H. F. No. 1642. The motion prevailed.

Norton moved that the name of Walker be added as an author on H. F. No. 1698. The motion prevailed.

Erhardt moved that the names of Ruth and Hornstein be added as authors on H. F. No. 1713. The motion prevailed.

Davnie moved that the name of Kohls be added as an author on H. F. No. 1747. The motion prevailed.

Davnie moved that the names of Laine and Loeffler be added as authors on H. F. No. 1758. The motion prevailed.

Dominguez moved that the name of Walker be added as an author on H. F. No. 1809. The motion prevailed.

Walker moved that the name of Dominguez be added as an author on H. F. No. 1844. The motion prevailed.

Morgan moved that the name of Lenczewski be added as an author on H. F. No. 1851. The motion prevailed.

Hilstrom moved that the name of Lanning be added as an author on H. F. No. 1864. The motion prevailed.

Bunn moved that the name of Lenczewski be added as an author on H. F. No. 1873. The motion prevailed.

Urdahl moved that the name of Peterson, A., be added as an author on H. F. No. 1889. The motion prevailed.

Winkler moved that the name of Simon be added as an author on H. F. No. 1896. The motion prevailed.

Faust moved that the name of Simon be added as an author on H. F. No. 1901. The motion prevailed.

Hilstrom moved that the name of Hortman be added as an author on H. F. No. 1904. The motion prevailed.

Madore moved that the name of Wagenius be added as an author on H. F. No. 1917. The motion prevailed.

Lenczewski moved that the name of Simon be added as an author on H. F. No. 1923. The motion prevailed.

Mariani moved that the names of Slawik, Carlson, Nornes and Paymar be added as authors on H. F. No. 1931. The motion prevailed.

Hortman moved that the name of Simon be added as an author on H. F. No. 1974. The motion prevailed.

Mariani moved that the name of Swails be added as an author on H. F. No. 2085. The motion prevailed.

Koenen moved that the name of Simon be added as an author on H. F. No. 2094. The motion prevailed.

Eastlund moved that the names of Gottwalt and Severson be added as authors on H. F. No. 2096. The motion prevailed.

Murphy, E., moved that the names of Heidgerken and Greiling be added as authors on H. F. No. 2109. The motion prevailed.

Lieder moved that the name of Magnus be added as an author on H. F. No. 2116. The motion prevailed.

Gottwalt moved that the name of Ruth be added as an author on H. F. No. 2132. The motion prevailed.

Marquart moved that the name of Moe be added as an author on H. F. No. 2142. The motion prevailed.

Cornish moved that the name of Lanning be added as an author on H. F. No. 2161. The motion prevailed.

Davnie moved that H. F. No. 1337, now on the General Register, be re-referred to the Committee on Taxes. The motion prevailed.

Clark moved that H. F. No. 1907 be recalled from the Committee on Public Safety and Civil Justice and be re-referred to the Committee on Finance. The motion prevailed.

Holberg moved that H. F. No. 1425 be returned to its author. The motion prevailed.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 11:30 a.m., Tuesday, March 20, 2007. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:30 a.m., Tuesday, March 20, 2007.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives