

STATE OF MINNESOTA

EIGHTY-FIFTH SESSION — 2008

 ONE HUNDRED FIRST DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 10, 2008

The House of Representatives convened at 11:00 a.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by Sister Carol Rennie, St. Paul's Monastery, St. Paul, Minnesota.

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

The roll was called and the following members were present:

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

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Ward 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. 960 and H. F. No. 1097, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Davnie moved that S. F. No. 960 be substituted for H. F. No. 1097 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1018 and H. F. No. 1189, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Thissen moved that the rules be so far suspended that S. F. No. 1018 be substituted for H. F. No. 1189 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1578 and H. F. No. 1665, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Gardner moved that S. F. No. 1578 be substituted for H. F. No. 1665 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2024 and H. F. No. 2426, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Norton moved that S. F. No. 2024 be substituted for H. F. No. 2426 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2368 and H. F. No. 2588, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Ward moved that the rules be so far suspended that S. F. No. 2368 be substituted for H. F. No. 2588 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2399 and H. F. No. 2627, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hilstrom moved that the rules be so far suspended that S. F. No. 2399 be substituted for H. F. No. 2627 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2403 and H. F. No. 3503, 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. 2403 be substituted for H. F. No. 3503 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2449 and H. F. No. 2573, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hansen moved that the rules be so far suspended that S. F. No. 2449 be substituted for H. F. No. 2573 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2533 and H. F. No. 3378, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Tillberry moved that S. F. No. 2533 be substituted for H. F. No. 3378 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2576 and H. F. No. 3217, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Shimanski moved that the rules be so far suspended that S. F. No. 2576 be substituted for H. F. No. 3217 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2597 and H. F. No. 2657, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bigham moved that the rules be so far suspended that S. F. No. 2597 be substituted for H. F. No. 2657 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2642 and H. F. No. 2991, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simon moved that the rules be so far suspended that S. F. No. 2642 be substituted for H. F. No. 2991 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2654 and H. F. No. 3904, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Tillberry moved that the rules be so far suspended that S. F. No. 2654 be substituted for H. F. No. 3904 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2765 and H. F. No. 2721, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dominguez moved that the rules be so far suspended that S. F. No. 2765 be substituted for H. F. No. 2721 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2806 and H. F. No. 3295, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 2806 be substituted for H. F. No. 3295 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2828 and H. F. No. 3228, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Paymar moved that the rules be so far suspended that S. F. No. 2828 be substituted for H. F. No. 3228 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2876 and H. F. No. 2906, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Paymar moved that the rules be so far suspended that S. F. No. 2876 be substituted for H. F. No. 2906 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2919 and H. F. No. 3396, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simon moved that the rules be so far suspended that S. F. No. 2919 be substituted for H. F. No. 3396 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2936 and H. F. No. 3129, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Marquart moved that S. F. No. 2936 be substituted for H. F. No. 3129 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2939 and H. F. No. 3327, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Beard moved that the rules be so far suspended that S. F. No. 2939 be substituted for H. F. No. 3327 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2948 and H. F. No. 3365, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Atkins moved that S. F. No. 2948 be substituted for H. F. No. 3365 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2980 and H. F. No. 3582, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Tschumper moved that the rules be so far suspended that S. F. No. 2980 be substituted for H. F. No. 3582 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2996 and H. F. No. 2903, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Gardner moved that the rules be so far suspended that S. F. No. 2996 be substituted for H. F. No. 2903 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3003 and H. F. No. 3789, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Gardner moved that the rules be so far suspended that S. F. No. 3003 be substituted for H. F. No. 3789 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3021 and H. F. No. 3360, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Ozment moved that S. F. No. 3021 be substituted for H. F. No. 3360 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3049 and H. F. No. 3377, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Walker moved that the rules be so far suspended that S. F. No. 3049 be substituted for H. F. No. 3377 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3070 and H. F. No. 3457, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Simon moved that S. F. No. 3070 be substituted for H. F. No. 3457 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3082 and H. F. No. 2940, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hortman moved that the rules be so far suspended that S. F. No. 3082 be substituted for H. F. No. 2940 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3089 and H. F. No. 2946, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hansen moved that the rules be so far suspended that S. F. No. 3089 be substituted for H. F. No. 2946 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3098 and H. F. No. 3397, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Atkins moved that the rules be so far suspended that S. F. No. 3098 be substituted for H. F. No. 3397 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3119 and H. F. No. 3456, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Tschumper moved that S. F. No. 3119 be substituted for H. F. No. 3456 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3130 and H. F. No. 3690, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kalin moved that the rules be so far suspended that S. F. No. 3130 be substituted for H. F. No. 3690 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3132 and H. F. No. 3610, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Loeffler moved that the rules be so far suspended that S. F. No. 3132 be substituted for H. F. No. 3610 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3135 and H. F. No. 3654, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Winkler moved that the rules be so far suspended that S. F. No. 3135 be substituted for H. F. No. 3654 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3138 and H. F. No. 3438, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Thissen moved that the rules be so far suspended that S. F. No. 3138 be substituted for H. F. No. 3438 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3166 and H. F. No. 3564, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Walker moved that the rules be so far suspended that S. F. No. 3166 be substituted for H. F. No. 3564 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3174 and H. F. No. 3306, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Tillberry moved that S. F. No. 3174 be substituted for H. F. No. 3306 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3202 and H. F. No. 3309, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Pelowski moved that S. F. No. 3202 be substituted for H. F. No. 3309 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3203 and H. F. No. 3766, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Tillberry moved that the rules be so far suspended that S. F. No. 3203 be substituted for H. F. No. 3766 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3213 and H. F. No. 3435, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hosch moved that the rules be so far suspended that S. F. No. 3213 be substituted for H. F. No. 3435 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3214 and H. F. No. 3774, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dominguez moved that the rules be so far suspended that S. F. No. 3214 be substituted for H. F. No. 3774 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3225 and H. F. No. 3576, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Madore moved that S. F. No. 3225 be substituted for H. F. No. 3576 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3227 and H. F. No. 3648, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hosch moved that the rules be so far suspended that S. F. No. 3227 be substituted for H. F. No. 3648 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3235 and H. F. No. 3553, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simon moved that the rules be so far suspended that S. F. No. 3235 be substituted for H. F. No. 3553 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3256 and H. F. No. 3559, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sailer moved that S. F. No. 3256 be substituted for H. F. No. 3559 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3263 and H. F. No. 3710, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bunn moved that the rules be so far suspended that S. F. No. 3263 be substituted for H. F. No. 3710 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3268 and H. F. No. 3313, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Erickson moved that the rules be so far suspended that S. F. No. 3268 be substituted for H. F. No. 3313 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3303 and H. F. No. 3692, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Loeffler moved that the rules be so far suspended that S. F. No. 3303 be substituted for H. F. No. 3692 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3326 and H. F. No. 3361, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Faust moved that the rules be so far suspended that S. F. No. 3326 be substituted for H. F. No. 3361 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3336 and H. F. No. 3204, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Cornish moved that the rules be so far suspended that S. F. No. 3336 be substituted for H. F. No. 3204 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3337 and H. F. No. 3661, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hilty moved that the rules be so far suspended that S. F. No. 3337 be substituted for H. F. No. 3661 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3341 and H. F. No. 3718, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hornstein moved that the rules be so far suspended that S. F. No. 3341 be substituted for H. F. No. 3718 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3342 and H. F. No. 3683, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hilstrom moved that the rules be so far suspended that S. F. No. 3342 be substituted for H. F. No. 3683 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3362 and H. F. No. 3483, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Mullery moved that S. F. No. 3362 be substituted for H. F. No. 3483 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3372 and H. F. No. 3727, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Madore moved that the rules be so far suspended that S. F. No. 3372 be substituted for H. F. No. 3727 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3377 and H. F. No. 3572, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Smith moved that S. F. No. 3377 be substituted for H. F. No. 3572 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3397 and H. F. No. 3543, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Winkler moved that S. F. No. 3397 be substituted for H. F. No. 3543 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3446 and H. F. No. 3721, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dittrich moved that S. F. No. 3446 be substituted for H. F. No. 3721 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3455 and H. F. No. 4007, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Atkins moved that the rules be so far suspended that S. F. No. 3455 be substituted for H. F. No. 4007 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3474 and H. F. No. 3831, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Magnus moved that S. F. No. 3474 be substituted for H. F. No. 3831 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3492 and H. F. No. 1625, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Hosch moved that the rules be so far suspended that S. F. No. 3492 be substituted for H. F. No. 1625 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3508 and H. F. No. 3822, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dominguez moved that the rules be so far suspended that S. F. No. 3508 be substituted for H. F. No. 3822 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3563 and H. F. No. 3579, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Norton moved that the rules be so far suspended that S. F. No. 3563 be substituted for H. F. No. 3579 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3571 and H. F. No. 3264, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Hilstrom moved that S. F. No. 3571 be substituted for H. F. No. 3264 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3622 and H. F. No. 3646, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Marquart moved that S. F. No. 3622 be substituted for H. F. No. 3646 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3647 and H. F. No. 3374, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bunn moved that the rules be so far suspended that S. F. No. 3647 be substituted for H. F. No. 3374 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3756 and H. F. No. 3297, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dettmer moved that the rules be so far suspended that S. F. No. 3756 be substituted for H. F. No. 3297 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 7, 2008

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Kelliher:

I have signed into law, with a number of line-item vetoes, the Capital Investment Bill, H. F. No. 380, Chapter No. 179.

I am very disappointed that the legislature ignored an understanding between my office and legislative leadership and my repeated warnings to abide by the state's longstanding debt limit. It is irresponsible to exceed the "credit card limit" that has been maintained by governors and legislators from both parties for the past 30 years. Doing so could jeopardize our state's strong credit rating and low interest rates. The overall limit is \$885 million, including \$60 million already allocated in the transportation bill. The legislature spent well beyond this figure.

In addition, this bill reflects misplaced priorities. As just one example, I find it inconceivable that legislators would fund a brass band music lending library and yet provide no funding for a much needed new nursing facility at the Minneapolis Veterans Home.

As a result, I have exercised my line-item veto authority to remedy the situation to the best of my ability under the constraints of the bill as presented. These vetoes reduce the overall amount of general obligation bonding in the bill from \$925 million to \$717 million.

Reducing the bill to this level reflects my commitment to fiscal discipline and an attempt to prioritize important state projects.

The legislature should keep in mind that upholding the state's three percent debt service limit guideline is important to our overall fiscal well-being. Debt service is one of the fastest growing items in the general fund. Based on previously enacted bonding bills, the state's debt is projected to increase \$239 million from the 2006-07 budget to the 2010-11 budget.

Below is a summary of the line-item vetoes within this bill.

Higher Education - University of Minnesota

My bonding recommendations included a significant amount for the University of Minnesota system. However, as with many categories in the bonding bill, the legislature exceeded it. I am supportive of the University of Minnesota's bioscience facilities request, but we must recognize that this multi-year commitment is a large, new state financial obligation and should be weighted against other capital projects requested by the University. Because the University is receiving an additional \$219 million in state support for the biosciences initiative, I am vetoing the following two University projects:

- Page 3, lines 3.18 to 3.21: An appropriation for \$24,000,000 for a new Bell Museum of Natural History on the St. Paul Campus.
- Page 4, lines 4.18 to 4.22: An appropriation for \$2,000,000 for classroom renewal to renovate classrooms on the Crookston, Duluth, Morris, and Twin Cities campuses.

Higher Education - Minnesota State Colleges and Universities

The bill funds every campus-specific project requested by the Minnesota State Colleges and Universities system (MnSCU). Fully funding this large number of MnSCU requests puts an additional burden on the campuses and central office to reallocate funds from instructional purposes to debt service at a time when tuition is high and students want and deserve more results for their money. For this reason I am vetoing the following projects:

- Page 7, lines 7.17 to 7.23: An appropriation for \$11,000,000 to Lake Superior Community and Technical College to construct an addition to the Health and Science center and for a renovation.
- Page 7, lines 7.24 to 7.32: An appropriation for \$5,000,000 for shop space for the carpentry and industrial mechanical technology programs at Mesabi Range Community and Technical College, Eveleth.
- Page 7, line 7.34 to page 8, line 8.6: An appropriation for \$4,980,000 for renovation of two floors for classrooms and offices in the power plant building at Metropolitan State University.
- Page 9, lines 9.28 to 9.32: An appropriation for \$13,300,000 to North Hennepin Technical College to renovate and add space for the Center for Business and Technology.

- Page 13, lines 13.18 to 13.31: An appropriation for \$3,625,000 to renovate classrooms and academic space at seven campuses within the MnSCU system.
- Page 13, line 13.32 to page 14, line 14.6: An appropriation for \$8,805,000 to acquire property at five campuses within the MnSCU system.

Other Projects

The following additional items of appropriation are vetoed for the reasons provided below:

- Page 16, lines 16.26 to 16.33: A \$240,000 appropriation for ISD 11, Anoka-Hennepin, to acquire land and to develop and restore wetland and native prairie habitat on the land. Providing an appropriation in the bonding bill for one particular school district's local project is contrary to the common understanding that districts fund those projects with their own resources.
- Page 16, line 16.34 to page 17, line 17.33: A \$16,000,000 appropriation for a capital loan to the Red Lake school district. The high school/middle school is the highest priority within Red Lake's request. However, funding this phase of the request requires \$25.8 million. Since this level of funding has not been accomplished in this bill, the project should be postponed.
- Page 34, line 34.32 to page 35, line 35.5: A \$500,000 appropriation for the Wildlife Rehabilitation Center of Minnesota to retire loans and complete technology infrastructure. This appropriation sets a poor precedent. The bonding bill should not be used to repay a nonprofit entity for debt it has incurred in the past.
- Page 35, lines 35.6 to 35.9: A \$500,000 appropriation for environmental landscaping at the new Bell Museum. There is no need for this appropriation until the Bell Museum project is funded at some point in the future.
- Page 36, line 36.34 to page 37, line 37.5: A \$2,500,000 appropriation for a new wastewater reuse grant program. Since there are currently no projects identified to receive this level of funding, this new grant program for local governments is premature.

Amateur Sports Commission

The bill funds every regionally-specific project requested through the Amateur Sports Commission. These local projects are popular and important to local communities. However, funding will need to be provided by the local communities or at a time when they are more appropriate relative to the state's funding priorities and economic outlook. For this reason I am vetoing the following six projects:

- Page 42, lines 42.20 to 42.23: An appropriation for \$1,400,000 for asset preservation at the National Sports Center in Blaine.
- Page 42, lines 42.24 to 42.31: An appropriation for \$3,000,000 for the Phase 2 expansion of the National Volleyball Center in Rochester.
- Page 42, line 42.32 to page 43, line 43.7: An appropriation for \$125,000 to predesign the renovation of a building for a Metro North regional recreational amateur sports facility within the Rice Creek Corridor in Ramsey County.
- Page 43, lines 43.8 to 43.20: An appropriation for \$3,000,000 for the Northwestern Minnesota Regional Sports Center in Moorhead.

- Page 43, lines 43.21 to 43.27: An appropriation for \$100,000 to predesign a St. Paul Regional Amateur Sports Facility in St. Paul.
- Page 43, lines 43.28 to 43.32: An appropriation for \$100,000 to predesign the Southwest Regional Amateur Sports Center in Marshall.

Local Public Safety facilities

The bill makes several appropriations to local governments for public safety facilities that are essentially local in nature or did not meet the Department of Public Safety's criteria. For this reason I am vetoing the following two projects:

- Page 45, line 45.34, to page 46, line 46.8: An appropriation for \$55,000 to predesign an emergency training administration center in Gonvick.
- Page 46, lines 46.22 to 46.26: An appropriation for \$125,000 for a new public safety facility in Nassau.

Department of Transportation

The bill makes appropriations to the Department of Transportation for projects that should be considered within a strategic and prioritized rail plan. As a result, I am vetoing the following:

- Page 50, lines 50.11 to 50.24: An appropriation for \$1,500,000 for the Northshore Express to provide intercity and passenger rail service between Duluth and the cities of Minneapolis and St. Paul.
- Page 50, lines 50.25 to 51.18: An appropriation for \$4,000,000 for environmental analysis and other planning for a high-speed rail line connecting St. Paul to Chicago.
- Page 51, lines 51.19 to 51.22: An appropriation for \$500,000 for predesign, preliminary engineering and analysis for a transit corridor between Rochester and St. Paul.
- Page 51, lines 51.23 to 51.27: An appropriation for \$2,000,000 for port development assistance.

Metropolitan Council

The bill makes significant appropriations to the Metropolitan Council, and to metro area counties and regional rail authorities, for transit projects that were requested individually by various local governments but which instead should be considered within a central plan. Many of the projects are also premature. Further, new transportation and transit dollars recently passed by the legislature should be considered as a funding source for these types of projects. For this reason I am vetoing the following projects:

- Page 52, lines 52.17 to 52.25: An appropriation for \$500,000 for a grant for preliminary engineering for the Bottineau Boulevard Transit Way corridor.
- Page 53, lines 53.1 to 53.28: An appropriation for \$70,000,000 for the Central Corridor Transit Way light rail transit line to connect downtown Minneapolis with downtown St. Paul.
- Page 53, line 53.29 to page 54, line 54.5: An appropriation for \$750,000 for a grant for predesign and preliminary engineering of transportation and transit improvements in the I-94 Corridor.

- Page 54, lines 54.6 to 54.12: An appropriation for \$500,000 for predesign and preliminary engineering of light rail transit in the I-494 Corridor.
- Page 54, lines 54.13 to 54.18: An appropriation for \$500,000 for park-and-ride lots for the Red Rock Corridor transit way.
- Page 54, lines 54.19 to 54.28: An appropriation for \$500,000 for environmental studies and engineering of bus rapid transit or light rail transit for the Robert Street Corridor transit way.
- Page 54, line 54.29, to page 55, line 2: An appropriation for \$500,000 for a grant for park-and-ride or park-and-pool lots for the Rush Line Corridor transit way.
- Page 55, line 55.3 to 55.11: An appropriation for \$500,000 for a grant for a Draft Environmental Impact Statement and for preliminary engineering for the Southwest Corridor transit way.
- Page 55, line 55.29, to page 56, line 56.4: An appropriation for \$2,000,000 for planning and work related to multimodal improvements at the Union Depot in St. Paul. This would be in addition to \$3.5 million already granted in 2006 for the same purpose.

Local Projects

The bill contains too many appropriations for specific local projects, which are funded while some statewide priority needs are disregarded. This is particularly evident in the sections of the bill that fund numerous metropolitan areas parks, trails and nature centers, and local amenities. For this reason I am vetoing the following projects:

- Page 56, lines 56.18 to 56.24: An appropriation for \$2,000,000 to remove and replace the old Cedar Avenue Bridge for bicycle commuters and recreational users.
- Page 56, line 56.25 to 56.29: An appropriation for \$11,000,000 for the Como Zoo in St. Paul to renovate the polar bear and gorilla exhibits.
- Page 56, line 56.30, to page 57, line 2: An appropriation for \$500,000 for a bicycle and pedestrian trail connecting the Fridley trail to the Mississippi Regional Trail corridor in Coon Rapids.
- Page 57, lines 57.9 to 57.14: An appropriation for \$600,000 for a grant for a bridge for the Grand Rounds Scenic Byway on St. Anthony Parkway.
- Page 57, line 57.15 to page 58, line 58.12: An appropriation for \$2,000,000 for lighting fixtures along the Grand Rounds Scenic Byway and to design a roadway to complete the Grand Rounds National Scenic Byway.
- Page 58, lines 58.13 to 58.20: An appropriation for \$100,000 to predesign the Heritage Village Park along the Mississippi River in Inver Grover Heights.
- Page 58, lines 58.21 to 58.25: An appropriation for \$100,000 to renovate the Mississippi River Swing Bridge between Inver Grove Heights and St. Paul Park for recreational use.
- Page 58, lines 58.26 to 58.31: An appropriation for \$450,000 for the Lower Afton Road Trail bicycle and pedestrian trail.

- Page 59, lines 59.17 to 59.23: An appropriation for \$2,000,000 for the National Great River Park along the Mississippi River in St. Paul.
- Page 59, lines 59.24 to 59.33: An appropriation for \$3,800,000 for river park development and redevelopment infrastructure in National Great River Park along the Mississippi River in St. Paul.
- Page 59, line 59.34 to page 60, line 60.6: An appropriation for \$2,183,000 to design and develop the Rice Creek North Regional Trail from Lino Lakes to Shoreview.
- Page 60, lines 60.7 to 60.12: An appropriation for \$2,500,000 for the redevelopment and expansion of the Springbrook Nature Center.
- Page 61, lines 61.29 to 61.34: An appropriation for \$2,000,000 for the Early Childhood Learning and Child Protection Facilities grant program in the Department of Human Services. The agency did not request funding for this existing program, and it should not be funded when other priority projects requested by the agency were not adequately funded.
- Page 65, line 65.32 to page 66, line 66.7: An appropriation for \$500,000 for a grant to the city of Floodwood. This project should instead apply and be considered for funding on an equal footing with other projects seeking grants through the Greater Minnesota Business Development Infrastructure grant program.
- Page 67, lines 67.13 to 67.20: An appropriation for \$750,000 for a grant to St. Louis County for infrastructure from the city of Chisholm to the regional competition and exhibit center.
- Page 68, lines 68.22 to 68.25: An appropriation for \$250,000 to Hibbing to renovate the Memorial Building.
- Page 69, lines 69.7 to 69.18: An appropriation for \$975,000 for Mankato to predesign and design a performing arts center and the Southern Minnesota Women's Hockey Exposition Center.
- Page 69, lines 69.19 to 69.24: An appropriation for \$3,000,000 for Minneapolis to predesign the renovation of Orchestra Hall and Peavey Plaza.
- Page 70, lines 70.21 to 70.30: An appropriation for \$5,000,000 for the St. Paul Housing and Redevelopment Authority for an Asian Pacific Cultural Center project.
- Page 76, lines 76.8 to 76.12: An appropriation for \$400,000 for the city of Chatfield for a brass band music lending library. This project should instead apply and be considered for funding on an equal footing with other projects seeking grants through the County and Local Preservation grants program.

Changes Related to Previous Bonding

- Page 105, line 105.20 and 105.24 to 105.27: I am vetoing the language change which redirects \$900,000 in bonding authority previously authorized. My item veto will restore the original appropriation requirement that the rail-related money be used only for matching federal funds.

As the legislature finishes its work during the remaining weeks of this session, I am hopeful that we will be able to work together constructively toward an outcome that is in the best interest of our state and maintains our commitment to fiscal discipline.

Sincerely,

TIM PAWLENTY
Governor

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

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2008 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2008</i>	<i>Date Filed 2008</i>
	380*	179	3:10 p.m. April 7	April 7

Sincerely,

MARK RITCHIE
Secretary of State

[NOTE: * Indicates that H. F. No. 380 contains line item vetoes.]

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson from the Committee on Finance to which was referred:

H. F. No. 2987, A bill for an act relating to motor fuels; modifying definition of biodiesel; increasing minimum biodiesel content; creating tiered biodiesel content goal; requiring notice, a proposal, and recommendations to the legislature; appropriating money; amending Minnesota Statutes 2006, section 239.77, as amended; Minnesota Statutes 2007 Supplement, section 296A.01, subdivision 8a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 239.77, as amended by Laws 2007, chapter 62, sections 3 and 4, is amended to read:

239.77 BIODIESEL CONTENT MANDATE.

Subdivision 1. **Biodiesel fuel.** "Biodiesel fuel" means a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural or other plant oils or animal fats ~~and~~; that meets American Society For Testing and Materials specification D6751-07 for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels; and that is manufactured by a person certified by the BQ-9000 National Biodiesel Accreditation Program.

Subd. 2. **Minimum content.** (a) Except as otherwise provided in this section, all diesel fuel sold or offered for sale in Minnesota for use in internal combustion engines must contain at least ~~2.0 percent~~ the stated percentage of biodiesel fuel oil by volume on and after the following dates:

<u>(1)</u>	<u>September 29, 2005</u>	<u>2 percent</u>
<u>(2)</u>	<u>May 1, 2009</u>	<u>5 percent</u>
<u>(3)</u>	<u>May 1, 2012</u>	<u>10 percent</u>
<u>(4)</u>	<u>May 1, 2015</u>	<u>20 percent</u>

The minimum content levels in clauses (3) and (4) are effective during the months of April, May, June, July, August, September, and October only. The minimum content for the remainder of the year is five percent. However, if the commissioners of agriculture, commerce, and pollution control determine, after consultation with the biodiesel task force and other technical experts, that an American Society for Testing and Materials specification or equivalent federal standard exists for the specified biodiesel blend level in those clauses that adequately addresses technical issues associated with Minnesota's cold weather and publish a notice in the State Register to that effect, the commissioners may allow the specified biodiesel blend level in those clauses to be effective year-round.

(b) The minimum content levels in paragraph (a), clauses (3) and (4), become effective on the date specified only if the commissioners of agriculture, commerce, and pollution control publish notice in the State Register and provide written notice to the chairs of the house of representatives and senate committees with jurisdiction over agriculture, commerce, and transportation policy and finance, at least 270 days prior to the date of each scheduled increase, that all of the following conditions have been met and the state is prepared to move to the next scheduled minimum content level:

(1) an American Society for Testing and Materials specification or equivalent federal standard exists for the next minimum diesel-biodiesel blend;

(2) a sufficient supply of biodiesel is available and the amount of biodiesel produced in this state is equal to at least 50 percent of anticipated demand at the next minimum content level; and

(3) adequate blending infrastructure and regulatory protocol are in place in order to promote biodiesel quality and avoid any potential economic disruption.

(c) The commissioners of agriculture, commerce, and pollution control must consult with the biodiesel task force when assessing and certifying conditions in paragraph (b), and in general must seek the guidance of the biodiesel task force regarding biodiesel labeling, enforcement, and other related issues.

(d) During a period of biodiesel fuel shortage or a problem with biodiesel quality that negatively affects the availability of biodiesel fuel, the commissioner of commerce may temporarily suspend the minimum content requirement in this subdivision until there is sufficient biodiesel fuel, as defined in subdivision 1, available to fulfill the minimum content requirement.

(e) By February 1, 2012, and periodically thereafter, the commissioner of commerce shall determine the wholesale diesel price at various pipeline and refinery terminals in the region, and the biodiesel price determined after any applicable per-gallon federal tax credit is subtracted at biodiesel plants in the region. The commissioner shall report wholesale price differences to the governor who, after consultation with the commissioners of commerce and agriculture, may by executive order adjust the biodiesel mandate if a price disparity reported by the commissioner will cause economic hardship to retailers of diesel fuel in this state. Any adjustment must be for a specified period of time, after which the percentage of biodiesel fuel to be blended into diesel fuel returns to the amount required in this subdivision. The biodiesel mandate must not be adjusted to less than five percent.

Subd. 3. **Exceptions.** (a) The minimum content ~~requirement~~ requirements of subdivision 2 ~~does~~ do not apply to fuel used in the following equipment:

- (1) motors located at an electric generating plant regulated by the Nuclear Regulatory Commission;
- (2) railroad locomotives; ~~and~~
- (3) off-road taconite and copper mining equipment and machinery;
- (4) off-road logging equipment and machinery; and
- (5) vehicles and equipment used exclusively on an aircraft landing field.

(b) The exemption in paragraph (a), clause (1), expires 30 days after the Nuclear Regulatory Commission has approved the use of biodiesel fuel in motors at electric generating plants under its regulation.

(c) This subdivision expires May 1, 2012.

Subd. 4. **Disclosure.** A refinery or terminal shall provide, at the time diesel fuel is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the fuel. For biodiesel-blended products, the bill of lading or shipping manifest must disclose biodiesel content, stating volume percentage, gallons of biodiesel per gallons of petroleum diesel base-stock, or an ASTM "Bxx" designation where "xx" denotes the volume percent biodiesel included in the blended product. This subdivision does not apply to sales or transfers of biodiesel blend stock between refineries, between terminals, or between a refinery and a terminal.

Subd. 5. **Annual Report.** Beginning in 2009, the commissioner of agriculture shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance regarding the implementation of the minimum content requirements in subdivision 2, including information about the price and supply of biodiesel fuel. The report must include any written comments received from members of the biodiesel fuel task force by January 1 of that year.

Sec. 2. Minnesota Statutes 2007 Supplement, section 296A.01, subdivision 8a, is amended to read:

Subd. 8a. **Biodiesel fuel.** ~~"Biodiesel fuel" means a renewable, biodegradable, mono-alkyl ester combustible liquid fuel derived from agricultural plant oils or animal fats and that meets American Society for Testing and Materials specification D6751-07 for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels~~ has the meaning given in section 239.77, subdivision 1.

Sec. 3. **PROPOSAL; PETROLEUM INSPECTION FEE REVENUE.**

The commissioners of finance, commerce, and pollution control shall develop and submit to the legislature as part of their next biennial budget request a proposal for eliminating, to the extent feasible, redundant fuel inspections and dedicating, to the extent feasible, all revenue from the petroleum inspection fee levied on petroleum products under Minnesota Statutes, section 239.101, subdivision 3, to the Weights and Measures Division of the Department of Commerce. All additional funding appropriated to the Weights and Measures Division under this proposal must be used for increased and enhanced fuel quality assurance enforcement activities and equipment and for educational activities focused on the handling, distribution, and use of biodiesel fuel.

Sec. 4. **BIO-BASED DIESEL ALTERNATIVES.**

(a) By January 1, 2011, the commissioners of agriculture, commerce, and pollution control shall jointly review the technology, economics, and operational characteristics associated with bio-based diesel alternatives and shall make recommendations concerning their use in Minnesota to the governor and the chairs of the house of representatives and senate committees with jurisdiction over agriculture and energy finance.

(b) For the purposes of this section, "bio-based diesel alternatives" means alternatives to petroleum diesel fuel that are warrantied for use in a standard diesel engine without modification and derived from a biological resource.

Sec. 5. **TECHNICAL COLD WEATHER ISSUES.**

The commissioners of agriculture and commerce shall convene technical stakeholders who are experts in cold weather biodiesel and petroleum diesel issues to consider and make recommendations regarding improvements in the production, blending, handling, and distribution of biodiesel blends to further ensure the performance of these fuels in cold weather. The commissioners shall issue a report on these issues by January 15, 2009, to the chairs of the house of representatives and senate committees with jurisdiction over agriculture and commerce policy and finance."

Delete the title and insert:

"A bill for an act relating to motor fuels; modifying definition of biodiesel; increasing minimum biodiesel content; creating tiered biodiesel content goal; requiring notice, a proposal, and recommendations to the legislature; appropriating money; amending Minnesota Statutes 2006, section 239.77, as amended; Minnesota Statutes 2007 Supplement, section 296A.01, subdivision 8a."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3032, A bill for an act relating to state lands; modifying Minnesota critical habitat private sector matching account; modifying outdoor recreation system; adding to and deleting from state parks, recreation areas, and forests; providing for public and private sales, conveyances, and exchanges of certain state land; authorizing 30-year leases of tax-forfeited and other state lands for wind energy projects; amending Minnesota Statutes 2006, sections 84.943, subdivision 5; 86A.04; 86A.08, subdivision 1; Laws 2006, chapter 236, article 1, section 43.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 84.943, subdivision 5, is amended to read:

Subd. 5. **Pledges and contributions.** The commissioner of natural resources may accept contributions and pledges to the critical habitat private sector matching account. A pledge that is made contingent on an appropriation is acceptable and shall be reported with other pledges as required in this section. The commissioner may agree to match a contribution contingent on a future appropriation. In the budget request for each biennium, the commissioner shall report the balance of contributions in the account and the amount that has been pledged for payment in the succeeding two calendar years.

Money in the account is appropriated to the commissioner of natural resources only for the direct acquisition or improvement of land or interests in land as provided in section 84.944. To the extent of available appropriations other than bond proceeds, the money matched to the nongame wildlife management account may be used for the management of nongame wildlife projects as specified in section 290.431. Acquisition includes: (1) purchase of land or an interest in land by the commissioner; or (2) acceptance by the commissioner of gifts of land or interests in land as program projects.

Sec. 2. Minnesota Statutes 2006, section 86A.04, is amended to read:

86A.04 COMPOSITION OF SYSTEM.

The outdoor recreation system shall consist of all state parks; state recreation areas; state trails established pursuant to sections 84.029, subdivision 2, 85.015, 85.0155, and 85.0156; state scientific and natural areas; state wilderness areas; state forests; state wildlife management areas; state aquatic management areas; state water access sites, which include all lands and facilities established by the commissioner of natural resources or the commissioner of transportation to provide public access to water; state wild, scenic, and recreational rivers; state historic sites; state rest areas, which include all facilities established by the commissioner of transportation for the safety, rest, comfort and use of the highway traveler, and shall include all existing facilities designated as rest areas and waysides by the commissioner of transportation; and any other units not listed in this section that are classified under section 86A.05. Each individual state park, state recreation area, and so forth is called a "unit."

Sec. 3. Minnesota Statutes 2006, section 86A.08, subdivision 1, is amended to read:

Subdivision 1. **Secondary authorization; when permitted.** A unit of the outdoor recreation system may be authorized wholly or partially within the boundaries of another unit only when the authorization is consistent with the purposes and objectives of the respective units and only in the instances permitted below:

(a) The following units may be authorized wholly or partially within a state park: historic site, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.

(b) The following units may be authorized wholly or partially within a state recreation area: historic site, scientific and natural area, wild, scenic, and recreational river, trail, rest area, aquatic management area, wildlife management area, and water access site.

(c) The following units may be authorized wholly or partially within a state forest: state park, state recreation area, historic site, wildlife management area, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.

(d) The following units may be authorized wholly or partially within a state historic site: wild, scenic, and recreational river, trail, rest area, aquatic management area, and water access site.

(e) The following units may be authorized wholly or partially within a state wildlife management area: state water access site and aquatic management area.

(f) The following units may be authorized wholly or partially within a state wild, scenic, or recreational river: state park, historic site, scientific and natural area, wilderness area, trail, rest area, aquatic management area, and water access site.

(g) The following units may be authorized wholly or partially within a state rest area: historic site, trail, wild, scenic, and recreational river, aquatic management area, and water access site.

(h) The following units may be authorized wholly or partially within an aquatic management area: historic site, scientific and natural area, wild, scenic, and recreational river, and water access site.

Sec. 4. Minnesota Statutes 2006, section 282.04, subdivision 4a, is amended to read:

Subd. 4a. **Private easements.** (a) A county board may convey a road easement across unsold tax-forfeited land to ~~an individual~~ a person, as defined under section 645.44, subdivision 7, requesting an easement for access to private property owned by the ~~individual~~ person if:

- (1) there are no reasonable alternatives to obtain access to the ~~individual's~~ person's property; and
- (2) exercising the easement will not cause significant adverse environmental or natural resource management impacts.

(b) The county auditor shall require ~~an individual~~ a person applying for an easement under paragraph (a) to pay the appraised value of the easement. The conveyance must provide that the easement reverts to the state in trust for the taxing district in the event of nonuse.

Sec. 5. Laws 2006, chapter 236, article 1, section 43, is amended to read:

Sec. 43. **LAND REPLACEMENT TRUST FUND; ITASCA COUNTY.**

Notwithstanding the provisions of Minnesota Statutes, chapter 282, and any other law relating to the apportionment of proceeds from the sale or lease of tax-forfeited land, Itasca County must apportion the first \$1,000,000 received from the sale or lease of tax-forfeited lands within Minnesota Steel Industries permit to mine area near Nashwauk, Minnesota, as provided in Laws 1965, chapter 326, section 1, as amended. Any remaining proceeds received from the sale or lease must be deposited into a tax-forfeited land replacement trust fund established by Itasca County under this section. The principal and interest from this fund may be spent only on the purchase of lands to replace the tax-forfeited lands sold to Minnesota Steel Industries. Lands purchased with the land replacement fund must:

- (1) become subject to trust in favor of the governmental subdivision wherein they lie and all laws related to tax-forfeited lands; and
- (2) be for forest management purposes and dedicated as memorial forest under Minnesota Statutes, section 459.06, subdivision 2.

EFFECTIVE DATE. This section is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of Itasca County.

Sec. 6. **ADDITIONS TO STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 9.] Buffalo River State Park, Clay County.** The following area is added to Buffalo River State Park, all in Section 11, Township 139 North, Range 46, Clay County: That part of the Southeast Quarter of Section 11, described as follows: Beginning at the southwest corner of the Southeast Quarter of said Section 11; thence North 00 degrees 13 minutes 06 seconds East (assumed bearing), along the westerly line of the Southeast Quarter of said Section 11, for a distance of 503.33 feet; thence South 89 degrees 25 minutes 32 seconds East for a distance of 200.00 feet; thence North 00 degrees 13 minutes 06 seconds East, parallel to the westerly line of the Southeast Quarter of said Section 11, for a distance of 457.87 feet; thence South 89 degrees 44 minutes 18 seconds East for a distance of 323.00 feet; thence South 48 degrees 16 minutes 47 seconds East for a distance of 89.46 feet; thence South 29 degrees 17 minutes 10 seconds East for a distance of 1,035.56 feet to a point of

intersection with the southerly line of the Southeast Quarter of said Section 11; thence North 89 degrees 44 minutes 18 seconds West, along the southerly line of the Southeast Quarter of said Section 11, for a distance of 1,100.00 feet to the point of beginning. Said tract of land contains 16.133 acres, more or less, and is subject to the following described ingress-egress easement: A 30.00-foot strip of land for purposes of ingress and egress centered along the following described line: Commencing at the southwest corner of the Southeast Quarter of Section 11, Township 139 North, Range 46 West, Fifth Principal Meridian, Clay County, Minnesota; thence North 00 degrees 13 minutes 06 seconds East (assumed bearing), along the westerly line of the Southeast Quarter of said Section 11, for a distance of 15.00 feet to the true point of beginning; thence South 89 degrees 44 minutes 18 seconds East, parallel to and 15.00 feet northerly of the southerly line of the Southeast Quarter of said Section 11, for a distance of 797.03 feet; thence North 22 degrees 07 minutes 20 seconds East for a distance of 327.76 feet and there terminating.

Subd. 2. [85.012] [Subd. 21.] Frontenac State Park, Goodhue County. The following areas are added to Frontenac State Park, Goodhue County:

(1) all that part of Government Lot 4, and all that part of the Southwest Quarter of the Southeast Quarter and of the Southeast Quarter of the Southwest Quarter, all in Section 2, Township 112 North, Range 13 West, described as follows, to-wit: Beginning at the point of intersection of the east and west center line of said Section 2 with the line of the west shore of Lake Pepin, running thence West 6 chains; thence South 33 degrees 15 minutes West 9.60 chains; thence South 41 degrees West 5.54 chains; thence South 51 degrees 15 minutes West 4.32 chains; thence South 65 degrees 15 minutes West 4 chains; thence South 70 degrees 45 minutes West 11.27 chains to a rock in Glenway Street in the village of Frontenac; thence South 48 degrees 30 minutes East 4.72 chains to the north and south center line of said section; thence South 39 degrees 10 minutes East 11.14 chains; thence South 32 degrees 30 minutes East 8.15 chains to the north line of Waconia Avenue in said Frontenac; thence North 42 degrees 50 minutes East 5.15 chains; thence North 23 degrees 50 minutes East 2.75 chains; thence North 9 degrees 20 minutes East 7.90 chains; thence North 20 degrees 20 minutes East 4.64 chains; thence North 52 degrees West 3.80 chains; thence North 20 degrees 20 minutes East 18.40 chains to the east line of said Mill Street in said Frontenac; thence South along the east line of said Mill Street 3.76 chains to the north line of Lot 8 in Block 13 in said Frontenac; thence along said north line to the shore of Lake Pepin; thence along the shore of said lake 1.50 chains to the point of beginning, containing in all 35.67 acres of land, more or less. Excepting therefrom all that part of Government Lot 4, Section 2, Township 112 North, Range 13 West, described, as follows: Beginning on the shore of Lake Pepin at the northeast corner of Lot 8 in Block 13 of the town of Frontenac, running thence westerly along the north line of said lot to the northwest corner thereof; thence northerly along the easterly line of Mill Street in said town of Frontenac 215 feet, more or less, to its intersection with the north line of said Government Lot 4; thence East along the north line of said Government Lot 4 to low water mark on shore of Lake Pepin; thence southerly along the low water mark of Lake Pepin to the place of beginning. Also excepting that part of Government Lot 4, Section 2, Township 112 North, Range 12 West, which lies West of Undercliff Street in said village, North of the southerly line of said Lot 1, Block 14, prolonged westerly, and East of a line beginning 6 chains West of the intersection of the east and west center line of said Section 2 with the west shore of Lake Pepin, being the point of intersection of the west line of said Undercliff Street and said east and west center line; thence South 33 degrees 15 minutes West 9.60 chains, being a triangular piece of land; all of Block 14, except Lot 1 of said Block 14; Lots 11, 12, 13, 14, 15, 16, 17, 18, and 19 of Block 15, except so much of Lot 11 in said Block 15 (in a triangular form) as lies between the west end of Lots 2 and 3 of said Block 15 and the east line of Bluff Street, all in the town of Frontenac according to the accepted and recorded map of said town of Frontenac now on file and of record in the Office of the Register of Deeds in and for said County of Goodhue;

(2) that part of the West Half of the Northeast Quarter of Section 6, Township 112 North, Range 13 West, Goodhue County, Minnesota, described as follows: Commencing at the northeast corner of the West Half of the Northeast Quarter of said Section 6; thence South 01 degree 11 minutes 39 seconds East, assumed bearing, along the east line of said West Half of the Northeast Quarter of Section 6, a distance of 1,100.00 feet to the point of beginning of the land to be described; thence North 01 degree 11 minutes 39 seconds West, along said east line, a distance of 400.00 feet; thence South 89 degrees 01 minute 10 seconds West, a distance of 442.03 feet; thence

southwesterly, a distance of 534.99 feet along a nontangential curve concave to the northwest having a radius of 954.93 feet, a central angle of 33 degrees 53 minutes 57 seconds, and a chord that bears South 42 degrees 45 minutes 42 seconds West; thence South 59 degrees 42 minutes 41 seconds West, tangent to said curve, a distance of 380.00 feet to the centerline of State Highway 61, as now located and established; thence southeasterly, along said centerline of State Highway 61, a distance of 160 feet, more or less, to the intersection with a line bearing South 73 degrees 00 minutes 00 seconds West from the point of beginning; thence North 73 degrees 00 minutes 00 seconds East, to the point of beginning. Together with a 50.00-foot wide driveway and utility easement, which lies northwesterly and adjoins the northwesterly line of the above described property; and

(3) that part of the West Half of the Northeast Quarter of Section 6, Township 112 North, Range 13 West, Goodhue County, described as follows: Commencing at the northeast corner of the West Half of the Northeast Quarter of said Section 6; thence South 01 degree 11 minutes 39 seconds East, assumed bearing, along the east line of said West Half of the Northeast Quarter of Section 6, a distance of 1,100.00 feet to the point of beginning of the land to be described; thence South 73 degrees 00 minutes 00 seconds West, to the centerline of State Highway 61, as now located and established; thence southeasterly, along said centerline of State Highway 61, to the south line of said West Half of the Northeast Quarter of Section 6; thence North 88 degrees 34 minutes 56 seconds East, along said south line, to the southeast corner of said West Half of the Northeast Quarter of Section 6; thence North 01 degree 11 minutes 39 seconds West, a distance of 1,902.46 feet to the point of beginning.

Subd. 3. [85.012] [Subd. 44.] Monson Lake State Park, Swift County. The following area is added to Monson Lake State Park, Swift County: the Northeast Quarter of Section 1, Township 121 North, Range 37 West.

Subd. 4. [85.012] [Subd. 51.] Savanna Portage State Park, Aitkin and St. Louis Counties. The following areas are added to Savanna Portage State Park: the Southwest Quarter of the Northeast Quarter, the Southeast Quarter of the Northwest Quarter, Government Lot 2, and Government Lot 3, all in Section 13, Township 50 North, Range 23 West, Aitkin County.

Subd. 5. [85.012] [Subd. 52.] Scenic State Park, Itasca County. The following areas are added to Scenic State Park: Government Lot 3, Government Lot 4, the Northeast Quarter of the Northwest Quarter, and the Southeast Quarter of the Northwest Quarter, all in Section 7, Township 60 North, Range 25 West, Itasca County.

Subd. 6. [85.012] [Subd. 53a.] Soudan Underground Mine State Park, St. Louis County. The following area is added to Soudan Underground Mine State Park: the Northeast Quarter of the Northeast Quarter, Section 29, Township 62 North, Range 15 West, St. Louis County.

Subd. 7. [85.012] [Subd. 60.] William O'Brien State Park, Washington County. The following areas are added to William O'Brien State Park, Washington County:

(1) Lot 1, Block 1, and Outlots A and B, Spring View Acres according to the plat on file and of record in the Office of the Recorder for Washington County;

(2) the South 200.00 feet of the North 1,326.20 feet of the West One-Half of the Southeast Quarter, Section 36, Township 32 North, Range 20 West; and

(3) that part of the Northeast Quarter of the Southwest Quarter lying west of Highway 95 (St. Croix Trail North) in Section 31, Township 32 North, Range 19 West.

Sec. 7. DELETIONS FROM STATE PARKS.

Subdivision 1. [85.012] [Subd. 21.] Frontenac State Park, Goodhue County. The following areas are deleted from Frontenac State Park, all in Township 112 North, Range 13 West, Goodhue County:

(1) that part of the East Half, Section 11, and that part of the Southwest Quarter, Section 12, being described as BLOCK's O, F, H, G, and L, GARRARD'S SOUTH EXTENSION TO FRONTENAC according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota. Including all of those parts of vacated Birch Way and Birch Way South situated in GARRARD'S SOUTH EXTENSION TO FRONTENAC lying southerly of vacated Ludlow Avenue and northerly of Winona Avenue;

(2) that part of the Northeast Quarter, Section 11, being described as BLOCK 70, WESTERVELT (also known as the town of Frontenac) according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota;

(3) that part of the Northeast Quarter, Section 11, being described as Lots 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, and 16, BLOCK 69, WESTERVELT (aka town of Frontenac) according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota;

(4) that part of the Northeast Quarter, Section 11, being described as BLOCK 67, WESTERVELT (aka town of Frontenac) according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota. Including the South 30 feet of Graham Street lying adjacent to and northerly of Lots 1 and 16, BLOCK 67 of said plat of WESTERVELT;

(5) that part of the Northeast Quarter, Section 11, being described as BLOCK 66, WESTERVELT (aka town of Frontenac) according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota; and

(6) that part of the Northeast Quarter, Section 11, being described as those parts of Lots 1 and 9 in BLOCK 65 of the town of Frontenac lying adjacent to and northerly of the southerly 50 feet of said Lots 1 and 9 according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota.

Subd. 2. [85.012] [Subd. 30.] Jay Cooke State Park, Carlton County. Effective upon the commissioner of natural resources entering into an agreement with the commissioner of military affairs to transfer the property for use as a veterans cemetery, the following areas are deleted from Jay Cooke State Park:

(a) the Northeast Quarter of the Southeast Quarter lying southerly of the railroad right-of-way, Section 21, Township 48 North, Range 16 West;

(b) the Northwest Quarter of the Southwest Quarter lying southerly of the railroad right-of-way, Section 22, Township 48 North, Range 16 West; and

(c) the East 2 rods of the Southwest Quarter of the Southwest Quarter, Section 22, Township 48 North, Range 16 West.

Subd. 3. [85.012] [Subd. 35.] Lake Carlos State Park, Douglas County. The following area is deleted from Lake Carlos State Park: that part of Government Lot 2, being described as EHLERT'S ADDITION according to the plat on file and of record in the Office of the Recorder for Douglas County, Minnesota, Section 10, Township 129 North, Range 37 West, Douglas County.

Subd. 4. [85.012] [Subd. 38.] Lake Shetek State Park, Murray County. The following areas are deleted from Lake Shetek State Park:

(1) Blocks 3 and 4 of Forman Acres according to the plat on file and of record in the Office of the Recorder for Murray County;

(2) the Hudson Acres subdivision according to the plat on file and of record in the Office of the Recorder for Murray County; and

(3) that part of Government Lot 6 and that part of Government Lot 7 of Section 6, Township 107 North, Range 40 West, and that part of Government Lot 1 and that part of Government Lot 2 of Section 7, Township 107 North, Range 40 West, Murray County, Minnesota, described as follows: Commencing at the East Quarter Corner of said Section 6; thence on a bearing based on the 1983 Murray County Coordinate System (1996 Adjustment), of South 00 degrees 22 minutes 05 seconds East 1405.16 feet along the east line of said Section 6; thence North 89 degrees 07 minutes 01 second West 1942.39 feet; thence South 03 degrees 33 minutes 00 seconds West 94.92 feet to the northeast corner of Block 5 of FORMAN ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office; thence South 14 degrees 34 minutes 00 seconds West 525.30 feet along the easterly line of said Block 5 and along the easterly line of the Private Roadway of FORMAN ACRES to the southeasterly corner of said Private Roadway and the POINT OF BEGINNING; thence North 82 degrees 15 minutes 00 seconds West 796.30 feet along the southerly line of said Private Roadway to an angle point on said line and an existing ½ inch diameter rebar; thence South 64 degrees 28 minutes 26 seconds West 100.06 feet along the southerly line of said Private Roadway to an angle point on said line and an existing ½ inch diameter rebar; thence South 33 degrees 01 minute 32 seconds West 279.60 feet along the southerly line of said Private Roadway to an angle point on said line; thence South 76 degrees 04 minutes 52 seconds West 766.53 feet along the southerly line of said Private Roadway to a ¾ inch diameter rebar with a plastic cap stamped "MN DNR LS 17003" (DNR MON); thence South 16 degrees 24 minutes 50 seconds West 470.40 feet to a DNR MON; thence South 24 degrees 09 minutes 57 seconds West 262.69 feet to a DNR MON; thence South 08 degrees 07 minutes 09 seconds West 332.26 feet to a DNR MON; thence North 51 degrees 40 minutes 02 seconds West 341.79 feet to the east line of Lot A of Lot 1 of LOT A OF GOV. LOT 8, OF SEC. 6 AND LOT A OF GOV. LOT 1, OF SEC 7 TP. 107 RANGE 40, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and a DNR MON; thence South 14 degrees 28 minutes 55 seconds West 71.98 feet along the east line of said Lot A to the northerly most corner of Lot 36 of HUDSON ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and an existing steel fence post; thence South 51 degrees 37 minutes 05 seconds East 418.97 feet along the northeasterly line of said Lot 36 and along the northeasterly line of Lots 35,34,33,32 of HUDSON ACRES to an existing 1 inch inside diameter iron pipe marking the easterly most corner of Lot 32 and the most northerly corner of Lot 31A of HUDSONS ACRES; thence South 48 degrees 33 minutes 10 seconds East 298.26 feet along the northeasterly line of said Lot 31A to an existing 1½ inch inside diameter iron pipe marking the easterly most corner thereof and the most northerly corner of Lot 31 of HUDSONS ACRES; thence South 33 degrees 53 minutes 30 seconds East 224.96 feet along the northeasterly line of said Lot 31 and along the northeasterly line of Lots 30 and 29 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the easterly most corner of said Lot 29 and the most northerly corner of Lot 28 of HUDSONS ACRES; thence South 45 degrees 23 minutes 54 seconds East 375.07 feet along the northeasterly line of said Lot 28 and along the northeasterly line of Lots 27,26,25,24 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the easterly most corner of said Lot 24 and the most northerly corner of Lot 23 of HUDSON ACRES; thence South 64 degrees 39 minutes 53 seconds East 226.80 feet along the northeasterly line of said Lot 23 and along the northeasterly line of Lots 22 and 21 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the easterly most corner of said Lot 21 and the most northerly corner of Lot 20 of HUDSON ACRES; thence South 39 degrees 49 minutes 49 seconds East 524.75 feet along the northeasterly line of said Lot 20 and along the northeasterly line of Lots 19,18,17,16,15,14 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the easterly most corner of said Lot 14 and the most northerly corner of Lot 13 of HUDSON ACRES; thence South 55 degrees 31 minutes 43 seconds East 225.11 feet along the northeasterly line of said Lot 13 and along the northeasterly line of Lots 12 and 11 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the easterly most corner of said Lot 11 and the northwest corner of Lot 10 of HUDSON ACRES; thence South 88 degrees 03 minutes 49 seconds East 224.90 feet along the north line of said Lot 10 and along the north line of Lots 9 and 8 of HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the northeast corner of said Lot 8 and the northwest corner of Lot 7 of HUDSON ACRES; thence North 84 degree 07 minutes 37 seconds East 525.01 feet along the north line of said Lot 7 and along the north line of Lots 6,5,4,3,2,1 of

HUDSON ACRES to an existing 1½ inch inside diameter iron pipe marking the northeast corner of said Lot 1 of HUDSON ACRES; thence southeasterly, easterly and northerly along a non-tangential curve concave to the north having a radius of 50.00 feet, central angle 138 degrees 41 minutes 58 seconds, a distance of 121.04 feet, chord bears North 63 degrees 30 minutes 12 seconds East; thence continuing northwesterly and westerly along the previously described curve concave to the south having a radius of 50.00 feet, central angle 138 degrees 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 75 degrees 11 minutes 47 seconds West and a DNR MON; thence South 84 degrees 09 minutes 13 seconds West not tangent to said curve 520.52 feet to a DNR MON; thence North 88 degrees 07 minutes 40 seconds West 201.13 feet to a DNR MON; thence North 55 degrees 32 minutes 12 seconds West 196.66 feet to a DNR MON; thence North 39 degrees 49 minutes 59 seconds West 530.34 feet to a DNR MON; thence North 64 degrees 41 minutes 41 seconds West 230.01 feet to a DNR MON; thence North 45 degrees 23 minutes 00 seconds West 357.33 feet to a DNR MON; thence North 33 degrees 53 minutes 32 seconds West 226.66 feet to a DNR MON; thence North 48 degrees 30 minutes 31 seconds West 341.45 feet to a DNR MON; thence North 08 degrees 07 minutes 09 seconds East 359.28 feet to a DNR MON; thence North 24 degrees 09 minutes 58 seconds East 257.86 feet to a DNR MON; thence North 16 degrees 24 minutes 50 seconds East 483.36 feet to a DNR MON; thence North 76 degrees 04 minutes 53 seconds East 715.53 feet to a DNR MON; thence North 33 degrees 01 minute 32 seconds East 282.54 feet to a DNR MON; thence North 64 degrees 28 minutes 25 seconds East 84.97 feet to a DNR MON; thence South 82 degrees 15 minutes 00 seconds East 788.53 feet to a DNR MON; thence North 07 degrees 45 minutes 07 seconds East 26.00 feet to the point of beginning; containing 7.55 acres.

Subd. 5. [85.012] [Subd. 44a.] Moose Lake State Park, Carlton County. The following areas are deleted from Moose Lake State Park, all in Township 46 North, Range 19 West, Carlton County:

- (1) Parcel A: the West 660.00 feet of the Southwest Quarter of the Northeast Quarter of Section 28;
- (2) Parcel B: the West 660.00 feet of the Northwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to a taking for highway purposes of a 100.00-foot wide strip for access and also subject to highway and road easements;
- (3) Parcel C: the West 660.00 feet of the Southwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to taking for highway purposes of a road access under S.P. 0919 (311-311) 901 from State Trunk Highway 73 to old County Road 21, said access being 100.00 feet in width with triangular strips of land adjoining it at the northerly line of State Trunk Highway 73, and subject to highway and road easements;
- (4) Parcel G: that part of Government Lot 1 of Section 28, which lies northerly of the westerly extension of the northerly line of the Southwest Quarter of the Northeast Quarter of said Section 28, and southerly of the westerly extension of the northerly line of the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of said Section 28;
- (5) Parcel H: the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of Section 28;
- (6) Parcel I: the Southwest Quarter of the Northeast Quarter of Section 28, except the West 660.00 feet of said Southwest Quarter; and
- (7) Parcel J: that part of the North One-Half of the Southeast Quarter of Section 28, described as follows: Commencing at the northwest corner of said North One-Half of the Southeast Quarter; thence South 89 degrees 57 minutes 36 seconds East along the north line of said North One-Half of the Southeast Quarter a distance of 660.01 feet to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter and the actual point of beginning; thence continue South 89 degrees 57 minutes 36 seconds East along the north line of said North One-

Half of the Southeast Quarter a distance of 657.40 feet to the southeast corner of the Southwest Quarter of the Northeast Quarter of said Section 28; thence South 00 degrees 19 minutes 17 seconds West, parallel to the west line of said North One-Half of the Southeast Quarter a distance of 715.12 feet to the westerly right-of-way of US Interstate Highway 35; thence along said westerly right-of-way of US Interstate Highway 35 a distance of 457.86 feet on a nontangential curve, concave to the southeast, having a radius of 1,054.93 feet, a central angle of 24 degrees 52 minutes 03 seconds, and a chord bearing of South 39 degrees 00 minutes 37 seconds West; thence South 46 degrees 44 minutes 11 seconds West along said westerly right-of-way of US Interstate Highway 35 a distance of 295.30 feet to the northerly right-of-way of Minnesota Trunk Highway 73; thence 163.55 feet along said northerly right-of-way of Minnesota Trunk Highway 73 on a nontangential curve, concave to the south, having a radius of 1,984.88 feet, a central angle of 4 degrees 43 minutes 16 seconds, and a chord bearing of South 77 degrees 39 minutes 40 seconds West to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter; thence North 00 degrees 19 minutes 17 seconds East a distance of 1,305.90 feet, more or less, to the point of beginning and there terminating.

Sec. 8. **ADDITIONS TO STATE RECREATION AREAS.**

[85.013] [Subd. 11a.] Garden Island State Recreation Area, Lake of the Woods County. The following areas are added to Garden Island State Recreation Area, Lake of the Woods County:

(1) Bureau of Land Management Island County Control Number 013 (aka Bridges Island) within Lake of the Woods and located in Section 9, Township 165 North, Range 32 West;

(2) Bureau of Land Management Island County Control Number 014 (aka Knight Island) within Lake of the Woods and located in Section 22, Township 165 North, Range 32 West; and

(3) Bureau of Land Management Island County Control Number 015 (aka Babe Island) within Lake of the Woods and located in Section 17, Township 166 North, Range 32 West.

Sec. 9. **ADDITIONS TO BIRCH LAKES STATE FOREST.**

[89.021] [Subd. 7.] Birch Lakes State Forest. The following area is added to Birch Lakes State Forest: the East Half of the Northeast Quarter, Section 35, Township 127 North, Range 33 West, Stearns County.

Sec. 10. **PUBLIC OR PRIVATE SALE OF CONSOLIDATED CONSERVATION LAND BORDERING PUBLIC WATER; AITKIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, and the classification and public sale provisions of Minnesota Statutes, chapters 84A and 282, the commissioner of natural resources may sell by public or private sale the consolidated conservation land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The consideration for the conveyance must be for no less than the survey costs and appraised value of the land and timber. Proceeds shall be disposed of according to Minnesota Statutes, chapter 84A.

(c) The land that may be sold is located in Aitkin County and is described as: the East 132 feet of the West 396 feet, less the North 40 feet of Government Lot 8, Section 19, Township 50 North, Range 23 West, containing 3.74 acres, more or less.

(d) The land borders Aitkin Lake with privately owned land to the east and west. The land has been subject to continued trespasses by adjacent landowners. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 11. PUBLIC OR PRIVATE SALE OF CONSOLIDATED CONSERVATION LAND; AITKIN COUNTY.

(a) Notwithstanding the classification and public sale provisions of Minnesota Statutes, chapters 84A and 282, Aitkin County may sell by public or private sale the consolidated conservation lands that are described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The consideration for the conveyance must be for no less than the survey costs and appraised value of the land and timber. Proceeds shall be disposed of according to Minnesota Statutes, chapter 84A.

(c) The lands that may be sold are located in Aitkin County and are described as:

(1) that part of the Northwest Quarter of the Southeast Quarter, Section 31, Township 49 North, Range 22 West, lying east of County State-Aid Highway 6, containing 3 acres, more or less;

(2) that part of Government Lot 11, Section 3, Township 47 North, Range 26 West, lying north of County Road 54, containing 2 acres, more or less;

(3) that part of Government Lot 1, Section 19, Township 51 North, Range 25 West, lying southwest of the ditch, containing 20 acres, more or less;

(4) that part of the Southwest Quarter of the Southwest Quarter, Section 13, Township 51 North, Range 26 West, lying south of the ditch, containing 12 acres, more or less; and

(5) that part of the South Half of the Southeast Quarter, Section 13, Township 51 North, Range 26 West, lying south of the ditch, containing 40 acres, more or less.

(d) The lands are separated from management units by roads or ditches. The Department of Natural Resources has determined that the lands are not needed for natural resource purposes.

Sec. 12. PRIVATE SALE OF SURPLUS STATE LAND; BELTRAMI COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, and upon completion of condemnation of the school trust land interest, the commissioner of natural resources may sell by private sale to Cormant Township the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to Cormant Township for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land described in paragraph (c) be used for the public and reverts to the state if Cormant Township fails to provide for public use or abandons the public use of the land.

(c) The land that may be sold is located in Beltrami County and is described as: that part of the Northeast Quarter of the Southeast Quarter, Section 15, Township 151 North, Range 31 West, Beltrami County, Minnesota, described as follows: Commencing at the northeast corner of said Northeast Quarter of the Southeast Quarter;

thence West along the north line of said Northeast Quarter of the Southeast Quarter to the northwest corner of said Northeast Quarter of the Southeast Quarter and the POINT OF BEGINNING of the property to be described; thence East a distance of 76 feet, along said north line; thence South a distance of 235 feet; thence West a distance of 76 feet to the west line of said Northeast Quarter of the Southeast Quarter; thence North a distance of 235 feet along said west line to the point of beginning. Containing 0.41 acre, more or less.

(d) Cormant Cemetery has inadvertently trespassed upon the land. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to Cormant Township and managed as part of the cemetery. Since the land is currently school trust land, the Department of Natural Resources shall first condemn the school trust interest prior to conveyance to Cormant Township.

Sec. 13. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Beltrami County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Beltrami County and is described as: the easterly 350 feet of the following described parcel: Northland Addition to Bemidji Lots E, G, H, I, J, Section 8, Township 146 North, Range 33 West, and all that part of Unplatted Lot 1, Section 17, Township 146 North, Range 33 West and the Minneapolis, Red Lake, and Manitoba Railway right-of-way lying West of Park Avenue and within Lot 1 except that part of the MRL&M RY R/W lying north of the north boundary line of Lot E, Northland Addition to Bemidji.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 14. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; CARLTON COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Carlton County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Carlton County and is described as: the SE¼ of the SE¼; of Section 31, Township 47 North, Range 17 West, Blackhoof Township.

(d) The Carlton County Board of Commissioners has classified the parcel as nonconservation and has determined that the county's land management interests would best be served if the parcel was returned to private ownership.

Sec. 15. **EXCHANGE OF STATE LAND WITHIN CARVER HIGHLANDS WILDLIFE MANAGEMENT AREA; CARVER COUNTY.**

(a) The commissioner of natural resources may, with the approval of the Land Exchange Board as required under the Minnesota Constitution, article XI, section 10, and according to the provisions of Minnesota Statutes, sections 94.343 to 94.347, exchange the lands described in paragraph (b).

(b) The lands to be exchanged are located in Carver County and are described as:

(1) that part of the South Half of the Northwest Quarter and that part of the Northwest Quarter of the Southwest Quarter lying northwesterly of the following described line: Beginning on the north line of the South Half of the Northwest Quarter, 1,815 feet East of the northwest corner thereof; thence southwesterly 3,200 feet, more or less, to the southwest corner of the Northwest Quarter of the Southwest Quarter and there terminating, all in Section 30, Township 115 North, Range 23 West;

(2) the Southeast Quarter of the Northeast Quarter, the West Half of the Southeast Quarter of the Southeast Quarter, and that part of the North Half of the Southeast Quarter lying easterly of County State-Aid Highway 45, all in Section 25, Township 115 North, Range 24 West;

(3) the Northwest Quarter of the Northeast Quarter of the Northeast Quarter and the North Half of the Southwest Quarter of the Northeast Quarter of the Northeast Quarter, all in Section 36, Township 115 North, Range 24 West; and

(4) the Northwest Quarter of the Northwest Quarter, Section 6, Township 114 North, Range 23 West.

(c) The lands were acquired in part with bonding appropriations. The exchange with the United States Fish and Wildlife Service will consolidate land holdings, facilitate management of the lands, and provide additional wildlife habitat acres to the state.

Sec. 16. **CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; CHIPPEWA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Chippewa County may convey to Chippewa County for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the county fails to provide for the public use described in paragraph (d) or abandons the public use of the land. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be conveyed is located in Chippewa County and is described as follows:

(1) Tract 1: a tract in Government Lot 2 described as: beginning at the southeast corner of Lot 6, Block 1, Original Plat Wegdahl; thence West 50 feet South, 50 Feet West on a line 50 feet South of the south line of Block 1 to the river; thence southeasterly along the river to a point 165 feet South of the south line of Block 1; thence East on a line parallel with the south line of Block 1, to the intersection with the continuation of the east line of Lot 6, Block 1; thence North 165 feet to the point of beginning, Section 3, Township 116, Range 40;

(2) Tract 2: a 50 foot strip adjacent to Block 1, Original Plat Wegdahl on South from Lot 3 to river, in Section 3, Township 116, Range 40; and

(3) Tract 3: Lot 1, Block 2, Aadlands Subdivision.

(d) The county will use the land to establish a public park.

Sec. 17. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; CLEARWATER COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Clearwater County may sell the tax-forfeited land bordering public water that is described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Clearwater County and is described as: Parcel 11.300.0020.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 18. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER OR WETLANDS; DAKOTA COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Dakota County may convey to Dakota County for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if Dakota County stops using the land for the public purpose described in paragraph (d). The conveyance is subject to restrictions imposed by the commissioner of natural resources. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Dakota County and is described as:

That part of Government Lots 7 and 8, Section 26, Township 28, Range 22, lying southeasterly of Lot 2, AUDITORS SUBDIVISION NO. 23, according to the recorded plat thereof, and lying easterly of the railroad right-of-way and lying northwesterly of the following described line:

Commencing at the southwest corner of said Government Lot 7; thence North, assumed bearing, along the west line of said Government Lot 7, a distance of 178.00 feet; thence northeasterly along a nontangential curve concave to the southeast a distance of 290.00 feet, said curve having a radius of 764.50 feet, a central angle of 21 degrees 43 minutes 57 seconds, a chord of 288.24 feet and a chord bearing of North 24 degrees 29 minutes 20 seconds East; thence continuing northeasterly along a tangent curve concave to the southeast a distance of 350.00 feet, said curve having a radius of 708.80 feet, a central angle of 28 degrees 17 minutes 32 seconds, a chord of 346.46 feet and a chord bearing of North 49 degrees 30 minutes 04 seconds East; thence North 63 degrees 38 minutes 50 seconds East tangent to the last described curve a distance of 578.10 feet, to a point hereinafter referred to as Point B; thence continuing North 63 degrees 38 minutes 50 seconds East a distance of 278.68 feet, more or less, to the westerly right-of-way line of the Chicago, Rock Island and Pacific Railroad, said point being the point of beginning of the line to be described; thence North 63 degrees 38 minutes 50 seconds East a distance of 225.00 feet, more or less, to the shoreline of the Mississippi River and there terminating. (Dakota County tax identification number 36-02600-016-32).

(d) The county has determined that the land is needed as a trail corridor for the Mississippi River Regional Trail.

Sec. 19. **PRIVATE SALE OF SURPLUS STATE LAND; HENNEPIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale to the city of Wayzata the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to the city of Wayzata, for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land described in paragraph (c) be used for the public and reverts to the state if the city of Wayzata fails to provide for public use or abandons the public use of the land.

(c) The land that may be sold is located in Hennepin County and is described as: Tract F, Registered Land Survey No. 1168.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the city of Wayzata.

Sec. 20. **PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ITASCA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Itasca County may sell to Itasca County the tax-forfeited land bordering public water that is described in paragraph (c), for the appraised value of the land.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is in Itasca County and is described as: the North 1,100 feet of Government Lot 1, Section 26, Township 56 North, Range 26 West.

(d) The county has determined that the county's land management interests would be best served if the land was under the direct ownership of Itasca County.

Sec. 21. **PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; MARSHALL COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Marshall County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Marshall County and is described as: that part of the westerly ten acres of the North Half of the Northeast Quarter lying southerly of the following described line: Commencing at the quarter section corner between Sections 2 and 11; thence South along the quarter section line a distance of 1,080 feet to the northern edge of County Ditch #25, the point of beginning; thence upstream along said ditch North 40 degrees East 95 feet; thence South 41 degrees East 500 feet to the intersection with State Ditch #83; thence along said state ditch North 52 degrees 50 minutes East 196 feet; thence East 2,092 feet to the section line between Sections 11 and 12.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 22. **EXCHANGE OF STATE LAND WITHIN LAKE LOUISE STATE PARK; MOWER COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 94.342, subdivision 4, the commissioner of natural resources may, with the approval of the Land Exchange Board as required under the Minnesota Constitution, article XI, section 10, and according to the remaining provisions of Minnesota Statutes, sections 94.342 to 94.347, exchange the land located within state park boundaries that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The state land that may be exchanged is located in Mower County and is described as: that part of the Southeast Quarter of the Southwest Quarter of the Southeast Quarter of Section 20, Township 101 North, Range 14 West, Mower County, Minnesota, described as follows: Beginning at a point on the south line of said Section 20 a distance of 1,039.50 feet (63 rods) East of the south quarter corner of said Section 20; thence North at right angles to said south line 462.00 feet (28 rods); thence West parallel to said south line 380.6 feet, more or less, to the west line of said Southeast Quarter of the Southwest Quarter of the Southeast Quarter; thence South along said west line 462 feet, more or less, to the south line of said Section 20; thence East along said south line 380.6 feet, more or less, to the point of beginning, containing 4.03 acres.

(d) The exchange would resolve an unintentional trespass by the Department of Natural Resources of a horse trail that is primarily located within Lake Louise State Park and provide for increased access to the state park.

Sec. 23. **PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 19, Township 133, Range 42, River's Bend Reserve, Lot B.

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 24. **PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 24, Township 136, Range 41, Crystal Beach, Lot 56, Block 1.

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 25. **PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 9, Township 133, Range 43, South 212 feet of Sub Lot 6 and South 212 feet of Sub Lot 7, except tract and except platted (1.19) acres.

(d) The Department of Natural Resources has no objection to the sale of this land.

Sec. 26. **PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 10, Township 134, Range 42, Heilberger Lake Estates, Reserve Lot A.

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 27. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 31, Township 137, Range 39, Government Lot 5 (37.20 acres).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 28. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 29, Township 137, Range 40, Freedom Flyer Estates, Lot 26, Block 1.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 29. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Quiet Waters Development Outlot A.

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 30. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 9, Township 136, Range 38, part of Government Lot 4 North and East of highway (Book 307, Page 31).

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 31. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 9, Township 136, Range 38, Elm Rest, part of Lots 3, 4, 5, and 6 and of Reserve A lying North of road (Book 307, Page 31).

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 32. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 27, Township 135, Range 39, Government Lot 7 (9.50 acres).

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 33. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Otter Tail County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 9, Township 135, Range 41, Government Lot 2, except tracts (7.77 acres).

(d) The sale would be to the adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage.

Sec. 34. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

38609 County Highway 41, Section 9, Township 135, Range 41, part of Government Lot 2 beginning 275 feet West, 1,021.36 feet southwesterly, 1,179 feet southeasterly, 132 feet South from northeast corner Section 9; East 33 feet, southerly 314 feet, West 33 feet, northerly on lake East 110 feet to beginning.

Sec. 35. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 27, Township 132, Range 41, Stalker View Acres, Lot 6, Block 1.

Sec. 36. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 33, Township 135, Range 36, North Half of Sub Lot 5 of the Southwest Quarter (7.07 acres).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 37. PUBLIC SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATER; OTTER TAIL COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Otter Tail County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Otter Tail County and is described as:

Section 33, Township 135, Range 36, South Half of Sub Lot 5 of the Southwest Quarter (7.06 acres).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 38. CONVEYANCE OF SURPLUS STATE LAND; RICE COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, the commissioner of administration may convey to Rice County for no consideration the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and provide that the land revert to the state if Rice County stops using the land for the public purpose described in paragraph (d). The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Rice County and is described as:

(1) that part of Section 5, Township 109 North, Range 20 West, Rice County, Minnesota, described as follows:

Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence southerly on a Minnesota State Plane Grid Azimuth from North of 180 degrees 23 minutes 50 seconds along the west line of said Northwest Quarter 348.30 feet to the point of beginning of the parcel to be described; thence easterly on an azimuth of 93 degrees 18 minutes 54 seconds 279.20 feet; thence southerly on an azimuth of 183 degrees 10

minutes 40 seconds 144.38 feet; thence southeasterly on an azimuth of 148 degrees 00 minutes 00 seconds 110.00 feet; thence northeasterly on an azimuth of 58 degrees 00 minutes 00 seconds 119.90 feet; thence southeasterly on an azimuth of 148 degrees 00 minutes 00 seconds 133.00 feet; thence southwesterly on an azimuth of 238 degrees 00 minutes 00 seconds 199.38 feet; thence westerly on an azimuth of 268 degrees 00 minutes 00 seconds 180.72 feet; thence northerly on an azimuth of 358 degrees 00 minutes 00 seconds 55.36 feet; thence westerly on an azimuth of 268 degrees 00 minutes 00 seconds 152.18 feet; thence northerly on an azimuth of 00 degrees 23 minutes 50 seconds 364.80 feet to the point of beginning; and

(2) that part of Section 5, Township 109 North, Range 20 West, Rice County, Minnesota, described as follows:

Commencing at the northwest corner of the Northwest Quarter of said Section 5; thence southerly on a Minnesota State Plane Grid Azimuth from North of 180 degrees 23 minutes 50 seconds along the west line of said Northwest Quarter 348.30 feet; thence easterly on an azimuth of 93 degrees 18 minutes 54 seconds 279.20 feet to the point of beginning of the parcel to be described; thence continuing easterly on an azimuth of 93 degrees 18 minutes 54 seconds 45.00 feet; thence southeasterly on an azimuth of 148 degrees 00 minutes 00 seconds 202.00 feet; thence southwesterly on an azimuth of 238 degrees 00 minutes 00 seconds 119.90 feet; thence northwesterly on an azimuth of 328 degrees 00 minutes 00 seconds 110.00 feet; thence northerly on an azimuth of 3 degrees 10 minutes 40 seconds 144.38 feet to the point of beginning.

(d) The commissioner has determined that the land is no longer needed for any state purpose and that the state's land management interests would best be served if the land was conveyed to and used by Rice County for a jail.

Sec. 39. **PRIVATE SALE OF CONSOLIDATED CONSERVATION LAND; ROSEAU COUNTY.**

(a) Notwithstanding the classification and public sale provisions of Minnesota Statutes, chapters 84A and 282, the commissioner of natural resources may sell by private sale the consolidated conservation land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The consideration for the conveyance must be for no less than the survey costs and the appraised value of the land and timber. Proceeds shall be disposed of according to Minnesota Statutes, chapter 84A.

(c) The land that may be sold is located in Roseau County and is described as: the North 75 feet of the East 290.4 feet of the West 489.85 feet of the East 1,321.15 feet of the Northeast Quarter, Section 35, Township 160 North, Range 38 West, containing 0.5 acres, more or less.

(d) The land would be sold to the current leaseholder who through an inadvertent trespass located a cabin, septic system, and personal property on the state land. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 40. **PRIVATE SALE OF SURPLUS STATE LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale to St. Louis County the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to St. Louis County for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land described in paragraph (c) be used for the public and reverts to the state if St. Louis County fails to provide for public use or abandons the public use of the land.

(c) The land that may be sold is located in St. Louis County and is described as: an undivided 1/12 interest in Government Lot 6, Section 6, Township 62 North, Range 13 West, containing 35.75 acres, more or less.

(d) The land was gifted to the state. The remaining 11/12 undivided interest in the land is owned by the state in trust for the taxing districts and administered by St. Louis County. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to St. Louis County.

Sec. 41. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell or convey to the state acting by and through its commissioner of natural resources, the tax-forfeited land bordering public water that is described in paragraph (c), under the provisions of Minnesota Statutes, section 282.01, subdivision 1a.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in St. Louis County and is described as: Lot 7, Klimek's Addition to Grand Lake, according to the plat thereof on file and of record in the Office of the County Recorder, St. Louis County.

(d) The county has determined that the land is not needed for county management purposes and the Department of Natural Resources would like to acquire the land for use as a public water access site to Little Grand Lake.

Sec. 42. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. Prior to the sales, the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37, to provide riparian protection and public access to shore fishing. The easements for land described in paragraph (c), clauses (1) to (3), shall be 450 feet in width from the centerline of the river. The easements for land described in paragraph (c), clauses (4) and (5), shall be 300 feet in width from the centerline of the river. The easements must be approved by the St. Louis County Board and the commissioner of natural resources.

(c) The land to be sold is located in St. Louis County and is described as:

(1) Lot 5 except railroad right-of-way 3.15 acres, Section 2, T50N, R18W (23.35 acres) (535-0010-00210);

(2) Lot 7 except railroad right-of-way 3.9 acres, Section 2, T50N, R18W (30.1 acres) (535-0010-00300);

(3) Lot 5 except railroad right-of-way 3 acres, Section 12, T50N, R18W (36 acres) (535-0010-01910);

(4) Lot 2 except railroad right-of-way, Section 35, T51N, R18W (22.5 acres) (310-0010-05650); and

(5) Lot 1 except GN railroad right-of-way, Section 35, T51N, R18W (34 acres) (110-0040-00160).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 43. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (d) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) Prior to the sales of the land described in paragraph (d), clauses (1), (2), and (10) to (12), the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37, to provide riparian protection and public access for angling. The easements must be approved by the St. Louis County Board and the commissioner of natural resources. The easements shall be for lands described in paragraph (d):

(1) clause (1), 75 feet in width on each side of the centerline of the creek;

(2) clause (2), 200 feet in width on each side of the centerline of the river;

(3) clause (10), 100 feet in width on each side of the centerline of the river; and

(4) clauses (11) and (12), 50 feet in width on each side of the centerline of the stream.

(d) The land to be sold is located in St. Louis County and is described as:

(1) N 1/2 of NW 1/4 of NE 1/4 of SE 1/4, Section 22, T51N, R14W (5 acres) (520-0016-00590);

(2) SW 1/4 of SW 1/4, Section 8, T50N, R16W (40 acres) (530-0010-01510);

(3) undivided 1/6 and undivided 1/2 of Lot 9, Thompson Lake Addition, Section 12, T53N, R14W (375-0120-00091, 375-0120-00094);

(4) SLY 200 FT OF NLY 1,220 FT OF LOT 4, Section 20, T54N, R18W (9.5 acres) (405-0010-03394);

(5) PART OF SW 1/4 OF SE 1/4 LYING N OF SLY 433 FT, Section 36, T57N, R21W (25 acres) (141-0050-07345);

(6) PART OF SE 1/4 OF SW 1/4 LYING W OF DW & P RY AND N OF PLAT OF HALEY, Section 23, T63N, R19W (11 acres) (350-0020-03730);

(7) SE 1/4 of NW 1/4, Section 26, T58N, R19W (40 acres) (385-0010-02610);

(8) NE 1/4 of SW 1/4, Section 20, T59N, R20W (40 acres) (235-0030-03110);

(9) LOT 4, Section 2, T61N, R19W (40 acres) (200-0010-00230);

(10) SW 1/4 of SE 1/4, Section 19, T50N, R16W (40 acres) (530-0010-03570);

(11) LOTS 15, 16, 17, 18, 19, BLOCK 1, COLMANS 4th ACRE TRACT ADDITION TO DULUTH, Section 33, T51N, R14W (520-0090-00150, -00160, -00180); and

(12) BLOCKS 17, 18, and 20, PLAT OF VERMILION TRAIL LODGE, Section 13, T62N, R14W.

(e) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 44. **PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

Lots 20 and 21, Plat of Twin Lakes, Government Lot 3, Section 32, T60N, R19W (1.1 acres) (385-0070-00200).

(d) This sale resolves an unintentional trespass. The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 45. **CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may convey to the state for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be according to Minnesota Statutes, section 282.01, subdivision 2, and in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in St. Louis County and is described as:

(1) lands in the city of Duluth, Section 23, Township 49 North, Range 15 West, that part of Government Lot 2 lying southeasterly of the southeasterly right-of-way of the St. Paul and Duluth and Northern Pacific Railway including riparian rights.

EXCEPT: that part of Government Lot 2 beginning at the intersection of the south line of Lot 2 and the southeasterly right-of-way of the St. Paul and Duluth and Northern Pacific Railway; thence easterly along the south line of said Lot 2 a distance of 150 feet to a point; thence deflect to the left and continue in a straight line to a point on the southeasterly line of said railway right-of-way said point distant 150 feet northeast of the point of beginning; thence deflect to the left and continue southwesterly along the southeasterly line of said railway right-of-way a distance of 150 feet to point of beginning and there terminating.

EXCEPT FURTHER: that part of Government Lot 2 commencing at the point of intersection of the south line of Lot 2 and the southeasterly right-of-way of the St. Paul and Duluth and Northern Pacific Railway; thence northeasterly along the southeasterly line of said railway right-of-way a distance of 1,064 feet to point of beginning; thence deflect 44 degrees, 12 minutes, 27 seconds to the right a distance of 105.44 feet to a point; thence deflect 85 degrees, 16 minutes, 07 seconds to the left a distance of 111.92 feet more or less to a point on the southeasterly line of said railway right-of-way; thence deflect to the left and continue northwesterly along the southeasterly line of said railway right-of-way a distance of 160 feet more or less to point of beginning and there terminating (010-2746-00290); and

(2) lands in the city of Duluth, Section 23, Township 49 North, Range 15 West, that part of Government Lot 1, including riparian rights, lying southerly of the Northern Pacific Short Line right-of-way except 5 18/100 acres for Northern Pacific Main Line and except a strip of land 75 feet wide and adjoining the Northern Pacific Main Line right-of-way and formerly used as right-of-way by Duluth Transfer Railway 2 67/100 acres, also except that part lying North of Grand Avenue 72/100 acres and except a strip of land adjacent to the Old Transfer Railway right-of-way containing 2 13/100 acres. Revised Description #40, Recorder of Deeds, Book 686, Page 440.

EXCEPT: that part of Government Lot 1 lying southerly of the Northern Pacific Short Line right-of-way and northerly of the Old Transfer Railway right-of-way.

EXCEPT FURTHER: that part of Government Lot 1 lying southerly of the Northern Pacific Main Line right-of-way and lying northerly of a line parallel to and lying 305 feet southerly of the north line of said Government Lot 1 (010-2746-00245).

Sec. 46. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance must include a deed restriction that prohibits excavating, filling, dumping, tree cutting, burning, structures, and buildings within an area that is 75 feet in width along the shoreline. A 15-foot strip for landowner lake access is allowed.

(c) The land to be sold is located in St. Louis County and is described as: E 1/2 of W 1/2 of E 1/2 of SW 1/4 of NW 1/4, Section 27, T57N, R17W (5 acres).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 47. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance must include a deed restriction on buildings, structures, tree cutting, removal of vegetation, and shoreland alterations within an area that is 75 feet in width along the river. A 15-foot strip for landowner river access is allowed.

(c) The land to be sold is located in St. Louis County and is described as: that part of Lot 8 beginning at a point 200 feet East of the center of Section 5; thence South 300 feet; thence East 300 feet; thence North 263 feet to shoreline of Ash River; thence northwesterly along the river 325 feet; thence southerly to point of beginning, Section 5, T68N, R19W (2 acres) (731-0010-00845).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 48. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (d) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) Prior to the sales of the land described in paragraph (d), clauses (1) to (4), the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37. The easements must be approved by the St. Louis County Board and the commissioner of natural resources. The easements shall be for lands described in paragraph (d):

(1) clause (1), 100 feet in width on each side of the centerline of the river. A 15-foot strip for landowner river access is allowed;

(2) clause (2), 125 feet in width on each side of the centerline of the river. A 15-foot strip for landowner river access is allowed;

(3) clause (3), 100 feet in width on each side of the centerline of the tributary; and

(4) clause (4), for access purposes.

(d) The land to be sold is located in St. Louis County and is described as:

(1) SW 1/4 of SW 1/4 except W 1/2, Section 14, T62N, R18W (20 acres);

(2) S 1/2 of SW 1/4 of SW 1/4, Section 16, T62N, R18W (20 acres);

(3) SW 1/4 of SE 1/4 except 5 acres at NW corner and except S 1/2 and except E 1/2 of NE 1/4, Section 10, T52N, R12W (10 acres);

(4) NW 1/4 of SE 1/4 except that part of the NE 1/4 lying N of the East Van Road and except S 1/2 of N 1/2 of S 1/2 and except S 1/2 of S 1/2, Section 5, T52N, R14W (18.3 acres);

(5) westerly 416 feet of SW 1/4 of SW 1/4 except westerly 208 feet of southerly 624 feet, Section 21, T56N, R18W (9.63 acres);

(6) Lot 3, Section 1, T55N, R21W (46.18 acres);

(7) SW 1/4 of NE 1/4, Section 18, T52N, R15W (40 acres); and

(8) Lots 23, 73, 95, 118, 119 of NE-NA MIK-KA-TA plat, town of Breitung, located in Government Lots 1 and 12 of Section 6, T62N, R15W.

(e) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 49. **PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell by private sale the tax-forfeited land that is described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

(1) that part of the South 200 feet of the West 900 feet of Government Lot 4 lying east of State Highway 73, and that part of the North 300 feet of the West 900 feet of Government Lot 5 lying east of State Highway 73, all in Section 6, Township 52 North, Range 20 West;

(2) that part of the Southeast Quarter of the Northeast Quarter lying north of County Road 115 in Section 15, Township 62 North, Range 17 West; and

(3) that part of the Southwest Quarter of the Northeast Quarter of Section 26, Township 63 North, Range 12 West, lying west of the west right-of-way boundary of County Highway 88; EXCEPTING therefrom the following described tract of land: That part of the Southwest Quarter of the Northeast Quarter of Section 26, Township 63 North, Range 12 West, described as follows: Begin at a point located at the intersection of the north and south quarter line of said section and the north boundary line of the right-of-way of County Highway 88, said point being 494.44 feet North of the center of said section; thence North on said north and south quarter line a distance of 216.23 feet; thence at an angle of 90 degrees 0 minutes to the right a distance of 253.073 feet; thence at an angle of 90 degrees 0 minutes to the right a distance of 472.266 feet to a point on the north boundary line of the right-of-way of said County Highway 88; thence in a northwesterly direction along the north boundary line of the right-of-way of said County Highway 88, a distance of 360 feet to the point of beginning.

(d) The sales authorized under this section are needed for public utility substations.

Sec. 50. **PRIVATE SALE OF WILDLIFE MANAGEMENT AREA LAND; WABASHA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09, 94.10, and 97A.135, subdivision 2a, the commissioner of natural resources shall sell by private sale the wildlife management area land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell the land to Mazeppa Township for less than the value of the land as determined by the commissioner.

(c) The land that may be sold is located in Wabasha County and is described as follows: all of the following described tract: the southerly 300 feet of the westerly 350 feet of the Northwest Quarter of the Northwest Quarter of Section 10, Township 109 North, Range 14 West; together with the southerly 300 feet of the easterly 150 feet of the Northeast Quarter of the Northeast Quarter of Section 9, Township 109 North, Range 14 West; excepting therefrom the right-of-way of existing highway; containing 3.23 acres more or less.

(d) The land is located in Mazeppa Township and is not contiguous to other state lands. The Department of Natural Resources has determined that the state's land management interests would best be served if the lands were conveyed to a local unit of government.

Sec. 51. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; WADENA COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus lands bordering public water that are described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The lands that may be sold are located in Wadena County and are described as:

(1) Government Lot 3, Section 28, Township 135 North, Range 33 West, containing 0.01 acres, more or less;

(2) Government Lot 2, Section 34, Township 135 North, Range 33 West, containing 1.5 acres, more or less; and

(3) Government Lot 7, Section 30, Township 135 North, Range 35 West, containing 0.01 acres, more or less.

(d) The lands border the Leaf River and are not contiguous to other state lands. The Department of Natural Resources has determined that the lands are not needed for natural resource purposes.

Sec. 52. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Washington County may convey to the Comfort Lake-Forest Lake Watershed District for no consideration the tax-forfeited land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the Comfort Lake-Forest Lake Watershed District stops using the land for the public purpose described in paragraph (d). The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Washington County and is described as:

(1) Parcel A (PIN 05.032.21.12.0001): all that part of the Northwest Quarter of the Northeast Quarter, Section 5, Township 32, Range 21, Washington County, Minnesota, that lies East of Minnesota Highway 61 as relocated and South of Judicial Ditch No. 1, except the following described tracts:

Beginning at a point where the easterly right-of-way of Minnesota Highway 61 intersects the south line of the Northwest Quarter of the Northeast Quarter, Section 5, Township 32, Range 21, Washington County, Minnesota; thence East along said south line of the Northwest Quarter of the Northeast Quarter of Section 5 for 194.1 feet; thence North at right angles 435.3 feet; thence South 75 degrees 56 minutes West for 294.4 feet to said easterly right-of-way of Minnesota Highway 61; thence South 14 degrees 04 minutes East along said easterly right-of-way of Minnesota Highway 61 for 375.0 feet to the point of the beginning; and

That part of the Northwest Quarter of the Northeast Quarter, Section 5, Township 32 North, Range 21 West, Washington County, Minnesota, described as follows: commencing at the north quarter corner of Section 5; thence East along the north line of Section 5, a distance of 538.8 feet to the easterly right-of-way line of Trunk Highway 61; thence southeasterly deflection to the right 76 degrees 00 minutes 20 seconds, along said highway right-of-way line, 500.4 feet to the point of beginning; thence continuing southeasterly along said highway right-of-way line 293.7 feet to the northwest corner of the Philip F. and Maree la J. Turcott property, as described in Book 261 of Deeds on Page 69; thence northeasterly at right angles along the northerly line of said Turcott property in its northeasterly projection thereof, 318.4 feet, more or less, to the centerline of Sunrise River; thence northwesterly along said Sunrise River centerline, 358 feet, more or less, to the point of intersection with a line drawn northeasterly from the point of beginning and perpendicular to the easterly right-of-way line of Trunk Highway 61; thence southwesterly along said line, 154.3 feet, more or less, to the point of beginning; and

(2) Parcel B (PIN 05.032.21.12.0004): that part of the Northwest Quarter of the Northeast Quarter, Section 5, Township 32, Range 21, lying easterly of Highway 61 and North of Judicial Ditch No. 1.

(d) The county has determined that the land is needed by the watershed district for purposes of Minnesota Statutes, chapter 103D.

Sec. 53. LEASE OF TAX-FORFEITED AND STATE LANDS.

(a) Notwithstanding Minnesota Statutes, section 282.04, or other law to the contrary, St. Louis County may enter a 30-year lease of tax-forfeited land for a wind energy project.

(b) The commissioner of natural resources may enter a 30-year lease of land administered by the commissioner for a wind energy project.

Sec. 54. EFFECTIVE DATE.

Sections 1 to 53 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state lands; modifying Minnesota critical habitat private sector matching account; modifying outdoor recreation system; adding to and deleting from state parks, recreation areas, and forests; modifying authority to convey private easements on tax-forfeited land; providing for public and private sales, conveyances, and exchanges of certain state land; authorizing 30-year leases of tax-forfeited and other state lands for wind energy projects; amending Minnesota Statutes 2006, sections 84.943, subdivision 5; 86A.04; 86A.08, subdivision 1; 282.04, subdivision 4a; Laws 2006, chapter 236, article 1, section 43."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3280, A bill for an act relating to state lands; providing for expedited exchanges of public land; amending Minnesota Statutes 2006, section 97A.145, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 94.

Reported the same back with the following amendments:

Amend the title as follows:

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

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

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

H. F. No. 3323, A bill for an act relating to local government; authorizing the Minneapolis Park and Recreation Board and the city of Minneapolis to adopt standards for dedication of land to the public or a payment of a dedication fee on certain new commercial and industrial development; amending Laws 2006, chapter 269, section 2.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3486, A bill for an act relating to motor carriers; reallocating proceeds of fees collected since 2005 under the International Fuel Tax Agreement compact; amending Minnesota Statutes 2006, sections 168D.06; 168D.07; 299A.705, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 168D.06, is amended to read:

168D.06 FUEL LICENSE FEES.

License fees paid to the commissioner under the International Fuel Tax Agreement must be deposited in the ~~highway user tax distribution fund~~ vehicle services operating account in the special revenue fund under section 299A.705. The commissioner shall charge an annual fuel license fee of \$15, and an annual application filing fee of \$13 for quarterly reporting of fuel tax.

EFFECTIVE DATE. This section is effective retroactively from August 1, 2005, for fees collected on or after that date.

Sec. 2. Minnesota Statutes 2006, section 168D.07, is amended to read:

168D.07 FUEL DECAL FEE.

The commissioner shall issue a decal or other identification to indicate compliance with the International Fuel Tax Agreement. The commissioner shall establish a charge to cover the cost of issuing the decal or other identification according to section 16A.1285, subdivision 4a. Decal or other identification charges paid to the commissioner under this subdivision must be deposited in the ~~highway user tax distribution fund~~ vehicle services operating account in the special revenue fund under section 299A.705.

EFFECTIVE DATE. This section is effective retroactively from August 1, 2005, for fees collected on or after that date.

Sec. 3. Minnesota Statutes 2006, section 299A.705, subdivision 1, is amended to read:

Subdivision 1. **Vehicle services operating account.** (a) The vehicle services operating account is created in the special revenue fund, consisting of all money from the vehicle services fees specified in chapters 168 ~~and~~ 168A, ~~and 168D~~, and any other money otherwise donated, allotted, appropriated, or legislated to this account.

(b) Funds appropriated are available to administer vehicle services as specified in chapters 168 ~~and~~ 168A, ~~and 168D~~, and section 169.345, including:

- (1) designing, producing, issuing, and mailing vehicle registrations, plates, emblems, and titles;
- (2) collecting title and registration taxes and fees;
- (3) transferring vehicle registration plates and titles;
- (4) maintaining vehicle records;
- (5) issuing disability certificates and plates;
- (6) licensing vehicle dealers;
- (7) appointing, monitoring, and auditing deputy registrars; and
- (8) inspecting vehicles when required by law.

EFFECTIVE DATE. This section is effective retroactively from August 1, 2005, for fees collected on or after that date."

Delete the title and insert:

"A bill for an act relating to motor carriers; reallocating proceeds of fees collected since 2005 under the International Fuel Tax Agreement compact; amending Minnesota Statutes 2006, sections 168D.06; 168D.07; 299A.705, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3490, A bill for an act relating to drivers' licenses; imposing \$30 reinstatement fee following revocation of juvenile's license; amending Minnesota Statutes 2006, section 171.29, subdivision 1.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3558, A bill for an act relating to motor vehicles; requiring commissioner of public safety to issue special 2008 U.S. Women's Open license plates.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **U.S. OPEN SPECIAL TEMPORARY PERMITS.**

Subdivision 1. **Definitions.** (a) "Committee" means the 2008 U.S. Women's Open Committee.

(b) "Commissioner" means the commissioner of public safety.

Subd. 2. **Issuance and design.** Notwithstanding Minnesota Statutes, section 168.1293, upon the request of the committee, the commissioner shall issue to the committee a minimum of 250 special temporary permits for use in connection with the 2008 United States Golf Association Women's Open Championship. The special temporary permits must be of a design approved by the commissioner after consultation with the committee. The permits may be displayed only on a passenger vehicle, the use of which has been donated for the open championship by the vehicle manufacturer. The permits are valid from the date of issuance until July 4, 2008.

Subd. 3. **Fees.** The commissioner shall collect a fee of \$10 for each pair of special temporary permits issued under this section.

Subd. 4. **Application.** In requesting special temporary permits under this section, the committee shall provide the following information to the commissioner at least 60 days before the start of the period for which the permits are requested:

(1) the dates of the period for which the permits are requested;

(2) the name, address, and telephone number of an authorized representative of the committee;

(3) the quantity of permits requested; and

(4) a certification that the insurance required under Minnesota Statutes, section 65B.49, subdivision 3, will be provided for each vehicle for which special temporary permits are provided under this section.

Subd. 5. **Liability.** If a parking violation citation is issued for a violation committed by a driver of a vehicle displaying special temporary permits issued under this section, the committee is liable for the amount of fine, penalty assessment, late payment penalty, or cost of warrants issued in connection with the violation unless, within 15 days after receiving knowledge of the violation, the committee provides to the issuing authority the following information to the extent available: the driver's full name; home address; local address, if any; license number; and employer's name and address. If the committee is relieved of liability under this subdivision, the person who committed the violation remains liable for the violation.

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

Amend the title as follows:

Page 1, line 3, delete "special" and insert "temporary permits for passenger vehicles used in connection with the" and delete "license plates"

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3706, A bill for an act relating to motor vehicles; repealing surcharge for special veteran license plates; repealing Minnesota Statutes 2006, section 168.123, subdivision 2a.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3723, A bill for an act relating to local government finance; permitting Minneapolis Park and Recreation Board to retain proceeds from the condemnation of park lands necessary for the reconstruction and expansion of marked Interstate Highway 35W at the Mississippi River.

Reported the same back with the following amendments:

Page 1, line 17, after "for" insert "public"

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3800, A bill for an act relating to motor vehicles; permitting sale of impounded vehicles and contents after voluntary title transfer; providing for notice of impound, right to reclaim contents, and waiver of right; establishing right to retrieve contents without charge in certain cases; limiting deficiency claim; providing for permit for oversize and overweight tow trucks in certain cases; amending Minnesota Statutes 2006, sections 168B.051, subdivision 2; 168B.06, subdivisions 1, 3; 168B.07, by adding a subdivision; 168B.08, subdivision 1; 168B.087, subdivision 1; 169.86, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2006, section 86B.825, subdivision 5, is amended to read:

Subd. 5. **No legal title without certificate.** A person acquiring a watercraft, required to have a certificate of title under this section, through a sale or gift does not acquire a right, title, claim, or interest in the watercraft until the person has been issued a certificate of title to the watercraft or has received a manufacturer's or importer's certificate. A waiver or estoppel does not operate in favor of that person against another person who has obtained possession of the certificate of title or manufacturer's or importer's certificate for the watercraft for valuable consideration.

Sec. 2. Minnesota Statutes 2006, section 123B.88, subdivision 3, is amended to read:

Subd. 3. **Transportation services contracts; requirements.** (a) The board may contract for the furnishing of authorized transportation under section 123B.52, and may purchase gasoline and furnish same to a contract carrier for use in the performance of a contract with the school district for transportation of school children to and from school.

(b) An initiated transportation service contract shall include by contract language, addendum, or supplementary information terms addressing:

(1) a summary of school bus driver training requirements, including the minimum number of preservice training hours and the minimum number of in-service training hours;

(2) a driver recruitment and retention plan, including an explanation of:

(i) the actions the contractor has taken or will take to recruit qualified drivers for the transportation services contract;

(ii) the process for screening applicants to be certain that they meet the school bus driver requirements of federal law, of state law, and of the transportation service contract, including federal and state-controlled substance and alcohol testing requirements;

(iii) the training that drivers receive prior to assignment to transportation service; and

(iv) the actions of the employer to retain qualified drivers to meet requirements of the transportation services contract, including an explanation of wage rates and employee benefits and policies on compensated absences such as paid vacations, holidays, and sick leave;

(3) the reporting to the local school district of all school bus accidents;

(4) the reporting to the local school district of all school bus driver-reported traffic convictions, based upon the requirement of commercial drivers to report traffic convictions to their employer under Federal Motor Carrier Safety Administration regulation in Code of Federal Regulations, title 49, section 383.31;

(5) the reporting within one week to the local school district the results of any Minnesota State Patrol inspection of school buses being regularly utilized for the transportation under the transportation contract;

(6) the school bus driver employee turnover ratio, defined as the total number of school bus drivers employed during the most recent school year divided by the daily average number of school bus drivers employed during the same regular school year, within bus garage location or other reasonable basis. The turnover rate may exclude those drivers whose employment is terminated or who are otherwise removed for cause from service; and

(7) the date of hire of the employer's current employees identified by their job classifications, which may include any relevant prior experience. Summer and other regular school breaks should not be considered interruptions to employment.

(c) Notwithstanding section 123B.52, a school district may award a transportation contract in the interest of student safety and cost-effectiveness.

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

Sec. 3. **[123B.915] SCHOOL BUS DRIVERS.**

Subdivision 1. **Driver pay.** School bus driver employees must be paid for the actual time worked. If a route pay system or hourly estimation is used, school bus driver employees must be scheduled and paid for actual time for required inspection of buses.

Subd. 2. **Right to refuse.** School bus drivers who document needed bus repairs shall have the right to refuse to operate the bus immediately for a safety-related repair, which meets the out-of-service definition of Minnesota Rules, part 7470.0600. In this situation, the driver shall be provided an alternate bus, if available, and time to inspect it. The driver shall not be penalized in any way for fees, fines, or consequences incurred by the employer for delays or failure to provide the transportation service in a timely manner in this situation. Nothing in this section may diminish the rights, pay, or benefits of drivers covered by a collective bargaining agreement with an exclusive representative.

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

Sec. 4. Minnesota Statutes 2006, section 168.011, subdivision 7, is amended to read:

Subd. 7. **Passenger automobile.** (a) "Passenger automobile" means any motor vehicle designed and used for carrying not more than 15 individuals, including the driver.

(b) "Passenger automobile" does not include motorcycles, motor scooters, buses, school buses, or commuter vans as defined in section 168.126.

(c) "Passenger automobile" includes, but is not limited to:

(1) pickup trucks and vans, including those vans designed to carry passengers, with a manufacturer's nominal rated carrying capacity of one ton; ~~and~~

(2) neighborhood electric vehicles, as defined in section 169.01, subdivision 91; and

(3) medium-speed electric vehicles, as defined in section 169.01, subdivision 94.

Sec. 5. Minnesota Statutes 2006, section 168.012, subdivision 1, is amended to read:

Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from those institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for charitable, religious, or educational purposes;

(5) ambulances owned by ambulance services licensed under section 144E.10, the general appearance of which is unmistakable; and

(6) vehicles owned by a commercial driving school licensed under section 171.34, or an employee of a commercial driving school licensed under section 171.34, and the vehicle is used exclusively for driver education and training.

(b) Vehicles owned by the federal government, municipal fire apparatuses including fire-suppression support vehicles, police patrols, and ambulances, the general appearance of which is unmistakable, are not required to register or display number plates.

(c) Unmarked vehicles used in general police work, liquor investigations, or arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the Department of Corrections, must be registered and must display appropriate license number plates, furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the Department of Corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry, fraud unit, in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates, furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue or the commissioner of labor and industry. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) Unmarked vehicles used by the Division of Disease Prevention and Control of the Department of Health must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of health. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Division of Disease Prevention and Control.

(f) Unmarked vehicles used by staff of the Gambling Control Board in gambling investigations and reviews must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the board chair. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Gambling Control Board.

(g) Each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle. The vehicle must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the hospital administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the state hospital or institution.

(h) Each county social service agency may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. The vehicles must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the agency administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the social service agency.

~~(g)~~ (i) All other motor vehicles must be registered and display tax-exempt number plates, furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates must have the name of the state department or political subdivision, nonpublic high school operating a driver education program, ~~or~~ licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both sides of the vehicle; ~~except that each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle, and county social service agencies may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle.~~ This identification must be in a color giving contrast with that of the part of the vehicle on which it is placed and must endure throughout the term of the registration. The identification must not be on a removable plate or placard and must be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Sec. 6. Minnesota Statutes 2007 Supplement, section 168.017, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The registrar shall register all vehicles subject to registration under the monthly series system for a period of 12 consecutive calendar months, unless:

(1) the application is an original rather than renewal application; ~~or~~

(2) the application is for quarterly registration under section 168.018; or

~~(2)~~ (3) the applicant is a licensed motor vehicle lessor under section 168.27 and the vehicle is leased or rented for periods of time of not more than 28 days, in which case the applicant may apply for initial or renewed registration of a vehicle for a period of four or more months, with the month of expiration to be designated by the applicant at the time of registration.

~~However, (b)~~ To qualify for ~~this~~ the exemption under paragraph (a), clause (3), the applicant must (1) present the application to the registrar at St. Paul, or a designated deputy registrar office, and (2) stamp in red, on the certificate of title, the phrase "The expiration month of this vehicle is" with the blank filled in with the month of expiration as if the vehicle is being registered for a period of 12 calendar months.

~~(b)~~ (c) In any instance except that of a licensed motor vehicle lessor, the registrar shall not approve registering the vehicle subject to the application for a period of less than three months, except when the registrar determines that to do otherwise will help to equalize the registration and renewal work load of the department.

Sec. 7. Minnesota Statutes 2006, section 168.021, subdivision 1, is amended to read:

Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under section 168.017, a motorcycle, a truck having a manufacturer's nominal rated capacity of one ton and resembling a pickup truck, or a self-propelled recreational vehicle is owned or primarily operated by a permanently physically disabled person or a custodial parent or guardian of a permanently physically disabled minor, the owner may apply for and secure from the commissioner (1) immediately, a temporary permit valid for 30 days if the applicant is eligible for the disability plates issued under this section and (2) two disability plates with attached emblems, one plate to be attached to the front, and one to the rear of the motor vehicle.

(b) The commissioner shall not issue more than one set of plates to any owner of a motor vehicle at the same time unless ~~all motor vehicles have been specifically modified for and are used exclusively by a permanently physically disabled person~~ the state council on disability approves the issuance of a second set of plates to a motor vehicle owner.

(c) When the owner first applies for the disability plates, the owner must submit a medical statement in a format approved by the commissioner under section 169.345, or proof of physical disability provided for in that section.

(d) No medical statement or proof of disability is required when an owner of a motor vehicle applies for plates for one or more motor vehicles that are specially modified for and used exclusively by permanently physically disabled persons.

(e) The owner of a motor vehicle may apply for and secure (i) immediately, a permit valid for 30 days, if the applicant is eligible to receive the disability plates issued under this section, and (ii) a set of disability plates for a motor vehicle if:

(1) the owner employs a permanently physically disabled person who would qualify for disability plates under this section; and

(2) the owner furnishes the motor vehicle to the physically disabled person for the exclusive use of that person in the course of employment.

Sec. 8. Minnesota Statutes 2006, section 168.021, subdivision 2, is amended to read:

Subd. 2. **Plate design; furnished by commissioner.** The commissioner shall design and furnish two disability plates with attached emblems to ~~each~~ an eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 16B.61, subdivision 5, approximately three inches square. The emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for disability plates shall pay the motor vehicle registration fee authorized by sections 168.013 and 168.09.

Sec. 9. Minnesota Statutes 2006, section 168.09, subdivision 7, is amended to read:

Subd. 7. **Display of temporary permit; special plates.** (a) A vehicle that displays a ~~special Minnesota~~ plate issued under ~~section 168.021; 168.12, subdivision 2, 2a, 2b, 2c, or 2d; 168.123; 168.124; 168.125; 168.126; 168.128; or 168.129; chapter 168~~ may display a temporary permit in conjunction with expired registration if:

(1) the current registration tax and all other fees and taxes have been paid in full; and

(2) the plate ~~requires replacement under section 168.12, subdivision 1, paragraph (d), clause (3)~~ has been applied for.

(b) A vehicle ~~that is registered under section 168.10~~ may display a temporary permit in conjunction with expired registration, with or without a registration plate, if:

(1) the plates have been applied for ~~and~~;

(2) the registration tax ~~has~~ and other fees and taxes have been paid in full, ~~as provided for in section 168.10~~; and

~~(2) (3) either~~ (3) either the vehicle is used solely as a collector vehicle while displaying the temporary permit and not used for general transportation purposes or the vehicle was issued a 21-day permit under section 168.092, subdivision 1.

(c) The permit is valid for a period of 60 days. The permit must be in a format prescribed by the commissioner and whenever practicable must be posted upon the driver's side of the rear window on the inside of the vehicle. The permit is valid only for the vehicle for which it was issued to allow a reasonable time for the new plates to be manufactured and delivered to the applicant. The permit may be only issued by the commissioner or by a deputy registrar under section 168.33.

Sec. 10. Minnesota Statutes 2006, section 168.185, is amended to read:

168.185 USDOT NUMBERS.

(a) ~~Except as provided in paragraph (d), an owner of a truck or truck-tractor having a gross vehicle weight of more than 10,000 pounds, as defined in section 169.01, subdivision 46, other than a farm truck that is not used in interstate commerce, shall report to the registrar commissioner at the time of registration its USDOT carrier number. A person subject to this paragraph who does not have a USDOT number shall apply for the number at the time of registration by completing a form MCS-150 Motor Carrier Identification Report, issued by the Federal Motor Carrier Safety Administration, or comparable document as determined by the registrar commissioner. The registrar commissioner shall not assign a USDOT carrier number to a vehicle owner who is not subject to this paragraph.~~

(b) Assigned USDOT numbers need not be displayed on the outside of the vehicle, but must be made available upon request of an authorized agent of the registrar commissioner, peace officer, other employees of the State Patrol authorized in chapter 299D, or employees of the Minnesota Department of Transportation. The vehicle owner shall notify the registrar commissioner if there is a change to the owner's USDOT number.

(c) If an owner fails to report or apply for a USDOT number, the registrar commissioner shall suspend the owner's registration.

(d) ~~Until October 1, 2003, paragraphs (a) to (c) do not apply to an agricultural fertilizer or agricultural chemical retailer while exclusively engaged in delivering fertilizer or agricultural chemicals to a farmer for on farm use. This section does not apply to (1) a farm truck that is not used in interstate commerce, (2) a vehicle that is not used in intrastate commerce or interstate commerce, or (3) a vehicle that is owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision.~~

Sec. 11. Minnesota Statutes 2006, section 168A.03, subdivision 1, is amended to read:

Subdivision 1. **No certificate issued.** The registrar shall not issue a certificate of title for:

- (1) a vehicle owned by the United States;
- (2) a vehicle owned by a nonresident and not required by law to be registered in this state;
- (3) a vehicle owned by a nonresident and regularly engaged in the interstate transportation of persons or property for which a currently effective certificate of title has been issued in another state;
- (4) a vehicle moved solely by animal power;
- (5) an implement of husbandry;
- (6) special mobile equipment;
- (7) a self-propelled wheelchair or invalid tricycle;
- (8) a trailer (i) having a gross weight of 4,000 pounds or less unless a secured party holds an interest in the trailer or a certificate of title was previously issued by this state or any other state or (ii) designed primarily for agricultural purposes except a recreational vehicle or a manufactured home, both as defined in section 168.011, subdivisions 8 and 25;
- (9) a snowmobile-; and
- (10) a spotter truck, as defined in section 169.01, subdivision 7a.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 12. Minnesota Statutes 2006, section 168A.05, subdivision 9, is amended to read:

Subd. 9. **Neighborhood electric vehicle and medium-speed electric vehicles; certificate required.** Neighborhood electric vehicles and medium-speed electric vehicles, as defined in section 169.01, ~~subdivision subdivisions 91 and 94,~~ must be titled as specified in section 168A.02. The department shall not issue a title for a neighborhood electric vehicle or a medium-speed electric vehicle (1) that lacks a vehicle identification number, and (2) for which a manufacturer's certificate of origin clearly labeling the vehicle as a neighborhood electric vehicle or similar designation has not been issued. The department shall not issue a vehicle identification number to a homemade neighborhood electric or low-speed vehicle or retrofitted golf cart, and such vehicles do not qualify as neighborhood electric vehicles.

Sec. 13. Minnesota Statutes 2006, section 168B.051, subdivision 2, is amended to read:

Subd. 2. **Sale after 45 days or title transfer.** ~~An~~ (a) If an unauthorized vehicle is impounded, other than by the city of Minneapolis or the city of St. Paul, the impounded vehicle is eligible for disposal or sale under section 168B.08, the earlier of:

(1) 45 days after notice to the owner, if the vehicle is determined to be an unauthorized vehicle that was not impounded by the city of Minneapolis or the city of St. Paul; or

(2) the date of a voluntary written title transfer by the registered owner to the impound lot operator.

(b) A voluntary written title transfer constitutes a waiver by the registered owner of any right, title, and interest in the vehicle.

Sec. 14. Minnesota Statutes 2006, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. **Contents; Written notice given within five days of impound.** (a) When an impounded vehicle is taken into custody, the unit of government or impound lot operator taking it into custody shall give written notice of the taking within five days to the registered vehicle owner and any lienholders.

(b) The notice ~~shall~~ must:

(1) set forth the date and place of the taking;

(2) provide the year, make, model, and serial number of the impounded motor vehicle, if such information can be reasonably obtained, and the place where the vehicle is being held;

(~~2~~) (3) inform the owner and any lienholders of their right to reclaim the vehicle under section 168B.07, ~~and~~;

(~~3~~) (4) state that failure of the owner or lienholders to:

(i) exercise their right to reclaim the vehicle ~~and contents~~ within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, ~~shall be deemed~~ and under the conditions set forth in section 168B.07, subdivision 1, constitutes a waiver by them of all right, title, and interest in the vehicle ~~and contents~~ and a consent to the transfer of title to and disposal or sale of the vehicle ~~and contents~~ pursuant to section 168B.08; or

(ii) exercise their right to reclaim the contents of the vehicle within the appropriate time allowed and under the conditions set forth in section 168B.07, subdivision 3, constitutes a waiver by them of all right, title, and interest in the contents and consent to sell or dispose of the contents under section 168B.08; and

(5) state that a vehicle owner who provides to the impound lot operator documentation from a government or nonprofit agency or legal aid office that the owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge.

Sec. 15. Minnesota Statutes 2006, section 168B.06, subdivision 3, is amended to read:

Subd. 3. **Unauthorized vehicle; second notice.** If an unauthorized vehicle remains unclaimed after 30 days from the date the notice was sent under subdivision 2, a second notice ~~shall~~ must be sent by certified mail, return receipt requested, to the registered owner, if any, of the unauthorized vehicle and to all readily identifiable lienholders of record.

Sec. 16. Minnesota Statutes 2006, section 168B.07, is amended by adding a subdivision to read:

Subd. 3. **Retrieval of contents.** (a) For purposes of this subdivision:

(1) "contents" does not include any permanently affixed mechanical or nonmechanical automobile parts; automobile body parts; or automobile accessories, including audio or video players; and

(2) "relief based on need" includes, but is not limited to, receipt of MFIP and Diversionary Work Program, medical assistance, general assistance, general assistance medical care, emergency general assistance, Minnesota supplemental aid (MSA), MSA-emergency assistance, MinnesotaCare, Supplemental Security Income, energy assistance, emergency assistance, Food Stamps, earned income tax credit, or Minnesota working family tax credit.

(b) A unit of government or impound lot operator shall establish reasonable procedures for retrieval of vehicle contents, and may establish reasonable procedures to protect the safety and security of the impound lot and its personnel.

(c) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner who provides documentation from a government or nonprofit agency or legal aid office that the registered owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge and regardless of whether the registered owner pays incurred charges or fees, transfers title, or reclaims the vehicle.

(d) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner other than a registered owner described in paragraph (c) has the unencumbered right to retrieve the following contents: medicine; medical-related items and equipment; clothing; eyeglasses; educational materials; and legal documents, including, but not limited to, a driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, tax returns, and documents indicating receipt of or eligibility for public benefit programs. This provision does not prohibit the return of other contents at the discretion of the impound lot operator.

(e) An impound lot operator is not required to return any contents to a person who is not the registered owner of the impounded vehicle, other than legal documents. Legal documents include, but are not limited to, driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, and tax returns. An impound lot operator is not required to return any contents to a person who is not the registered owner after the expiration of the waiting periods provided in section 168B.051, or if the registered owner voluntarily transfers title to the impound lot operator under section 168B.051, subdivision 2.

Sec. 17. Minnesota Statutes 2006, section 168B.07, is amended by adding a subdivision to read:

Subd. 4. **Waiver of rights.** The failure of the registered owner or lienholders to exercise the right to reclaim the vehicle before the expiration of the waiting periods provided under section 168B.051 constitutes a waiver of all right, title, and interest in the vehicle and a consent to the transfer of title to, and disposal or sale of, the vehicle under section 168B.08. The failure of the registered owner to exercise the right provided under subdivision 3 constitutes a waiver of all right, title, and interest in the contents and a consent to the transfer of title to, and disposal or sale of, the contents under section 168B.08.

Sec. 18. Minnesota Statutes 2006, section 168B.08, subdivision 1, is amended to read:

Subdivision 1. **Auction or sale.** (a) If an abandoned or unauthorized vehicle ~~and contents~~ taken into custody by a unit of government or any impound lot is not reclaimed under section 168B.07, ~~subdivision 1~~, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07. ~~If the contents of an abandoned or unauthorized vehicle taken into custody by a unit of government or any impound lot is not reclaimed under section 168B.07, subdivision 3, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07.~~

(b) The purchaser shall be given a receipt in a form prescribed by the registrar of motor vehicles which shall be sufficient title to dispose of the vehicle. The receipt shall also entitle the purchaser to register the vehicle and receive a certificate of title, free and clear of all liens and claims of ownership. Before such a vehicle is issued a new certificate of title it must receive a motor vehicle safety check.

Sec. 19. Minnesota Statutes 2006, section 168B.087, subdivision 1, is amended to read:

Subdivision 1. **Deficiency claim.** (a) The ~~nonpublic~~ impound lot operator has a deficiency claim against the registered owner of the vehicle for the reasonable costs of services provided in the towing, storage, and inspection of the vehicle minus the proceeds of the sale or auction, except as provided in paragraph (c).

(b) The claim for storage costs may not exceed the costs of:

(1) 25 days storage, for a vehicle described in section 168B.051, subdivision 1; ~~and~~

(2) 15 days storage, for a vehicle described in section 168B.051, subdivision 1a; and

(3) 55 days storage, for a vehicle described in section 168B.051, subdivision 2.

(c) A public impound lot operator is prohibited from:

(1) filing a deficiency claim against a registered owner whom the operator knows:

(i) is homeless;

(ii) receives relief based on need, as defined in section 168B.07; or

(iii) has a household income at or below 50 percent of state median income; or

(2) recovering a deficiency from a registered owner who demonstrates that the owner, at the time the deficiency claim was filed:

(i) was homeless;

(ii) received relief based on need, as defined in section 168B.07; or

(iii) had a household income at or below 50 percent of state median income.

Sec. 20. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 7a. **Spotter truck.** "Spotter truck" means a truck-tractor with a manufacturer's certificate of origin "not for on road use" specification, used exclusively for staging or shuttling trailers in the course of a truck freight operation or freight shipping operation.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 21. Minnesota Statutes 2006, section 169.01, subdivision 55, is amended to read:

Subd. 55. **Implement of husbandry.** "Implement of husbandry" has the meaning given in section 168A.01, subdivision 8 means a self-propelled or towed vehicle designed or adapted to be used exclusively for timber-harvesting, agricultural, horticultural, or livestock-raising operations.

Sec. 22. Minnesota Statutes 2006, section 169.01, subdivision 76, is amended to read:

Subd. 76. **Hazardous materials.** "Hazardous materials" means ~~those materials found to be hazardous for the purposes of the federal Hazardous Materials Transportation Act and that require the motor vehicle~~ any material that has been designated as hazardous under United States Code, title 49, section 5103, and is required to be placarded under Code of Federal Regulations, title 49, parts 100-185 part 172, subpart F, or any quantity of a material listed as a select agent or toxin in Code of Federal Regulations, title 42, part 73.

Sec. 23. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 93. **Wireless communications device.** "Wireless communications device" means (1) a cellular phone, or (2) a portable electronic device that is capable of receiving and transmitting data, including but not limited to text messages and e-mail, without an access line for service. A wireless communications device does not include a device that is permanently affixed to the vehicle, including a global positioning system or navigation system.

Sec. 24. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 94. **Medium-speed electric vehicle.** "Medium-speed electric vehicle" means an electrically powered four-wheeled motor vehicle, equipped with a roll cage or crushproof body design, that can attain a maximum speed of 35 miles per hour on a paved level surface, is fully enclosed and has at least one door for entry, has a wheelbase of 40 inches or greater and a wheel diameter of ten inches or greater, and except with respect to maximum speed otherwise meets or exceeds regulations in Code of Federal Regulations, title 49, section 571.500, and successor requirements.

Sec. 25. Minnesota Statutes 2006, section 169.18, subdivision 1, is amended to read:

Subdivision 1. **Keep to the right.** Upon all roadways of sufficient width a vehicle shall be driven upon the right half of the roadway, except as follows:

(1) when overtaking and passing another vehicle proceeding in the same direction under the rules governing such movement;

(2) when the right half of a roadway is closed to traffic while under construction or repair;

(3) upon a roadway divided into three marked lanes for traffic under the rules applicable thereon;

(4) upon a roadway designated and signposted for one-way traffic as a one-way roadway; ~~or~~

(5) as necessary to comply with subdivision 11 when approaching an authorized emergency vehicle parked or stopped on the roadway; or

(6) as necessary to comply with subdivision 12 when approaching a road maintenance or construction vehicle parked or stopped on the roadway.

Sec. 26. Minnesota Statutes 2006, section 169.18, subdivision 5, is amended to read:

Subd. 5. **Driving left of roadway center; exception.** (a) No vehicle shall be driven to the left side of the center of the roadway in overtaking and passing another vehicle proceeding in the same direction unless such left side is clearly visible and is free of oncoming traffic for a sufficient distance ahead to permit such overtaking and passing to be completely made without interfering with the safe operation of any vehicle approaching from the opposite direction or any vehicle overtaken. In every event the overtaking vehicle must return to the right-hand side of the roadway before coming within 100 feet of any vehicle approaching from the opposite direction.

(b) Except on a one-way roadway or as provided in paragraph (c), no vehicle shall, in overtaking and passing another vehicle or at any other time, be driven to the left half of the roadway under the following conditions:

(1) when approaching the crest of a grade or upon a curve in the highway where the driver's view along the highway is obstructed within a distance of 700 feet;

(2) when approaching within 100 feet of any underpass or tunnel, railroad grade crossing, intersection within a city, or intersection outside of a city if the presence of the intersection is marked by warning signs; or

(3) where official signs are in place prohibiting passing, or a distinctive centerline is marked, which distinctive line also so prohibits passing, as declared in the Manual on Uniform Traffic Control Devices adopted by the commissioner.

~~(c) Paragraph (b) does not apply to a self propelled or towed implement of husbandry that (1) is escorted at the front by a registered motor vehicle that is displaying vehicular hazard warning lights visible to the front and rear in normal sunlight, and (2) does not extend into the left half of the roadway to any greater extent than made necessary by the total width of the right half of the roadway together with any adjacent shoulder that is suitable for travel.~~

~~(d) Paragraph (b) does not apply to a self propelled or towed implement of husbandry that is operated to the left half of the roadway if such operation is not to a greater extent than is necessary to avoid collision with a parked vehicle, sign, or other stationary object located on the highway right-of-way.~~

Sec. 27. Minnesota Statutes 2006, section 169.18, is amended by adding a subdivision to read:

Subd. 12. **Passing certain parked vehicles; citation; probable cause.** (a) When approaching and before passing a freeway service patrol, road maintenance, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having two lanes in the same direction, the driver of a vehicle shall safely move the vehicle to the lane farthest away from the vehicle, if it is possible to do so.

(b) When approaching and before passing a freeway service patrol, road maintenance, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having more than two lanes in the same direction, the driver of a vehicle shall safely move the vehicle so as to leave a full lane vacant between the driver and any lane in which the vehicle is completely or partially parked or otherwise stopped, if it is possible to do so.

(c) A peace officer may issue a citation to the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of this subdivision within the four-hour period following the termination of the incident.

Sec. 28. Minnesota Statutes 2006, section 169.224, is amended to read:

169.224 NEIGHBORHOOD AND MEDIUM-SPEED ELECTRIC VEHICLES.

Subdivision 1. **Definition.** For purposes of this section, "road authority" means the commissioner, as to trunk highways; the county board, as to county state-aid highways and county highways; the town board, as to town roads; and the governing body of a city, as to city streets.

Subd. 2. **Required equipment.** Notwithstanding any other law, a neighborhood electric vehicle or a medium-speed electric vehicle may be operated on public streets and highways if it meets all equipment and vehicle safety requirements in Code of Federal Regulations, title 49, section 571.500, and successor requirements.

Subd. 3. **Operation.** A neighborhood electric vehicle or a medium-speed electric vehicle may not be operated on a street or highway with a speed limit greater than 35 miles per hour, except to make a direct crossing of that street or highway.

Subd. 4. **Restrictions and prohibitions.** (a) A road authority, including the commissioner of transportation by order, may prohibit or further restrict the operation of neighborhood electric vehicles and medium-speed electric vehicles on any street or highway under the road authority's jurisdiction.

(b) Neither a neighborhood electric vehicle nor a medium-speed electric vehicle may not be used to take any examination to demonstrate ability to exercise control in the operation of a motor vehicle as required under section 171.13.

Sec. 29. **[169.228] SPOTTER TRUCKS.**

Notwithstanding any other law, a spotter truck may be operated on public streets and highways if:

(1) the operator has a valid class A, B, or C driver's license;

(2) the vehicle complies with the size, weight, and load restrictions under this chapter;

(3) the vehicle meets all inspection requirements under section 169.781; and

(4) the vehicle is operated (i) within a zone of two air miles from the truck freight operation or freight shipping operation where the vehicle is housed, or (ii) directly to and from a repair shop, service station, or fueling station for the purpose of repair, servicing, or refueling.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 30. Minnesota Statutes 2007 Supplement, section 169.443, subdivision 9, is amended to read:

Subd. 9. **Personal cellular phone call prohibition.** (a) As used in this subdivision, "school bus" has the meaning given in section 169.01, subdivision 6. In addition, the term includes type III school buses as described in section 169.01, subdivision 6, clause (5), when driven by employees or agents of school districts for transportation.

(b) A school bus driver may not operate a school bus while communicating over, or otherwise operating, a cellular phone for personal reasons, whether hand-held or hands free, when the vehicle is in motion.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to crimes committed on or after that date.

Sec. 31. **[169.475] USE OF WIRELESS COMMUNICATIONS DEVICE.**

Subdivision 1. **Definition.** For purposes of this section, "electronic message" means a self-contained piece of digital communication that is designed or intended to be transmitted between physical devices. An electronic message includes, but is not limited to, e-mail, a text message, an instant message, a command or request to access a World Wide Web page, or other data that uses a commonly recognized electronic communications protocol. An electronic message does not include voice or other data transmitted as a result of making a phone call, or data transmitted automatically by a wireless communications device without direct initiation by a person.

Subd. 2. **Prohibition on use.** No person may operate a motor vehicle while using a wireless communications device to compose, read, or send an electronic message, when the vehicle is in motion or a part of traffic.

Subd. 3. **Exceptions.** This section does not apply if a wireless communications device is used:

(1) solely in a voice-activated or other hands-free mode;

(2) for making a cellular phone call;

(3) for obtaining emergency assistance to (i) report a traffic accident, medical emergency, or serious traffic hazard, or (ii) prevent a crime about to be committed;

(4) in the reasonable belief that a person's life or safety is in immediate danger; or

(5) in an authorized emergency vehicle while in the performance of official duties.

Sec. 32. Minnesota Statutes 2006, section 169.67, subdivision 3, is amended to read:

Subd. 3. **Trailer, semitrailer.** (a) No trailer or semitrailer with a gross vehicle weight of 3,000 or more pounds, or a gross weight that exceeds the empty weight of the towing vehicle, may be drawn on a highway unless it is equipped with brakes that are adequate to control the movement of and to stop and hold the trailer or semitrailer. A surge brake on a trailer or semitrailer meets the requirement of this paragraph for brakes adequate to stop and hold the trailer or semitrailer.

(b) No trailer or semitrailer ~~that is required to have brakes and that has~~ with a gross vehicle weight of more than ~~6,000~~ 3,000 pounds may be drawn on a highway unless it is equipped with brakes that are so constructed that they are adequate to stop and hold the trailer or semitrailer whenever it becomes detached from the towing vehicle.

(c) Except as provided in paragraph (d), paragraph (a) does not apply to:

~~(1) a trailer used by a farmer while transporting farm products produced on the user's farm, or supplies back to the farm of the trailer's user;~~

~~(2) a towed custom service vehicle drawn by a motor vehicle that is equipped with brakes that meet the standards of subdivision 5, provided that such a towed custom service vehicle that exceeds 30,000 pounds gross weight may not be drawn at a speed of more than 45 miles per hour;~~

~~(3) a trailer or semitrailer operated or used by retail dealers of implements of husbandry while engaged exclusively in the delivery of implements of husbandry;~~

~~(4)~~ (2) a motor vehicle drawn by another motor vehicle that is equipped with brakes that meet the standards of subdivision 5; and

~~(5) a tank trailer of not more than 12,000 pounds gross weight owned by a distributor of liquid fertilizer while engaged exclusively in transporting liquid fertilizer, or gaseous fertilizer under pressure;~~

~~(6) a trailer of not more than 12,000 pounds gross weight owned by a distributor of dry fertilizer while engaged exclusively in the transportation of dry fertilizer; and~~

~~(7)~~ (3) a disabled vehicle while being towed to a place of repair.

(d) Vehicles described in paragraph (c), ~~clauses (1), (3), and (4)~~ clause (2), may be operated without complying with paragraph (a) only if the trailer or semitrailer does not exceed the following gross weights:

(1) 3,000 pounds while being drawn by a vehicle registered as a passenger automobile, other than a pickup truck as defined in section 168.011, subdivision 29;

(2) 12,000 pounds while being drawn by any other motor vehicle ~~except a self-propelled implement of husbandry.~~

Sec. 33. Minnesota Statutes 2006, section 169.781, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of sections 169.781 to 169.783:

(a) "Commercial motor vehicle" means:

(1) a commercial motor vehicle as defined in section 169.01, subdivision 75, paragraph (a); ~~and~~

(2) each vehicle in a combination of more than 26,000 pounds; and

(3) a spotter truck.

"Commercial motor vehicle" does not include ~~(4)~~ a school bus or Head Start bus displaying a certificate under section 169.451, ~~(2)~~ a bus operated by the Metropolitan Council or by a local transit commission created in chapter 458A, or ~~(3)~~ a motor vehicle ~~that is~~ required to be placarded under Code of Federal Regulations, title 49, parts 100-185.

(b) "Commissioner" means the commissioner of public safety.

(c) "Owner" means a person who owns, or has control, under a lease of more than 30 days' duration, of one or more commercial motor vehicles.

(d) "Storage semitrailer" means a semitrailer that (1) is used exclusively to store property at a location not on a street or highway, (2) does not contain any load when moved on a street or highway, (3) is operated only during daylight hours, and (4) is marked on each side of the semitrailer "storage only" in letters at least six inches high.

(e) "Building mover vehicle" means a vehicle owned or leased by a building mover as defined in section 221.81, subdivision 1, paragraph (a), and used exclusively for moving buildings.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 34. Minnesota Statutes 2006, section 169.781, subdivision 2, is amended to read:

Subd. 2. **Inspection required.** It is unlawful for a person to operate or permit the operation of:

(1) a commercial motor vehicle registered in Minnesota or a spotter truck; or

(2) special mobile equipment as defined in section 168.011, subdivision 22, and which is self-propelled, if it is mounted on a commercial motor vehicle chassis,

unless the vehicle displays a valid safety inspection decal issued by an inspector certified by the commissioner, or the vehicle carries (1) proof that the vehicle complies with federal motor vehicle inspection requirements for vehicles in interstate commerce, and (2) a certificate of compliance with federal requirements issued by the commissioner under subdivision 9.

EFFECTIVE DATE. This section is effective the day following final enactment and expires on June 30, 2013.

Sec. 35. Minnesota Statutes 2006, section 169.781, subdivision 5, is amended to read:

Subd. 5. **Inspection decal; violation, penalty.** (a) A person inspecting a commercial motor vehicle shall issue an inspection decal for the vehicle if each inspected component of the vehicle complies with federal motor carrier safety regulations. The decal must state that in the month specified on the decal the vehicle was inspected and each inspected component complied with federal motor carrier safety regulations. The decal is valid for 12 months after the month specified on the decal. The commissioners of public safety and transportation shall make decals available, at a fee of not more than \$2 for each decal, to persons certified to perform inspections under subdivision 3, paragraph (b).

(b) Minnesota inspection decals may be affixed only to:

(1) commercial motor vehicles bearing Minnesota-based license plates; or

(2) special mobile equipment, within the meaning of subdivision 2, clause (2).

(c) Notwithstanding paragraph (a), a person inspecting (1) a vehicle of less than 57,000 pounds gross vehicle weight and registered as a farm truck, (2) a storage semitrailer, or (3) a building mover vehicle must issue an inspection decal to the vehicle unless the vehicle has one or more defects that would result in the vehicle being declared out of service under the North American Uniform Driver, Vehicle, and Hazardous Materials Out-of-Service Criteria issued by the Federal Highway Administration and the Commercial Vehicle Safety Alliance. A decal issued to a vehicle described in clause (1), (2), or (3) is valid for two years from the date of issuance. A decal issued to such a vehicle must clearly indicate that it is valid for two years from the date of issuance.

(d) Notwithstanding paragraph (a), a commercial motor vehicle that (1) is registered as a farm truck, (2) is not operated more than 75 miles from the owner's home post office, and (3) was manufactured before 1979 that has a dual transmission system, is not required to comply with a requirement in an inspection standard that requires that the service brake system and parking brake system be separate systems in the motor vehicle.

(e) A person who, with the intent to defraud, falsely makes, duplicates, alters, or forges a decal or other writing or thing purporting to be a Minnesota inspection decal described in this subdivision is guilty of a felony. A person who, with the intent to defraud, possesses a decal or other writing or thing falsely purporting to be a Minnesota inspection decal described in this subdivision is guilty of a gross misdemeanor.

Sec. 36. Minnesota Statutes 2006, section 169.79, is amended to read:

169.79 VEHICLE REGISTRATION; DISPLAYING LICENSE PLATES.

Subdivision 1. **Registration required.** No person shall operate, drive, or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws of this state and has the number plates or permit confirming that valid registration or operating authority has been obtained, except as provided in sections 168.10 and 168.12, subdivision 2f, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of any plate or permit is not obstructed. A plate issued under section 168.27 or a permit issued under chapter 168 may be displayed on a vehicle in conjunction with expired registration whether or not it displays the license plate to which the last registration was issued.

Subd. 2. **Semitrailer.** If the vehicle is a semitrailer, the number plate displayed must be assigned to the registered owner and correlate to the ~~certificate of title~~ documentation on file with the department ~~and shall not display a year indicator.~~

Subd. 3. **Rear display of single plate.** If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer registered at greater than 3,000 pounds gross vehicle weight (GVW), semitrailer, or vehicle displaying a dealer plate, then one license plate must be displayed horizontally with the identifying numbers and letters facing outward from the vehicle and must be mounted in the upright position on the rear of the vehicle.

Subd. 3a. **Small trailer.** If the vehicle is a trailer with 3,000 pounds or less GVW with lifetime registration, the numbered plate or sticker must be adhered to the side of the trailer frame tongue near the hitch.

Subd. 4. **Collector's vehicle.** If the vehicle is (1) a collector's vehicle with a pioneer, classic car, collector, or street rod license; (2) a vehicle that meets the requirements of a pioneer, classic, or street rod vehicle except that the vehicle is used for general transportation purposes; or (3) a vehicle that is of model year 1972 or earlier, not registered under section 168.10, subdivision 1c, and is used for general transportation purposes, then one plate must be displayed on the rear of the vehicle, or one plate on the front and one on the rear, at the discretion of the owner.

Subd. 5. **Truck-tractor, road-tractor, or farm truck.** If the vehicle is a truck-tractor, road-tractor, or farm truck, as defined in section 168.011, subdivision 17, but excluding from that definition semitrailers and trailers, then one plate must be displayed on the front of the vehicle.

Subd. 6. **Other motor vehicles.** If the motor vehicle is any kind of motor vehicle other than those provided for in subdivisions 2 to 4, one plate must be displayed on the front and one on the rear of the vehicle.

Subd. 7. **Plate fastened and visible.** All plates must be (1) securely fastened so as to prevent them from swinging, (2) displayed horizontally with the identifying numbers and letters facing outward from the vehicle, and (3) mounted in the upright position. The person driving the motor vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering is plainly visible at all times. It is unlawful to cover any assigned letters and numbers or the name of the state of origin of a license plate with any material whatever, including any clear or colorless material that affects the plate's visibility or reflectivity.

Subd. 8. **Plate registration stickers.** As viewed facing the plates:

(a) License plates issued to vehicles registered under section 168.017 must display the month of expiration in the lower left corner as viewed facing the of each plate and the year of expiration in the lower right corner as viewed facing the of each plate.

(b) License plates issued to vehicles registered under section 168.127 must display either fleet registration validation stickers in the lower right corner as viewed facing the plates of each plate or distinctive license plates, issued by the registrar, with "FLEET REG" displayed on the bottom center portion of the each plate.

(c) License plates issued after July 1, 2008, requiring validation must display the month of expiration in the lower left corner of each plate and the year of expiration in the lower right corner of the plate.

Subd. 9. **Tax-exempt vehicle marking.** Vehicles displaying tax-exempt plates issued under section 16B.581 or 168.012 must have vehicle markings that comply with section 168.012, subdivision 1.

Sec. 37. Minnesota Statutes 2006, section 169.801, is amended to read:

169.801 IMPLEMENT OF HUSBANDRY.

Subdivision 1. **Exemption from size, weight, load provisions.** Except as provided in this section and section 169.82, the provisions of sections 169.80 to 169.88 that govern size, weight, and load do not apply to:

- (1) ~~a horse drawn wagon while carrying a load of loose straw or hay;~~
- (2) ~~a specialized vehicle resembling a low slung trailer having a short bed or platform, while transporting one or more implements of husbandry; or~~
- (3) ~~an implement of husbandry while being driven or towed at a speed of not more than 30 miles per hour; provided that this exemption applies to an implement of husbandry owned, leased, or under the control of a farmer or implement dealer only while the implement of husbandry is being operated on noninterstate roads or highways within 75 miles of any farmland or implement dealership: (i) owned, leased, or operated by the farmer or implement dealer and (ii) on which the farmer or implement dealer regularly uses or sells or leases the implement of husbandry while operated in compliance with this section.~~

Subd. 2. **Weight per inch of tire width restrictions.** (a) An implement of husbandry that is not self-propelled and is equipped with pneumatic tires may not be operated on a public highway with a maximum wheel load that exceeds 600 pounds per inch of tire width before August 1, 1996, and 500 pounds per inch of tire width on and after August 1, 1996.

(b) After December 31, 2009, a person operating or towing an implement of husbandry on a bridge must comply with the gross weight limitations provided in section 169.824.

Subd. 3. **Hitches.** A towed implement of husbandry must be equipped with (1) safety chains that meet the requirements of section 169.82, subdivision 3, paragraph (b); (2) a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety; or (3) a hitch pin or other hitching device with a retainer that prevents accidental unhitching.

Subd. 4. **Bridge posting.** Despite subdivision 2, a person operating or towing an implement of husbandry must comply with a sign that limits the maximum weight allowed on a bridge.

Subd. 5. **Height and width.** A person operating, towing, or transporting an implement of husbandry that is higher than 13 feet six inches or wider than allowed under section 169.80, subdivision 2, must ensure that the operation or transportation does not damage a highway structure, utility line or structure, or other fixture adjacent to or over a public highway.

Subd. 6. **Speed.** No person may operate or tow an implement of husbandry at a speed of more than 30 miles per hour.

Subd. 7. **Driving rules.** (a) An implement of husbandry may not be operated or towed on an interstate highway.

(b) An implement of husbandry may be operated or towed to the left of the center of a roadway only if it is escorted at the front by a vehicle displaying hazard warning lights visible in normal sunlight and the operation does not extend into the left half of the roadway more than is necessary.

Subd. 8. **Lights.** An implement of husbandry must be equipped with lights that comply with section 169.55, subdivisions 2 and 3.

Subd. 9. **Slow moving vehicle emblem.** An implement of husbandry must comply with section 169.522.

Subd. 10. **Brakes.** Notwithstanding section 169.67:

(a) A self-propelled implement of husbandry must be equipped with brakes adequate to control its movement and to stop and hold it and any vehicle it is towing.

(b) A towed implement of husbandry must be equipped with brakes adequate to control its movement and to stop and hold it if:

(1) it has a gross vehicle weight of more than 24,000 pounds and was manufactured and sold after January 1, 1994;

(2) it has a gross vehicle weight of more than 12,000 pounds and is towed by a vehicle other than a self-propelled implement of husbandry; or

(3) it has a gross vehicle weight of more than 3,000 pounds and is being towed by a registered passenger automobile other than a pickup truck as defined in section 168.011, subdivision 29.

(c) If a towed implement of husbandry with a gross vehicle weight of more than 6,000 pounds is required under paragraph (b) to have brakes, it must also have brakes adequate to stop and hold it if it becomes detached from the towing vehicle.

Subd. 11. **Manure application technologies.** The Department of Transportation shall investigate and recommend opportunities for infrastructure adaptation to accommodate the implementation of manure application technologies that lessen impacts on roads and bridges.

Sec. 38. Minnesota Statutes 2006, section 169.82, subdivision 3, is amended to read:

Subd. 3. **Hitch, chain, or cable.** (a) Every trailer or semitrailer must be hitched to the towing motor vehicle by a device approved by the commissioner of public safety.

(b) Every trailer and semitrailer must be equipped with safety chains or cables permanently attached to the trailer except in cases where the coupling device is a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety. In towing, the chains or cables must be attached to the vehicles near the points of bumper attachments to the chassis of each vehicle, and must be of sufficient strength to control the trailer in the event of failure of the towing device. The length of chain or cable must be no more than necessary to permit free turning of the vehicles. A minimum fine of \$25 must be imposed for a violation of this paragraph.

(c) This subdivision does not apply to towed implements of husbandry.

(d) No person may be charged with a violation of this section solely by reason of violating a maximum speed prescribed in section ~~169.145 or~~ 169.67 or 169.801.

Sec. 39. Minnesota Statutes 2006, section 169.826, subdivision 1a, is amended to read:

Subd. 1a. **Harvest season increase amount.** The limitations provided in sections 169.822 to 169.829 are increased by ten percent from the beginning of harvest to November 30 each year for the movement of sugar beets, carrots, and potatoes from the field of harvest to the point of the first unloading. Transfer of the product from a farm vehicle or small farm trailer, within the meaning of chapter 168, to another vehicle is not considered to be the first unloading. A permit issued under section 169.86, subdivision 1, paragraph (a), is required. The commissioner shall not issue permits under this subdivision if to do so will result in a loss of federal highway funding to the state.

Sec. 40. Minnesota Statutes 2006, section 169.85, subdivision 1, is amended to read:

Subdivision 1. **Driver to stop for weighing.** (a) The driver of a vehicle that has been lawfully stopped may be required by an officer to submit the vehicle and load to a weighing by means of portable or stationary scales.

(b) In addition, the officer may require that the vehicle be driven to the nearest available scales, but only if:

(1) the distance to the scales is no further than five miles, or if the distance from the point where the vehicle is stopped to the vehicle's destination is not increased by more than ten miles as a result of proceeding to the nearest available scales; and

(2) if the vehicle is a commercial motor vehicle, no more than two other commercial motor vehicles are waiting to be inspected at the scale.

(c) Official traffic control devices as authorized by section 169.06 may be used to direct the driver to the nearest scale.

(d) When a truck weight enforcement operation is conducted by means of portable or stationary scales, signs giving notice of the operation must be posted within the highway right-of-way and adjacent to the roadway within two miles of the operation. The driver of a truck or combination of vehicles registered for or ~~weighing in excess of 12,000~~ with a gross vehicle weight exceeding 10,000 pounds shall proceed to the scale site and submit the vehicle to weighing and inspection.

Sec. 41. Minnesota Statutes 2006, section 169.86, is amended by adding a subdivision to read:

Subd. 8. **Tow truck.** A tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, may exceed the length and weight limitations of this chapter, subject to a \$300 annual permit fee and any other conditions prescribed by the commissioner.

Sec. 42. Minnesota Statutes 2006, section 169A.03, subdivision 23, is amended to read:

Subd. 23. **School bus.** "School bus" has the meaning given in section 169.01, subdivision 6. In addition, the term includes type III school buses as described in section 169.01, subdivision 6, clause (5), when driven by employees or agents of school districts for transportation.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to crimes committed on or after that date.

Sec. 43. Minnesota Statutes 2006, section 171.01, subdivision 35, is amended to read:

Subd. 35. **Hazardous materials.** "Hazardous materials" means ~~those materials found to be hazardous for the purposes of the federal Hazardous Materials Transportation Act and that require the motor vehicle~~ any material that has been designated as hazardous under United States Code, title 49, section 5103, and is required to be placarded under Code of Federal Regulations, title 49, ~~parts 100-185~~ part 172, subpart F, or any quantity of a material listed as a select agent or toxin in Code of Federal Regulations, title 42, part 73.

Sec. 44. Minnesota Statutes 2006, section 171.01, subdivision 46, is amended to read:

Subd. 46. **School bus.** "School bus" ~~means a motor vehicle used to transport pupils to or from a school defined in section 120A.22, or to or from school-related activities, by the school or a school district or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, a transit bus providing services as defined in section 174.22, subdivision 7, or a vehicle otherwise qualifying as a type III vehicle under section 169.01, subdivision 6, paragraph (5), when the vehicle is properly registered and insured and being driven by an employee or agent of a school district for nonscheduled transportation.~~ has the meaning given in section 169.01, subdivision 6.

Sec. 45. Minnesota Statutes 2007 Supplement, section 171.02, subdivision 2, is amended to read:

Subd. 2. **Driver's license classifications, endorsements, exemptions.** (a) Drivers' licenses are classified according to the types of vehicles that may be driven by the holder of each type or class of license. The commissioner may, as appropriate, subdivide the classes listed in this subdivision and issue licenses classified accordingly.

(b) Except as provided in paragraph (c), clauses (1) and (2), and subdivision 2a, no class of license is valid to operate a motorcycle, school bus, tank vehicle, double-trailer or triple-trailer combination, vehicle transporting hazardous materials, or bus, unless so endorsed. There are four general classes of licenses as described in paragraphs (c) through (f).

(c) Class D drivers' licenses are valid for:

(1) operating all farm trucks if the farm truck is:

(i) controlled and operated by a farmer, including operation by an immediate family member or an employee of the farmer;

(ii) used to transport agricultural products, farm machinery, or farm supplies, including hazardous materials, to or from a farm;

(iii) not used in the operations of a common or contract motor carrier as governed by Code of Federal Regulations, title 49, part 365; and

(iv) used within 150 miles of the farm;

(2) notwithstanding paragraph (b), operating an authorized emergency vehicle, as defined in section 169.01, subdivision 5, whether or not in excess of 26,000 pounds gross vehicle weight;

(3) operating a recreational vehicle as defined in section 168.011, subdivision 25, that is operated for personal use;

(4) operating all single-unit vehicles except vehicles with a gross vehicle weight of more than 26,000 pounds, vehicles designed to carry more than 15 passengers including the driver, and vehicles that carry hazardous materials;

(5) notwithstanding paragraph (d), operating a type A school bus or a multifunctional school activity bus without a school bus endorsement if:

(i) the bus has a gross vehicle weight of 10,000 pounds or less;

(ii) the bus is designed to transport 15 or fewer passengers, including the driver; and

(iii) the requirements of subdivision 2a are satisfied, as determined by the commissioner;

(6) operating any vehicle or combination of vehicles when operated by a licensed peace officer while on duty; and

(7) towing vehicles if:

(i) the towed vehicles have a gross vehicle weight of 10,000 pounds or less; or

(ii) the towed vehicles have a gross vehicle weight of more than 10,000 pounds and the combination of vehicles has a gross vehicle weight of 26,000 pounds or less.

(d) Class C drivers' licenses are valid for:

(1) operating class D motor vehicles;

(2) with a hazardous materials endorsement, ~~transporting hazardous materials in~~ operating class D vehicles to transport hazardous materials; and

(3) with a passenger endorsement, operating buses; and

~~(3) (4) with a passenger endorsement and school bus endorsement, operating school buses designed to transport 15 or fewer passengers, including the driver.~~

(e) Class B drivers' licenses are valid for:

(1) operating all class C motor vehicles, class D motor vehicles, and all other single-unit motor vehicles including, with a passenger endorsement, buses; and

(2) towing only vehicles with a gross vehicle weight of 10,000 pounds or less.

(f) Class A drivers' licenses are valid for operating any vehicle or combination of vehicles.

Sec. 46. Minnesota Statutes 2006, section 171.02, is amended by adding a subdivision to read:

Subd. 2b. **Exception for type III school bus drivers.** (a) Notwithstanding subdivision 2, paragraph (c), the holder of a class D driver's license, without a school bus endorsement, may operate a type III school bus described in section 169.01, subdivision 6, clause (5), under the conditions in paragraphs (b) through (n).

(b) The operator is an employee of the entity that owns, leases, or contracts for the school bus.

(c) The operator's employer has adopted and implemented a policy that provides for annual training and certification of the operator in:

(1) safe operation of a type III school bus;

(2) understanding student behavior, including issues relating to students with disabilities;

(3) encouraging orderly conduct of students on the bus and handling incidents of misconduct appropriately;

(4) knowing and understanding relevant laws, rules of the road, and local school bus safety policies;

(5) handling emergency situations;

(6) proper use of seat belts and child safety restraints;

(7) performance of pretrip vehicle inspections; and

(8) safe loading and unloading of students, including, but not limited to:

(i) utilizing a safe location for loading and unloading students at the curb, on the nontraffic side of the roadway, or at off-street loading areas, driveways, yards, and other areas to enable the student to avoid hazardous conditions;

(ii) refraining from loading and unloading students in a vehicular traffic lane, on the shoulder, in a designated turn lane, or a lane adjacent to a designated turn lane;

(iii) avoiding a loading or unloading location that would require a pupil to cross a road, or ensuring that the driver or an aide personally escort the pupil across the road if it is not reasonably feasible to avoid such a location; and

(iv) placing the type III school bus in "park" during loading and unloading.

(d) A background check or background investigation of the operator has been conducted that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school district employees; section 144.057 or chapter 245C for day care employees; or section 171.321, subdivision 3, for all other persons operating a type A or type III school bus under this subdivision.

(e) Operators shall submit to a physical examination as required by section 171.321, subdivision 2.

(f) The operator's employer has adopted and implemented a policy that provides for mandatory drug and alcohol testing of applicants for operator positions and current operators, in accordance with section 181.951, subdivisions 2, 4, and 5.

(g) The operator's driver's license is verified annually by the entity that owns, leases, or contracts for the school bus.

(h) A person who sustains a conviction, as defined under section 609.02, of violating section 169A.25, 169A.26, 169A.27, or 169A.31, or whose driver's license is revoked under sections 169A.50 to 169A.53 of the implied consent law, or who is convicted of or has their driver's license revoked under a similar statute or ordinance of another state, is precluded from operating a type III school bus for five years from the date of conviction.

(i) A person who has ever been convicted of a disqualifying offense as defined in section 171.3215, subdivision 1, paragraph (c), may not operate a type III school bus under this subdivision.

(j) A person who sustains a conviction, as defined under section 609.02, of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses is precluded from operating a type III school bus for one year from the date of the last conviction.

(k) An operator who sustains a conviction as described in paragraph (h), (i), or (j) while employed by the entity that owns, leases, or contracts for the school bus, shall report the conviction to the employer within ten days of the date of the conviction.

(l) Students riding the type III school bus must have training required under section 123B.90, subdivision 2.

(m) Documentation of meeting the requirements listed in this subdivision must be maintained under separate file at the business location for each type III school bus operator. The business manager, school board, governing body of a nonpublic school, or any other entity that owns, leases, or contracts for the type III school bus operating under this subdivision is responsible for maintaining these files for inspection.

(n) The type III school bus must bear a current certificate of inspection issued under section 169.451.

(o) An operator employed by a school or school district, whose normal duties do not include operating a type III school bus, who holds a class D driver's license without a school bus endorsement, may operate a type III school bus and is exempt from paragraphs (d), (e), (f), (g), and (k).

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

Sec. 47. Minnesota Statutes 2006, section 171.03, is amended to read:

171.03 PERSONS EXEMPT.

The following persons are exempt from license hereunder:

(a) A person in the employ or service of the United States federal government is exempt while driving or operating a motor vehicle owned by or leased to the United States federal government.

(b) A person in the employ or service of the United States federal government is exempt from the requirement to possess a valid class A, class B, or class C commercial driver's license while driving or operating for military purposes a commercial motor vehicle ~~owned by or leased to~~ for the United States federal government if the person is:

(1) on active duty in the U.S. Coast Guard;

(2) on active duty in a branch of the U.S. Armed Forces, which includes the Army, Air Force, Navy, and Marine Corps;

(3) a member of a reserve component of the U.S. Armed Forces; or

(4) on active duty in the Army National Guard or Air National Guard, which includes (i) a member on full-time National Guard duty, (ii) a member undergoing part-time National Guard training, and (iii) a National Guard military technician, who is a civilian required to wear a military uniform.

The exemption provided under this paragraph does not apply to a U.S. Armed Forces Reserve technician.

(c) Any person while driving or operating any farm tractor or implement of husbandry temporarily on a highway is exempt. For purposes of this section, an all-terrain vehicle, as defined in section 84.92, subdivision 8, an off-highway motorcycle, as defined in section 84.787, subdivision 7, and an off-road vehicle, as defined in section 84.797, subdivision 7, are not implements of husbandry.

(d) A nonresident who is at least 15 years of age and who has in immediate possession a valid driver's license issued to the nonresident in the home state or country may operate a motor vehicle in this state only as a driver.

(e) A nonresident who has in immediate possession a valid commercial driver's license issued by a state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, and who is operating in Minnesota the class of commercial motor vehicle authorized by the issuing state or jurisdiction is exempt.

(f) Any nonresident who is at least 18 years of age, whose home state or country does not require the licensing of drivers may operate a motor vehicle as a driver, but only for a period of not more than 90 days in any calendar year, if the motor vehicle so operated is duly registered for the current calendar year in the home state or country of the nonresident.

(g) Any person who becomes a resident of the state of Minnesota and who has in possession a valid driver's license issued to the person under and pursuant to the laws of some other state or jurisdiction or by military authorities of the United States may operate a motor vehicle as a driver, but only for a period of not more than 60 days after becoming a resident of this state, without being required to have a Minnesota driver's license as provided in this chapter.

(h) Any person who becomes a resident of the state of Minnesota and who has in possession a valid commercial driver's license issued by another state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, is exempt for not more than 30 days after becoming a resident of this state.

(i) Any person operating a snowmobile, as defined in section 84.81, is exempt.

Sec. 48. Minnesota Statutes 2006, section 171.055, subdivision 1, is amended to read:

Subdivision 1. **Requirements for provisional license; misdemeanor.** (a) The department may issue a provisional license, which must be distinctive in appearance from a driver's license, to an applicant who:

(1) has reached the age of 16 years;

(2) during the six months immediately preceding the application for the provisional license has possessed an instruction permit and has incurred (i) no convictions for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (ii) no convictions for a crash-related moving violation, and (iii) no convictions for a moving violation that is not crash related;

(3) has successfully completed a course of driver education in accordance with department rules, including but not limited to 30 hours of classroom instruction and six hours of behind-the-wheel driving instruction; provided that, upon request of a parent or guardian, an additional four hours of behind-the-wheel driving instruction must be provided during the months of December, January, and February;

(4) completes the required application, which must be approved by (i) either parent when both reside in the same household as the minor applicant or, if otherwise, then (ii) the parent or spouse of the parent having custody or, in the event there is no court order for custody, then (iii) the parent or spouse of the parent with whom the minor is living or, if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor or, in the event a person under the age of 18 has no living father, mother, or guardian, or is married or otherwise legally emancipated, then (v) the applicant's adult spouse, adult close family member, or adult employer; provided, that the approval required by this clause contains a verification of the age of the applicant and the identity of the parent, guardian, adult spouse, adult close family member, or adult employer;

(5) presents ~~certification~~ a logbook or schedule certified by the person who approves the application under clause (4) ~~stating~~ attesting that the applicant has driven a motor vehicle accompanied by and under the supervision of a licensed driver at least 21 years of age, for no less than ~~30~~ 50 hours, at least ten of which were nighttime hours; and

(6) pays the fee required in section 171.06, subdivision 2.

(b) For purposes of this section, "moving violation" has the meaning given it in section 171.04, subdivision 1.

(c) Notwithstanding paragraph (a), clause (2), the commissioner shall not issue a provisional license to a person who has ever incurred a conviction for violation of section 169A.20, 169A.33, or 169A.35; a violation of a provision of sections 169A.50 to 169A.53; or a crash-related moving violation, and at the time of the conviction the person did not possess an instruction permit.

(d) If a person approving the application under paragraph (a), clause (4), falsifies an entry, or knows an entry is false, in a logbook or schedule certified by the person under paragraph (a), clause (5), that person is guilty of a misdemeanor.

Sec. 49. Minnesota Statutes 2006, section 171.055, subdivision 2, is amended to read:

Subd. 2. **Use of provisional license.** (a) A provisional license holder may operate a motor vehicle only when every occupant under the age of 18 has a seat belt or child passenger restraint system properly fastened. A person who violates this paragraph is subject to a fine of \$25. A peace officer may not issue a citation for a violation of this paragraph unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation as defined in section 171.04. The commissioner shall not record a violation of this paragraph on a person's driving record.

(b) A provisional license holder may not operate a vehicle while communicating over, or otherwise operating, a cellular or wireless telephone, whether handheld or hands free, when the vehicle is in motion. The provisional license holder may assert as an affirmative defense that the violation was made for the sole purpose of obtaining emergency assistance to prevent a crime about to be committed, or in the reasonable belief that a person's life or safety was in danger. Violation of this paragraph is a petty misdemeanor subject to section 169.89, subdivision 2.

(c) For the first six months of provisional licensure, a provisional license holder may not operate a motor vehicle carrying more than one passenger under the age of 20 years who is not a member of the holder's immediate family. For the second six months, the holder of the license may not operate a motor vehicle that is carrying more than three passengers who are under the age of 20 years and who are not members of the holder's immediate family. This paragraph does not apply if the provisional license holder is accompanied by a parent or guardian.

(d) For the first six months of provisional licensure, a provisional license holder who is less than 18 years of age may operate a motor vehicle between the hours of midnight and 5:00 a.m. only when the license holder is:

(1) driving between the license holder's home and place of employment;

(2) driving between the license holder's home and a school event for which the school has not provided transportation;

(3) driving for employment purposes; or

(4) accompanied by a licensed driver or Minnesota identification card holder who is at least 20 years of age.

(e) If the holder of a provisional license during the period of provisional licensing incurs (1) a conviction for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (2) a conviction for a crash-related moving violation, or (3) more than one conviction for a moving violation that is not crash related, the person may not be issued a driver's license until 12 consecutive months have expired since the date of the conviction or until the person reaches the age of 18 years, whichever occurs first.

(f) For purposes of this section, "immediate family" means permanent members of the same household who are related by blood, adoption, or marriage.

Sec. 50. Minnesota Statutes 2006, section 171.0701, is amended to read:

171.0701 DRIVER EDUCATION; ~~ORGAN AND TISSUE DONATION~~ CONTENT.

(a) The commissioner shall adopt rules requiring a minimum of 30 minutes of instruction, beginning January 1, 2007, relating to organ and tissue donations and the provisions of section 171.07, subdivision 5, for persons enrolled in driver education programs offered at public schools, private schools, and commercial driver training schools.

(b) The commissioner shall adopt rules for persons enrolled in driver education programs offered at public schools, private schools, and commercial driver training schools, requiring inclusion in the course of instruction, by January 1, 2009, a section on awareness and safe interaction with commercial motor vehicle traffic. The rules must require classroom instruction and behind-the-wheel training that includes, but is not limited to, truck stopping distances, proper distances for following trucks, identification of truck blind spots, and avoidance of driving in truck blind spots.

(c) The rules adopted by the commissioner under paragraph (b) are exempt from the rulemaking provisions of chapter 14. The rules are subject to section 14.386, except that notwithstanding paragraph (b) of section 14.386, the rules continue in effect until repealed or superseded by other law or rule.

Sec. 51. Minnesota Statutes 2006, section 171.13, is amended by adding a subdivision to read:

Subd. 1j. **Driver's manual; interaction with commercial motor vehicle.** The commissioner shall include in each edition of the driver's manual published by the department after August 1, 2008, a section that includes information on awareness and safe interaction with commercial motor vehicle traffic.

Sec. 52. Minnesota Statutes 2006, section 171.165, subdivision 2, is amended to read:

Subd. 2. **Implied consent revocation.** The commissioner shall disqualify a person from operating commercial motor vehicles for a revocation under section 169A.52 or a statute or ordinance from another state or jurisdiction in conformity with it, in accordance with for a period that is equivalent in duration under the driver disqualifications and penalties in Code of Federal Regulations, title 49, part 383, subpart D, that pertain to a conviction of being under the influence of alcohol or refusal to be tested.

Sec. 53. [171.168] NOTIFICATION OF CONVICTION FOR VIOLATION BY COMMERCIAL DRIVER.

(a) Each person who operates a commercial motor vehicle, who has a commercial driver's license issued by this state, and who is convicted of a criminal offense; of a serious traffic violation, as defined in Code of Federal Regulations, title 49, section 383.5; or of violating any other state or local law relating to motor vehicle traffic control, other than a parking violation, in any type of motor vehicle in another state or jurisdiction, shall notify the department's Division of Driver and Vehicle Services of the conviction. The person shall notify the division within 30 days after the date that the person was convicted.

(b) Each person who operates a commercial motor vehicle, who has a commercial driver's license issued by this state, and who is convicted of violating, in any type of motor vehicle, a Minnesota state or local law relating to motor vehicle traffic control, other than a parking violation, shall notify the person's employer of the conviction. The person shall notify the person's employer within 30 days after the date that the person was convicted. If the person is not currently employed, the person shall notify the division according to paragraph (a).

(c) Notification to the division must be made in writing and contain the following information:

(1) the driver's full name;

(2) the driver's license number;

(3) the date of conviction;

(4) the specific criminal or other offense; serious traffic violation, as defined in Code of Federal Regulations, title 49, section 383.5; and any other violation of state or local law relating to motor vehicle traffic control, for which the person was convicted and any suspension, revocation, or cancellation of certain driving privileges that resulted from the conviction;

(5) an indication whether the violation was in a commercial motor vehicle;

(6) the location of the offense; and

(7) the driver's signature.

Sec. 54. **[171.169] NOTIFICATION OF SUSPENSION OF LICENSE OF COMMERCIAL DRIVER.**

Each employee, as defined in Code of Federal Regulations, title 49, section 383.5, who has a Minnesota-issued driver's license suspended, revoked, or canceled by this state or another state or jurisdiction, who loses the right to operate a commercial motor vehicle in this state or another state or jurisdiction for any period, or who is disqualified from operating a commercial motor vehicle for any period, shall notify the person's employer of the suspension, revocation, cancellation, lost privilege, or disqualification. The employee shall notify the employer before the end of the business day following the day the employee received notice of the suspension, revocation, cancellation, lost privilege, or disqualification.

Sec. 55. Minnesota Statutes 2006, section 171.321, subdivision 1, is amended to read:

Subdivision 1. **Endorsement.** No person shall drive a school bus when transporting school children to or from school or upon a school-related trip or activity without having a valid class A, class B, or class C driver's license with a school bus endorsement except that a person possessing a valid driver's license but not a school bus endorsement may drive a ~~vehicle with a seating capacity of ten or less persons used as a school bus but not outwardly equipped or identified as a school bus~~ type III vehicle.

Sec. 56. Minnesota Statutes 2006, section 174.02, subdivision 2, is amended to read:

Subd. 2. **Unclassified positions.** The commissioner may establish four positions in the unclassified service at the deputy ~~and commissioner~~, assistant commissioner, assistant to commissioner, or personal secretary levels. ~~No more than two of these positions shall be at the deputy commissioner level. The commissioner shall appoint at least two deputy commissioners, and one must serve as the chief engineer and be licensed as a professional engineer under section 326.02.~~

Sec. 57. Minnesota Statutes 2006, section 174.03, subdivision 1, is amended to read:

Subdivision 1. **Statewide transportation plan; priorities; schedule of expenditures.** In order to best meet the present and future transportation needs of the public, to insure a strong state economy, to make most efficient use of public and private funds, and to promote the more efficient use of energy and other resources for transportation purposes, the commissioner shall:

(1) three months after notification that the department is ready to commence operations and prior to the drafting of the statewide transportation plan, hold public hearings as may be appropriate solely for the purpose of receiving suggestions for future transportation alternatives and priorities for the state. The Metropolitan Council, regional development commissions, and port authorities shall appear at the hearings and submit information concerning transportation-related planning undertaken and accomplished by these agencies. Other political subdivisions may appear and submit such information at the hearings. These hearings shall be completed no later than six months from the date of the commissioner's notification;

(2) develop, adopt, revise, and monitor a statewide transportation plan, taking into account the suggestions and information submitted at the public hearings held pursuant to clause (1). The plan shall incorporate all modes of transportation and provide for the interconnection and coordination of different modes of transportation. The commissioner shall evaluate alternative transportation programs and facilities proposed for inclusion in the plan in terms of economic costs and benefits, safety aspects, impact on present and planned land uses, environmental effects, energy efficiency, national transportation policies and priorities, and availability of federal and other financial assistance;

(3) based upon the statewide transportation plan, develop statewide transportation priorities and schedule authorized public capital improvements and other authorized public transportation expenditures pursuant to the priorities. As permitted by the federal surface transportation program, the commissioner shall prioritize for funding those transportation projects in the metropolitan area, as defined in section 473.121, subdivision 2, that are consistent with policies included in the Metropolitan Council's metropolitan development guide, transportation policy plan, and regional development framework, and that have been awarded funding through the federal surface transportation program;

(4) complete the plan and priorities required by this subdivision no later than July 1, 1978. Upon completion of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. The plan, priorities, and schedule are exempt from the provisions of the Administrative Procedure Act.

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

Sec. 58. Minnesota Statutes 2006, section 174.24, is amended by adding a subdivision to read:

Subd. 1a. **Transit service needs implementation plan.** The commissioner shall develop and implement a transit service needs implementation plan that contains a goal of meeting at least 80 percent of unmet transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of unmet transit service needs in greater Minnesota by July 1, 2025. The plan must include, but is not limited to, the following: an analysis of ridership and transit service needs throughout greater Minnesota; a calculation of unmet needs; an assessment of the level and type of service required to meet unmet needs; an analysis of costs and revenue options; and, a plan to reduce unmet transit service needs as specified in this subdivision. The plan must specifically address special transportation service ridership and needs. The commissioner may amend the plan as necessary, and may use all or part of the 2001 greater Minnesota public transportation plan created by the Minnesota Department of Transportation.

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

Sec. 59. **[174.247] ANNUAL TRANSIT REPORT.**

(a) By February 15 annually, the commissioner shall submit a report to the legislature on transit services outside the metropolitan area. The Metropolitan Council and any public transit system receiving assistance under section 174.24 shall provide assistance in creating the report, as requested by the commissioner.

(b) The report must include, at a minimum, the following:

(1) a descriptive overview of public transit in Minnesota;

(2) a descriptive summary of funding sources and assistance programs;

(3) a summary of each public transit system receiving assistance under section 174.24;

(4) data that identifies use of volunteers in providing transit service;

(5) financial data that identifies operating and capital costs, and funding sources, for each public transit system and for each transit system classification under section 174.24, subdivision 3b;

(6) a summary of progress with the transit service needs implementation plan under section 174.24, subdivision 1a, including identification of any adjustments made to the plan; and

(7) a calculation of the amounts of surplus or insufficient funds available for (i) paying the state share of transit operating costs under section 174.24, subdivision 3b, and (ii) following the transit service needs implementation plan.

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

Sec. 60. Minnesota Statutes 2006, section 221.011, is amended by adding a subdivision to read:

Subd. 50. **Out-of-service order.** "Out-of-service order" has the meaning given it in Code of Federal Regulations, title 49, section 383.5.

Sec. 61. Minnesota Statutes 2006, section 221.0314, subdivision 9a, is amended to read:

Subd. 9a. **Hours of service exemptions.** The federal regulations incorporated in subdivision 9 for maximum driving and on-duty time do not apply to drivers engaged in ~~the interstate or intrastate transportation of:~~

(1) the interstate or intrastate transportation of agricultural commodities or farm supplies, and the intrastate transportation of wholesale anhydrous ammonia, for agricultural purposes in Minnesota during the planting and harvesting seasons from March 15 to December 15 of each year; or

(2) the interstate or intrastate transportation of sugar beets during the harvesting season for sugar beets from September 1 to May 15 of each year;

if the transportation is limited to an area within a 100-air-mile radius from the source of the commodities or the distribution point for the farm supplies.

Sec. 62. Minnesota Statutes 2006, section 221.036, subdivision 1, is amended to read:

Subdivision 1. **Order.** The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) section 221.033, subdivision 2b; (3) section 221.151; (4) section 221.171; (5) section 221.141; (6) a federal, state, or local law, regulation, rule, or ordinance pertaining to railroad-highway grade crossings; or ~~(6)~~ (7) rules of the commissioner relating to the transportation of hazardous waste, motor carrier operations, insurance, or tariffs and accounting. An order must be issued as provided in this section.

Sec. 63. Minnesota Statutes 2006, section 221.036, subdivision 3, is amended to read:

Subd. 3. **Amount of penalty; considerations.** (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of section 221.021; 221.141; 221.151; or 221.171, or rules of the commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section 221.033, subdivision 2b, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

(d) ~~The commissioner shall assess a penalty of not less than \$1,000 against a driver who is convicted of a violation of an out of service order. The commissioner shall assess a penalty of not more than \$10,000 against an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out of service order.~~ in accordance with Code of Federal Regulations, title 49, section 383.53 against:

(1) a driver who is convicted of a violation of an out-of-service order;

(2) an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order; or

(3) an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of a federal, state, or local law or regulation pertaining to railroad-highway grade crossings.

Sec. 64. Minnesota Statutes 2006, section 299D.03, subdivision 1, is amended to read:

Subdivision 1. **Members, powers, and duties.** (a) The commissioner is hereby authorized to employ and designate a chief supervisor, a chief assistant supervisor, and such assistant supervisors, sergeants and officers as are provided by law, who shall comprise the Minnesota State Patrol.

(b) The members of the Minnesota State Patrol shall have the power and authority:

(1) as peace officers to enforce the provisions of the law relating to the protection of and use of trunk highways;

(2) at all times to direct all traffic on trunk highways in conformance with law, and in the event of a fire or other emergency, or to expedite traffic or to insure safety, to direct traffic on other roads as conditions may require notwithstanding the provisions of law;

(3) to serve search warrants related to criminal motor vehicle and traffic violations and arrest warrants, and legal documents anywhere in the state;

(4) to serve orders of the commissioner of public safety or the commissioner's duly authorized agents issued under the provisions of the Driver's License Law, the Safety Responsibility Act, or relating to authorized brake- and light-testing stations, anywhere in the state and to take possession of any license, permit, or certificate ordered to be surrendered;

(5) to inspect official brake and light adjusting stations;

(6) to make appearances anywhere within the state for the purpose of conducting traffic safety educational programs and school bus clinics;

(7) to exercise upon all trunk highways the same powers with respect to the enforcement of laws relating to crimes, as sheriffs and police officers;

(8) to cooperate, under instructions and rules of the commissioner of public safety, with all sheriffs and other police officers anywhere in the state, provided that said employees shall have no power or authority in connection with strikes or industrial disputes;

(9) to assist and aid any peace officer whose life or safety is in jeopardy;

(10) as peace officers to provide security and protection to the governor, governor elect, either or both houses of the legislature, and state buildings or property in the manner and to the extent determined to be necessary after consultation with the governor, or a designee. Pursuant to this clause, members of the State Patrol, acting as peace officers have the same powers with respect to the enforcement of laws relating to crimes, as sheriffs and police officers have within their respective jurisdictions;

(11) to inspect school buses anywhere in the state for the purposes of determining compliance with vehicle equipment, pollution control, and registration requirements;

(12) as peace officers to make arrests for public offenses committed in their presence anywhere within the state. Persons arrested for violations other than traffic violations shall be referred forthwith to the appropriate local law enforcement agency for further investigation or disposition; and

(13) to enforce the North American uniform out-of-service criteria and issue out-of-service orders, as defined in Code of Federal Regulations, title 49, section 383.5.

(c) The state may contract for State Patrol members to render the services described in this section in excess of their regularly scheduled duty hours and patrol members rendering such services shall be compensated in such amounts, manner and under such conditions as the agreement provides.

(d) Employees thus employed and designated shall subscribe an oath.

Sec. 65. Minnesota Statutes 2006, section 299D.06, is amended to read:

299D.06 PATROL EMPLOYEES WHO ARE NOT TROOPERS.

(a) Department personnel must be classified employees assigned to the Division of State Patrol if they are employed to enforce:

(1) laws relating to motor vehicle equipment; school bus equipment; drivers' licenses; motor vehicle registration; motor vehicle size and weight; motor carrier insurance, registration, and safety; and motor vehicle petroleum taxes;

(2) Pollution Control Agency rules relating to motor vehicle noise abatement; ~~and~~

(3) laws relating to directing the movement of vehicles; ~~and~~

(4) the North American uniform out-of-service criteria and issue out-of-service orders, as defined in Code of Federal Regulations, title 49, section 383.5.

(b) Employees engaged in these duties, while actually on the job during their working hours only, shall have power to:

(1) issue citations in lieu of arrest and continued detention; and

(2) prepare notices to appear in court for violation of these laws and rules, in the manner provided in section 169.91, subdivision 3.

(c) They shall not be armed and, except as provided in this section, shall have none of the other powers and privileges reserved to peace officers including the power to enforce traffic laws and regulations.

Sec. 66. Minnesota Statutes 2006, section 473.1465, is amended by adding a subdivision to read:

Subd. 4. **Special transportation service assessment.** As part of its annual update to the performance evaluation report under section 473.13, subdivision 1a, the Metropolitan Council shall include an assessment of progress towards meeting transit goals for people with disabilities. The assessment must include, but is not limited to, the following: a description of proposed program enhancements; an assessment of progress; identification of the estimated total number of potential and actual riders who are disabled; an assessment of the level and type of service required to meet unmet ridership needs; and an analysis of costs and revenue options, including a calculation of the amounts of surplus or insufficient funds available for achieving paratransit needs.

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

Sec. 67. Minnesota Statutes 2006, section 473.388, subdivision 2, is amended to read:

Subd. 2. **Replacement service; eligibility.** (a) The council may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

~~(a)~~ (1) is located in the metropolitan transit taxing district;

~~(b)~~ (2) is not served by the council bus service or is served only with council bus routes which begin or end within the applying city or town or combination thereof; and

~~(e) (3) has fewer than four scheduled runs of council bus service during off-peak hours defined in section 473.408, subdivision 1.~~

(b) Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

(c) The council may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town:

(i) (1) was receiving assistance under Minnesota Statutes 1982, section 174.265 by July 1, 1984; or

(ii) (2) had submitted an application for assistance under that section by July 1, 1984; or

(iii) (3) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and ~~submits~~ submitted an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it notified the former regional transit board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town.

(d) Nothing in this section prevents a local governmental unit from providing public transit service that extends outside of the metropolitan transit taxing district.

(e) For purposes of this subdivision, "off-peak hours" means the time from 9:00 a.m. to 3:30 p.m. and 6:30 p.m. until the last bus on Monday through Friday of each week and all day Saturday, Sunday, and holidays designated by the council.

Sec. 68. Laws 2002, chapter 393, section 85, is amended to read:

Sec. 85. **DAN PATCH COMMUTER RAIL LINE; PROHIBITIONS.**

Subdivision 1. **Definition.** For purposes of this section, "Dan Patch commuter rail line" means the commuter rail line between Northfield and Minneapolis identified in the metropolitan council's transit 2020 master plan as the Dan Patch line.

Subd. 2. **Metropolitan council; prohibitions.** The metropolitan council must not take any action or spend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line. ~~The council must remove all references, other than references for historical purposes, to the Dan Patch commuter rail line from any future revisions to the council's transportation development guide and the council's regional transit master plan.~~

Subd. 3. **Commissioner of transportation.** The commissioner of transportation must not expend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line. ~~The commissioner must remove all references, other than references for historical purposes, to the Dan Patch commuter rail line from any future revisions to the state transportation plan and the commissioner's commuter rail system plan.~~

Subd. 4. **Regional rail authorities.** No regional rail authority may expend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line.

Sec. 69. REPORT ON URBAN PARTNERSHIP AGREEMENT.

By January 15, 2009, and on January 15 each year through 2014, the commissioner of transportation, in conjunction with the Metropolitan Council, shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation concerning the status of the state's participation in the urban partnership agreement. The report must:

(1) present the elements of congestion reduction strategies to be implemented under the urban partnership agreement;

(2) summarize average daily traffic and congestion levels on affected roadways;

(3) summarize transit usage in affected corridors;

(4) identify the costs of participation and the sources of funding secured or to be secured;

(5) include information on revenues and expenditures under the urban partnership agreement;

(6) summarize any user fees collected on marked Interstate Highway 35W high-occupancy vehicle and dynamic shoulder lanes;

(7) recommend any further legislative action necessary for the successful implementation and operation of the urban partnership agreement; and

(8) starting with the January 15, 2011, report and in each report thereafter, evaluate strategies used within the urban partnership agreement, and develop recommendations for:

(i) the Rush Line corridor transit way along marked Interstate Highway 35E and marked Trunk Highway 35 from downtown St. Paul to Hinckley;

(ii) the Red Rock corridor transit way between Minneapolis and Hastings via St. Paul; and

(iii) the marked Interstate Highway 94 corridor from downtown St. Paul to the Minnesota-Wisconsin border.

Sec. 70. CREDIT CARD PAYMENT STUDY; PROPOSAL.

(a) By February 1, 2009, the commissioner of public safety shall submit a proposal to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance. The proposal must identify a method that allows the Department of Public Safety, its deputy registrars, and driver's license agents to collect by credit or debit card, motor vehicle registration taxes under Minnesota Statutes, section 168.013; motor vehicle certificates of title and related document fees under Minnesota Statutes, section 168A.29; motor vehicle sales tax under Minnesota Statutes, sections 297B.02 and 297B.025; and, driver's license and Minnesota identification card fees under Minnesota Statutes, section 171.06.

(b) The proposal must identify the total estimated statewide cost of the processing fees paid to either a vendor, financial institution, or credit card company. The proposal must consider options to finance the acceptance fees through either (1) state fee increases necessary to finance (i) the costs of credit and debit card processing fees paid to a processing vendor, (ii) the administrative costs of the department to implement the acceptance of credit and debit cards, including hardware and software costs of the department, its deputy registrars, and agents, and (iii) associated ongoing administrative cost increases, or (2) an agreement with a vendor that allows the addition of a convenience fee to each transaction to be paid directly by customers who choose to utilize credit or debit cards.

(c) The commissioner of public safety, with the assistance of the commissioners of finance and administration, shall develop a request for proposals from vendors, to be issued by January 1, 2010, to implement the acceptance of credit and debit payments by the Department of Public Safety, its deputy registrars, and agents. The department shall consult deputy registrars and driver's license agents in developing the request for proposals.

Sec. 71. **ENGINE BRAKES; REGULATION BY MINNEAPOLIS.**

Notwithstanding any other law or charter provision, the governing body of the city of Minneapolis may by ordinance restrict or prohibit the use of an engine brake on motor vehicles along Legislative Route No. 107, also known as marked Interstate Highway 394, beginning at the South Penn Avenue interchange in the city of Minneapolis and thence extending easterly to the terminus of marked Interstate Highway 394. Upon notification to the commissioner of transportation by the city of Minneapolis, the commissioner of transportation shall erect the appropriate signs, with the cost of the signs to be paid by the city. For purposes of this section, "engine brake" means any device that uses the engine and transmission to impede the forward motion of the motor vehicle by compression of the engine.

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

Sec. 72. **ROAD CONSTRUCTION BIDS; CITY ORDINANCE.**

Notwithstanding any other law, the commissioner of transportation shall accept the low bid amount among any cancelled bids for a cooperative road construction project involving a city of the first class located outside of the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, if:

(1) the bid cancellation occurred after July 1, 2007, as a result of a city ordinance relating to green space setback;

(2) the city changes the ordinance before October 1, 2008, in such a manner that a bid cancellation would not occur were the same bids submitted under the revised ordinance.

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

Sec. 73. **LITTLE CROW TRANSIT WAY.**

The commissioner of transportation and the Metropolitan Council shall reference in planning or study documents any commuter rail or other transit service proposal along or near marked Trunk Highway 12 between Willmar and downtown Minneapolis as the Little Crow transit way.

Sec. 74. **HIGHWAY CHANGES; REPEALERS; EFFECTIVE DATES; REVISOR INSTRUCTIONS.**

Subdivision 1. **Legislative Route No. 295 removed.** (a) Minnesota Statutes 2006, section 161.115, subdivision 226, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the city of St. Peter to transfer jurisdiction of Legislative Route No. 295 to the city of St. Peter and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Subd. 2. **Legislative Route No. 335 removed.** (a) Minnesota Statutes 2006, section 161.115, subdivision 266, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the city of St. Peter to transfer jurisdiction of Legislative Route No. 335 to the city of St. Peter and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Sec. 75. **JOEY'S LAW.**

The amendment by this act to Minnesota Statutes 2006, section 171.07, subdivision 1, may be cited as "Joey's Law."

Sec. 76. **RIGHT-OF-WAY TRANSFERRED TO STATE RAIL BANK.**

(a) Notwithstanding Minnesota Statutes, section 16B.281, 16B.282, 92.45, or any other law to the contrary, the trunk highway right-of-way described in paragraph (b) is hereby transferred to the state rail bank under Minnesota Statutes, section 222.63, being a certain parcel of land located in the county of Otter Tail, state of Minnesota, being more particularly described in paragraph (b).

(b) All of Tracts A, B, and C described below:

TRACT A

That part of Government Lot 1 of Section 12, Township 132 North, Range 43 West, Otter Tail County, Minnesota, lying Northeasterly of the former Southwesterly right-of-way line of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company):

TRACT B

A strip of land 150 feet in width, being 75 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the SW1/4NW1/4 of Section 12, Township 132 North, Range 43 West, Otter Tail County, Minnesota, said strip extending from the South line to the West line of said SW1/4NW1/4; together with that part of said SW1/4NW1/4 adjoining and Westerly of the above described strip and Easterly of the Easterly right-of-way line of said railroad company as located prior to 1888;

TRACT C

A strip of land 100 feet in width, being 50 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the E1/2NE1/4 of Section 11, Township 132 North, Range 43 West, Otter Tail County, Minnesota, said strip extending from the East to the North line of said E1/2NE1/4;

together with that part of Tract D described below:

TRACT D

A strip of land 100 feet in width, being 50 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the E1/2 of Section 2, Township 132 North, Range 43 West, Otter Tail County, Minnesota;

which lies Southeasterly of a line run parallel with and distant 135 feet Southeasterly of Line 1 described below:

LINE 1.

Beginning at a point on the North and South Quarter line of said Section 2, distant 1,060.11 feet North of the South Quarter corner thereof; thence run Northeasterly at an angle of 72°36'15" (measured from North to East) from said North and South Quarter line for 1,600 feet and there terminating;

together with all right of access, being the right of ingress to and egress from that part of Tract D hereinbefore described, not acquired herein, to the above described strip.

Sec. 77. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall change the terms "type III school bus," "type III bus," and "type III Head Start bus" to "type III vehicle," and the terms "type III school buses," "type III buses," and "type III Head Start buses" to "type III vehicles," in Minnesota Statutes, chapters 169, 169A, and 171, and in Minnesota Rules, parts 7470.1400 and 7470.1500.

Sec. 78. **REPEALER.**

Minnesota Statutes 2006, sections 168B.087, subdivision 2; and 169.145, are repealed.

ARTICLE 2

RAILROAD WALKWAY SAFETY ACT

Section 1. **[219.372] WALKWAYS BY TRACK; GENERAL REQUIREMENTS; DEFINITIONS.**

(a) Walkways may be surfaced with asphalt, concrete, planking, grating, native material, crushed material, or similar or other nonrevenue material. When crushed material is used, 100 percent of the material must be capable of passing through a 1-1/2-inch square sieve opening and 90 - 100 percent of the material must be capable of passing through a one-inch square sieve opening; provided however, a de minimus variation is not a violation of this paragraph when the rail carrier has made a good faith effort to comply with the percentage requirements. Smaller crushed material may be used where drainage and durability issues do not arise. Material that is three-fourths inch or less must conform with standards set forth by the American Railway Engineering and Maintenance of Way Association for switching lead tracks.

(b) Walkways must have a uniform surface and must be maintained in a safe condition without compromising track drainage.

(c) Cross slopes for walkways must not exceed one inch of elevation for each eight inches of horizontal length in any direction.

(d) Walkways must be a minimum width of two feet.

(e) Walkways within the scope of sections 219.372 to 219.378 must be kept free of spilled oil, sand, posts, rocks, and other hazards or obstructions.

Sec. 2. **[219.373] NEW YARD TRACKS.**

(a) Rail carriers shall provide walkways adjacent to those portions of yard tracks constructed after July 1, 2008, where rail carrier employees frequently work on the ground performing switching activities.

(b) For the purpose of this section, "frequently" means occurring at least five days per week, one shift per day.

Sec. 3. **[219.374] OTHER TRACKS.**

(a) Walkways in the following segments of track must be constructed with materials set forth in section 219.372 at walkways by main and secondary track switches and turnouts, walkways by siding track train inspection points, walkways by tracks where relief train crews frequently board or deboard trains en route, walkways by industry track turnouts and spotting areas, and walkways by main track within two miles in either direction of a track-side train detector, with a total walkway not less than 500 feet on both sides of track.

(b) Walkways by switch stands may have a wider apron from base of switch stand area and must be maintained in a safe condition without compromising track drainage.

(c) When the commissioner of transportation finds, after notice and hearing, that rail carrier employees who frequently work adjacent to a portion of track performing switching activities are exposed to safety hazards due to the lack of a walkway or to the condition of a walkway constructed before July 1, 2008, the commissioner shall order the rail carrier to construct a walkway adjacent to a portion of track where employees are performing switching activities, or require a rail carrier to modify an existing walkway in conformance with the standards set forth in section 219.373 within a reasonable period of time.

(d) For purposes of this section, "frequently" means at least five days per week, one shift per day, or any other period deemed "frequently" by the commissioner to warrant an order pursuant to this section.

Sec. 4. **[219.375] EXCEPTIONS TO COMPLIANCE.**

Rail carriers are excused from complying with sections 219.372 to 219.378 during maintenance activities or any period of heavy rain or snow, derailments, rock and earth slides, washouts, and similar weather or seismic conditions, and during a reasonable period afterwards to allow a return to compliance.

Sec. 5. **[219.376] WAIVERS.**

A rail carrier may petition the commissioner of transportation for a waiver of any provision of sections 219.372 to 219.378 pursuant to section 218.041 or other applicable statute.

Sec. 6. **[219.377] COMPLAINTS; ENFORCEMENT.**

(a) A formal complaint of an alleged violation of sections 219.372 to 219.378 may not be filed until the filing party has attempted to address the alleged violations with the rail carrier. Any complaint of an alleged violation of sections 219.372 to 219.378 must contain a written statement that the filing party has made a reasonable, good faith attempt to address the alleged violation with the rail carrier.

(b) All formal complaints filed with the commissioner of transportation must be resolved pursuant to procedures set forth in section 218.041 or other applicable statute.

Sec. 7. **[219.378] WALKWAY EXEMPTIONS.**

(a) Sections 219.372, paragraphs (a), (c), and (d); 219.373; and 219.374, paragraphs (a) and (b), do not apply to track placed in revenue service before the effective date of this section until the date and time track and supporting structure are repaired, replaced, resurfaced, or as otherwise ordered by the commissioner of transportation pursuant to section 219.374 to eliminate an unsafe or hazardous condition.

(b) A small business that owns or operates any track in this state is exempt from sections 219.372, paragraphs (a), (c), and (d); 219.373; 219.374, paragraphs (a) and (b); 219.375; and 219.376. On determining after notice and hearing that exempting a small business that owns or operates any track in this state pursuant to paragraph (a) poses an unreasonable threat or substantial harm to the public safety, the commissioner of transportation shall order that business to eliminate any unsafe walkway condition.

(c) As used in this section, "small business" either has the meaning given in section 645.445 or is a class three carrier as classified by the Federal Railroad Administration.

Sec. 8. **SHORT TITLE.**

Sections 1 to 7 may be cited as the "Railroad Walkway Safety Act."

Sec. 9. **EFFECTIVE DATE.**

This article is effective July 1, 2008.

ARTICLE 3

CHAPTER 152 CHANGES

Section 1. Minnesota Statutes 2006, section 161.081, subdivision 3, as amended by Laws 2008, chapter 152, article 6, section 4, is amended to read:

Subd. 3. **Flexible highway account; ~~turnback~~ other accounts.** (a) The flexible highway account is created in the state treasury. ~~Money in The account~~ commissioner shall be used:

(1) annually transfer in fiscal years 2009 and year 2010, 100 percent of the excess sum, as calculated in paragraph (i), and in fiscal years 2011 and thereafter, 50 percent of the excess sum, as calculated in paragraph (i), for counties in the metropolitan area, as defined in section 473.121, subdivision 4, but for the purposes of the calculation cities of the first class will be excluded in the metropolitan area; and to the metropolitan routes of regional significance account under subdivision 4; and

(2) of expend the amount available in the flexible highway account less the amount, after the transfer under clause (1), as determined by the commissioner under this section subdivision, for:

(i) restoration of former trunk highways that have reverted to counties or to statutory or home rule charter cities, or for trunk highways that will be restored and subsequently turned back by agreement between the commissioner and the local road authority;

(ii) safety improvements on county highways, municipal highways, streets, or town roads; and

(iii) statewide routes of regional significance.

(b) For purposes of this subdivision, "restoration" means the level of effort required to improve the route that will be turned back to an acceptable condition as determined by agreement made between the commissioner and the county or city before the route is turned back.

(c) The commissioner shall review the need for funds to restore highways that have been or will be turned back. The commissioner shall determine, on a biennial basis, the percentage of funds in the flexible highway account to be distributed to each district, and within each district the percentage to be used for each of the purposes specified in paragraph (a), clause (2). Money in the account may be used for safety improvements and routes of regional significance only after money is set aside to restore the identified turnbacks. The commissioner shall make these determinations only after meeting and holding discussions with committees selected by the statewide associations of both county commissioners and municipal officials. The commissioner shall, to the extent feasible, annually allocate 50 percent of the funds in the flexible highway account under paragraph (a), clause (2), to the department's metropolitan district, and 50 percent to districts in greater Minnesota.

(d) Money that will be used for the restoration of trunk highways that have reverted or that will revert to cities must be deposited in the municipal turnback account, which is created in the state treasury.

(e) Money that will be used for the restoration of trunk highways that have reverted or that will revert to counties must be deposited in the county turnback account, which is created in the state treasury.

(f) Money that will be used for safety improvements must be deposited in the highway safety improvement account, which is created in the state treasury to be used as grants to statutory or home rule charter cities, towns, and counties to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads to reduce crashes, deaths, injuries, and property damage.

(g) Money that will be used for statewide routes of regional significance must be deposited in the statewide routes of regional significance account, which is created in the state treasury, and used as grants to statutory or home rule charter cities, towns, and counties to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources.

(h) As part of each biennial budget submission to the legislature, the commissioner shall describe how the money in the flexible highway account will be apportioned among the county turnback account, the municipal turnback account, the trunk highway fund for routes turned back to local governments by agreement, the highway safety improvement account, and the statewide routes of regional significance account.

(i) ~~The excess sum is calculated as the sum of revenue within the flexible highway account:~~

~~(1) attributed to that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2;~~

~~(2) attributed to a change in the passenger vehicle registration tax under section 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008, multiplied by (ii) the annual average United States Consumer Price Index for the calendar year previous to the current calendar year, divided by the annual average United States Consumer Price Index for calendar year 2007; and~~

~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the flexible highway account in fiscal year 2007.~~

~~(j) For purposes of this subdivision, the United States Consumer Price Index identified in paragraph (i), clause (2), is for all urban consumers, United States city average, as determined by the United States Department of Labor.~~

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

Sec. 2. Minnesota Statutes 2006, section 161.081, is amended by adding a subdivision to read:

Subd. 4. **Metropolitan routes of regional significance account.** (a) For purposes of this subdivision, the following terms have the meanings given them:

(1) "metropolitan area" has the meaning given in section 473.121, subdivision 4; and

(2) "population" has the meaning given in section 477A.011, subdivision 3, except that it excludes the three most populous cities in the metropolitan area.

(b) The metropolitan routes of regional significance account is created in the state treasury. Funds in the account are for allocation to metropolitan counties to assist in paying the costs of construction, reconstruction, or maintenance of county highways with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources.

(c) The commissioner shall allocate funds in the account to counties in the metropolitan area so that each county receives an amount proportional to the percentage that its population, estimated or established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this subdivision.

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

Sec. 3. Minnesota Statutes 2006, section 161.081, is amended by adding a subdivision to read:

Subd. 5. **Excess sum.** (a) For purposes of this section, "excess sum" means an amount calculated by the commissioner as the sum of revenue within the flexible highway account:

(1) attributed to that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2;

(2) attributed to a change in the passenger vehicle registration tax under section 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008, multiplied by (ii) the annual average United States Consumer Price Index for the calendar year previous to the current calendar year, divided by the annual average United States Consumer Price Index for calendar year 2007; and

(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the flexible highway account in fiscal year 2007.

(b) For purposes of this subdivision, the United States Consumer Price Index identified in paragraph (a), clause (2), is for all urban consumers, United States city average, as determined by the United States Department of Labor.

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

Sec. 4. Laws 2008, chapter 152, article 2, section 1, is amended to read:

Section 1. **[296A.083] DEBT SERVICE SURCHARGE.**

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

(1) "debt service" means the amount of principal and interest in each fiscal year attributable to the trunk highway bonds authorized in this article; and

(2) "surcharge" means the rate imposed under this section on gasoline taxed under section 296A.07, subdivision 3, clause (3), and includes a proportional rate for each type of fuel taxed under sections 296A.07, subdivision 3, clauses (1) and (2), and 296A.08, subdivision 2.

Subd. 2. **Debt service forecast.** On June 30, 2008, and each March 1 thereafter, the commissioner of finance shall report to the commissioner of revenue on trunk highway debt service. The report must include the annual amount of revenue from the surcharge previously deposited in the trunk highway fund, and a forecast of the total and annual amounts necessary to pay the remaining debt service.

Subd. 3. **Surcharge rate.** (a) By July 16, 2008, and each April 1 thereafter, the commissioner of revenue shall calculate and publish a surcharge as provided in paragraphs (b) and (c). The surcharge is imposed from August 1, 2008, through June 30, 2009, and each new surcharge thereafter is imposed the following July 1 through June 30.

(b) For fiscal years 2009 through 2012, the commissioner shall set the surcharge as specified in the following surcharge rate schedule.

Surcharge Rate Schedule

Fiscal Year	Rate (in cents per gallon)
2009	0.5
2010	2.1
2011	2.5
2012	3.0

(c) For fiscal year 2013 and thereafter, the commissioner shall set the surcharge at the lesser of (1) 3.5 cents, or (2) an amount calculated so that the total proceeds from the surcharge deposited in the trunk highway fund from fiscal year 2009 to the upcoming fiscal year equals the total amount of debt service from fiscal years 2009 to 2039, and the surcharge is rounded to the nearest 0.1 cent.

Subd. 4. **Surcharge administration.** The audit, assessment, appeal, collection, enforcement, penalty, interest, refund, and administrative provisions that apply to the taxes in this chapter apply to the surcharge imposed by this section.

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

Sec. 5. Laws 2008, chapter 152, article 2, section 3, subdivision 2, is amended to read:

Subd. 2. **State Road Construction**

1,717,694,000

(a) For the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payments to landowners for lands acquired for highway rights-of-way, payments to lessees, interest subsidies, and relocation expenses. This appropriation is in the following amounts:

(1) \$417,694,000 in fiscal year 2009, and the commissioner may use up to \$71,008,000 of this amount for program delivery;

(2) \$500,000,000 in fiscal year 2010, and the commissioner may use up to \$85,000,000 of this amount for program delivery; and

(3) \$100,000,000 in each fiscal year for fiscal years 2011 through 2018, and the commissioner may use up to \$17,000,000 of the amount in each fiscal year for program delivery.

(b) Of the amount in fiscal year 2009, \$40,000,000 is for construction of interchanges and intersections involving a trunk highway, where the interchange or intersection will promote economic development, increase employment, relieve growing traffic congestion, and promote traffic safety. The amount under this paragraph must be allocated 50 percent to the department's metropolitan district, and 50 percent to districts in greater Minnesota.

(c) Of the amount in fiscal years 2009 and 2010, the commissioner shall use \$300,000,000 each year for predesign, design, preliminary engineering, right-of-way acquisition, reasonable approaches, construction, reconstruction, and maintenance of bridges in the trunk highway bridge improvement program under Minnesota Statutes, section 165.14.

(d) Of the total appropriation under this subdivision, the commissioner shall use at least \$50,000,000 for accelerating transit facility improvements on or adjacent to trunk highways.

(e) Of the total appropriation under this subdivision provided to the Department of Transportation's district 7, excluding the amount allocated to district 7 under paragraph (c), the commissioner shall first expend funds as necessary to accelerate all projects that (1) are on a trunk highway classified as a medium priority interregional corridor, (2) are included in the district's long-range transportation plan, but are not included in the state transportation improvement program or the ten-year highway work plan, and (3) expand capacity from a two-lane highway to a freeway or expressway, as defined in Minnesota Statutes, section 160.02,

subdivision 19. The commissioner shall establish as the highest priority under this paragraph any project that currently has a final environmental impact statement completed. The requirement under this paragraph does not change the department's funding allocation process or the amount otherwise allocated to each transportation district.

(f) Notwithstanding Minnesota Statutes, section 16A.642, the appropriation under this subdivision does not expire and may not be canceled.

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

Sec. 6. Laws 2008, chapter 152, article 3, section 1, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment, and applies to any annual additional tax for a registration period that starts on or after September 1, 2008, ~~through August 31, 2009.~~

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

Sec. 7. Laws 2008, chapter 152, article 3, section 6, is amended to read:

Sec. 6. **SPECIAL FUEL EXCISE TAX; TRANSITION PROVISION.**

Notwithstanding Minnesota Statutes, section 296A.08, subdivision 2, before October 1, 2008, the special fuel excise tax is imposed at the following rates:

(a) Liquefied petroleum gas or propane is taxed at the rate of 16.5 cents per gallon.

(b) Liquefied natural gas is taxed at the rate of 13.2 cents per gallon.

(c) Compressed natural gas is taxed at the rate of ~~\$1.1913~~ \$1.913 per thousand cubic feet; or 22 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of gas.

(d) All other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 4. The tax is payable in the form and manner prescribed by the commissioner.

EFFECTIVE DATE. This section is effective ~~on the first day of the month following 21 days after the date of enactment~~ April 1, 2008, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on that date. This section expires October 1, 2008.

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

Sec. 8. Laws 2008, chapter 152, article 3, section 8, is amended to read:

Sec. 8. Minnesota Statutes 2006, section 297A.815, is amended by adding a subdivision to read:

Subd. 3. **Motor vehicle lease sales tax revenue.** (a) For purposes of this subdivision, "net revenue" means an amount equal to:

(1) the revenues, including interest and penalties, collected under section 297A.815, during the fiscal year; less

(2) the estimated reduction in individual income tax receipts and the estimated amount of refunds paid out under section 290.06, subdivision 34, for the fiscal year.

(b) On or before June 30 of each fiscal year, the commissioner of revenue shall estimate the amount of the revenues and subtraction under paragraph (a) for the current fiscal year.

(c) On or after July 1 of the subsequent fiscal year, the commissioner of finance shall transfer the net revenue as estimated in paragraph (b) from the general fund, as follows:

(1) 50 percent to the greater Minnesota transit account; and

(2) 50 percent to the ~~county state aid highway fund. Notwithstanding any other law to the contrary, the commissioner of transportation shall allocate the funds transferred under this clause to the counties in the metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county shall receive of such amount the percentage that its population, as defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this clause~~ metropolitan routes of regional significance account under section 161.081, subdivision 4.

(d) For fiscal years 2010 and 2011, the amount under paragraph (a), clause (1), must be calculated using the following percentages of the total revenues:

(1) for fiscal year 2010, 83.75 percent; and

(2) for fiscal year 2011, 93.75 percent.

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

Sec. 9. Laws 2008, chapter 152, article 6, section 7, is amended to read:

Sec. 7. **[398A.10] TRANSIT FUNDING.**

Subdivision 1. **Capital costs.** A county regional railroad authority may not contribute more than ten percent of the capital costs of a light rail transit or commuter rail project. This subdivision does not apply to a light rail transit project for which a county regional railroad authority commits to providing an amount greater than ten percent of the capital costs, if the commitment (1) is made before October 2, 2008, (2) is made as part of an application for federal funds, and (3) is adjusted by the county regional railroad authority to meet the requirements of this subdivision as part of the next scheduled federal funding application for the project.

Subd. 2. **Operating and maintenance costs.** A county regional railroad authority may not contribute any funds to pay the operating and maintenance costs for a light rail transit or commuter rail project. If a county regional railroad authority is contributing funds for operating and maintenance costs on a light rail transit or commuter rail project on the date of the enactment of this act, the authority may continue to contribute funds for these purposes until January 1, 2009.

Subd. 3. **Application.** This section only applies if a county has imposed the metropolitan transportation sales and use tax under section 297A.992.

EFFECTIVE DATE. ~~This section is effective the day after the metropolitan transportation area sales tax is imposed under Minnesota Statutes, section 297A.992, subdivision 2.~~ This section is effective July 1, 2008.

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

ARTICLE 4

HOUSEHOLD GOODS MOTOR CARRIERS

Section 1. Minnesota Statutes 2006, section 221.011, subdivision 23, is amended to read:

Subd. 23. **Household goods.** "Household goods" means personal effects and property used or to be used ~~by the owner in the owner's~~ in a dwelling when the effects and property are a part of the equipment or supply of the dwelling; ~~furniture, fixtures, equipment and property of business places and institutions, public or private, when a part of the stock, equipment, supplies or property of such establishments.~~

Sec. 2. Minnesota Statutes 2006, section 221.011, is amended by adding a subdivision to read:

Subd. 23a. **Household goods motor carrier.** (a) "Household goods motor carrier" means, in general, a motor carrier that, in the ordinary course of its business of providing transportation of household goods within the state of Minnesota, offers some or all of the following additional services:

- (1) binding and nonbinding estimates;
- (2) inventorying;
- (3) protective packing and unpacking of individual items at personal dwellings; or
- (4) loading and unloading at personal dwellings.

(b) A household goods motor carrier does not include any motor carrier providing transportation of household goods in containers or trailers that are entirely loaded and unloaded by an individual other than an employee or agent of the motor carrier.

Sec. 3. **[221.0253] HOUSEHOLD GOODS MOTOR CARRIERS; REGISTRATION.**

Subdivision 1. **Registration required.** No person may operate as a household goods motor carrier unless the person has been issued a certificate of registration by the commissioner.

Subd. 2. **Registration statement.** A person who wishes to operate as a household goods motor carrier shall file a complete and accurate registration statement with the commissioner. A registration statement must be on a form provided by the commissioner and include:

- (1) the registrant's name, including an assumed or fictitious name used by the registrant in doing business;
- (2) the registrant's mailing address and business telephone number;
- (3) the registrant's United States Department of Transportation number;
- (4) the name, title, and telephone number of the individual who is principally responsible for the operation of the registrant's transportation business;
- (5) the principal location from which the registrant conducts its transportation business and where the records required by this chapter will be kept;

(6) if different from clause (5), the location in Minnesota where the records required by this chapter will be available for inspection and copying by the commissioner;

(7) whether the registrant's business is a corporation, partnership, limited liability partnership, limited liability company, sole proprietorship, or other legal form;

(8) if the registrant is a foreign corporation authorized to transact business in Minnesota, the state of incorporation and the name and address of its registered agent; and

(9) the summary of the registrant's arbitration program, described in Code of Federal Regulations, title 49, section 375.211, paragraph (b), as required under section 221.0255.

Subd. 3. **Signature required.** A registration statement must be signed by a corporate officer, general partner, limited liability company board member, or sole proprietor.

Subd. 4. **Registration fee.** An initial fee of \$200 must be paid at the time the registration statement is filed with the commissioner. The commissioner shall deposit all revenues received under this subdivision in the trunk highway fund.

Subd. 5. **Certificate of registration; issuance.** (a) The commissioner shall issue a certificate of registration to a registrant who does not have an unsatisfactory safety rating with the state or United States Department of Transportation and who has met the requirements of this section.

(b) A certificate of registration must be numbered and bear an effective date.

(c) A certificate of registration must be kept at the registrant's principal place of business.

Subd. 6. **Duration.** A certificate of registration is not assignable or transferable, and is valid until it is suspended, revoked, or canceled.

Subd. 7. **Obligation to keep information current.** A registrant shall notify the commissioner in writing within 30 days of any change in the information required under subdivision 2.

Subd. 8. **Suspension and cancellation of registration.** (a) The commissioner shall suspend or cancel the registration of a household goods motor carrier who fails to file with the commissioner or maintain the insurance or bond required under section 221.141.

(b) The commissioner shall immediately suspend the registration of a household goods motor carrier who receives an unsatisfactory safety rating. Within 30 days of receiving a written request from the household goods motor carrier, the commissioner shall conduct one follow-up compliance audit to determine if the safety rating of the motor carrier should be changed, or if the suspension should be rescinded. The commissioner may conduct additional compliance reviews.

(c) The commissioner may suspend or cancel the registration of a household goods motor carrier who fails to maintain an arbitration program or comply with a binding arbitration decision under section 221.0255, subdivision 1.

(d) The commissioner shall follow the procedures under section 221.185 for any suspension or cancellation under this subdivision.

(e) A person may not operate as a household goods motor carrier while the person's registration is suspended or canceled.

Sec. 4. **[221.0255] HOUSEHOLD GOODS MOTOR CARRIERS; CONSUMER PROTECTION.**

Subdivision 1. **Incorporation of federal regulations.** (a) Code of Federal Regulations, title 49, section 375.103, is incorporated by reference, except that "household goods" and "household goods motor carrier" have the meanings given in section 221.011. Code of Federal Regulations, title 49, sections 375.209, 375.211, 375.401, 375.403, 375.405, 375.407, 375.501, 375.503, 375.505, 375.603, and 375.703, are incorporated by reference and apply to household goods motor carriers. Cross-references within the incorporated sections to other sections or paragraphs not incorporated in this subdivision are not incorporated by reference.

(b) Sections 572.08 to 572.30 apply to the arbitration program required under Code of Federal Regulations, title 49, section 375.211.

(c) For an original estimate provided under Code of Federal Regulations, title 49, sections 375.401, paragraph (a); 375.403, paragraph (a)(1); and 375.405, paragraph (b)(1), a household goods motor carrier may provide an original binding or nonbinding estimate to the shipper without a physical survey, if the estimate is based on (1) services to be provided and (2) the anticipated number of hours and number of employees required.

(d) For a revised estimate provided under Code of Federal Regulations, title 49, sections 375.403, paragraph (a)(6) and 375.405, paragraph (b)(7), a household goods motor carrier may provide a revised binding or nonbinding estimate to the shipper based on revised services to be provided and the revised anticipated number of hours and number of employees required.

(e) A household goods motor carrier's total charges to the shipper under paragraphs (c) and (d) must meet the requirements under this subdivision.

Subd. 2. **Impracticable operations.** (a) For purposes of this subdivision, "impracticable operations" means additional services required by a household goods motor carrier (1) when operating conditions and reasonably unforeseen events make it physically impossible for the carrier to perform pickup or delivery with the carrier's normally assigned road-haul equipment, (2) when the use of smaller equipment or additional labor to complete pickup or delivery of a shipment is required, or (3) when additional hours of service are required because of reasonably unpredictable changes in weather or road conditions.

(b) A household goods motor carrier may require payment of additional charges up to 15 percent above a binding or nonbinding estimate for impracticable operations. The specific services or unforeseeable conditions considered to be impracticable operations by the carrier must be defined in writing in the carrier's binding or nonbinding estimate provided to the consumer. A household goods motor carrier is not required to file the contractual definitions of "impracticable operations" with the commissioner.

Subd. 3. **Cause of action.** A person who is injured by a household goods motor carrier due to a violation under subdivision 1, and who is unable to obtain relief due to the failure of the motor carrier to maintain an arbitration program or comply with a binding arbitration decision under subdivision 1, has a cause of action against the household goods motor carrier. Damages may be awarded to the consumer for economic loss, including damage, destruction, and loss of use of personal property, and reasonable attorney fees.

Subd. 4. **Advertising.** A household goods motor carrier must include in all advertisements for all services the following elements:

(1) the name or trade name of the household goods motor carrier, as it appears on the certificate of registration issued by the commissioner under section 221.0253, or the name or trade name of the motor carrier under whose operating authority the advertised service will originate; and

(2) the United States Department of Transportation number of the household goods motor carrier.

Sec. 5. **HOUSEHOLD GOODS MOTOR CARRIERS; EXPIRATION AND CONVERSION OF PERMITS.**

Subdivision 1. **Expiration of permits.** Any permit issued by the commissioner before August 1, 2008, that authorizes for-hire transportation of household goods in Minnesota is valid through December 31, 2008.

Subd. 2. **Conversion to registration.** A holder of a permit that expires under subdivision 1 who wishes to continue as a household goods motor carrier shall meet the requirements of section 221.0253 before January 1, 2009. Prior to January 1, 2009, the commissioner shall not charge the registration fee under section 221.0253, subdivision 4, for a permit holder to obtain a registration certificate.

ARTICLE 5

REPEAL OF OBSOLETE PERMITS AND CONFORMING CHANGES

Section 1. Minnesota Statutes 2006, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. **Truck; tractor; combination; exceptions.** (a) On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

Minnesota Base Rate Schedule

Scheduled taxes include five percent
surtax provided for in subdivision 14

	TOTAL GROSS WEIGHT IN POUNDS	TAX
A	0- 1,500	\$15
B	1,501- 3,000	20
C	3,001- 4,500	25
D	4,501- 6,000	35
E	6,001- 9,000	45
F	9,001-12,000	70
G	12,001-15,000	105
H	15,001-18,000	145
I	18,001-21,000	190
J	21,001-26,000	270
K	26,001-33,000	360
L	33,001-39,000	475

M	39,001-45,000	595
N	45,001-51,000	715
O	51,001-57,000	865
P	57,001-63,000	1015
Q	63,001-69,000	1185
R	69,001-73,280	1325
S	73,281-78,000	1595
T	78,001-81,000	1760

(b) For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

(c) For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

(d) Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

(e) Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier ~~operating under a permit issued under section 221.296 and~~ whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or

(2) operated by an interstate carrier registered under section 221.60, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation pursuant to United States Code, title 49, section 13506.

(f) The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

(g) On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during each of the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule.

(h) On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those commercial zone vehicles specifically provided for in this subdivision, the tax for each of the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision.

(i) For the purpose of registration, trailers coupled with a truck-tractor, semitrailer combination are semitrailers.

Sec. 2. Minnesota Statutes 2006, section 174.64, subdivision 2, is amended to read:

Subd. 2. **Specific functions and powers.** (a) To the extent allowed under federal law or regulation, the commissioner shall further hold hearings and issue orders in cases brought on the commissioner's own motion or by a third party in the following areas:

(1) adequacy of services that carriers are providing to the public, including the continuation, termination, or modification of services and facilities;

(2) reasonableness of tariffs of rates, fares, and charges, or a part or classification of a tariff; and

(3) issuing permits.

(b) For purposes of paragraph (a), clause (2), the commissioner may authorize common carriers by rail ~~and motor carriers for hire~~ to file tariffs of rates, fares, and charges individually or by group. Carriers participating in group ratemaking have the free and unrestrained right to take independent action either before or after a determination arrived at through that procedure.

Sec. 3. Minnesota Statutes 2006, section 174.64, subdivision 4, is amended to read:

Subd. 4. **Petition, notice, and hearing.** (a) With respect to those matters within the commissioner's jurisdiction, the commissioner shall receive, hear, and determine all petitions filed with the commissioner in accordance with the procedures established by law and may hold hearings and make determinations upon the commissioner's own motion to the same extent, and in every instance, in which the commissioner may do so upon petition.

~~(b) Upon receiving a petition filed pursuant to section 221.121, subdivision 1, or 221.151, the commissioner shall give notice of the filing of the petition to representatives of associations or other interested groups or persons who have registered their names with the commissioner for that purpose and to whomever the commissioner deems to be interested in the petition. The commissioner may grant or deny the request of the petition 30 days after notice of the filing has been fully given.~~

~~(c) If the commissioner receives a written objection and notice of intent to appear at a hearing to object to the petition from any person within 20 days of the notice having been fully given, the request of the petition must be granted or denied only after a contested case hearing has been conducted on the petition, unless the objection is withdrawn before the hearing. The commissioner may elect to hold a contested case hearing if no objections to the petition are received. If a timely objection is not received, or if received and withdrawn, and the request of the petition is denied without hearing, the petitioner may request within 30 days of receiving the notice of denial, and must be granted, a contested case hearing on the petition.~~

Sec. 4. Minnesota Statutes 2006, section 174.66, is amended to read:

174.66 CONTINUATION OF CARRIER RULES.

(a) Orders and directives in force, issued, or promulgated under authority of chapters 174A, 216A, 218, 219, 221, and 222 remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the commissioner of transportation. To the extent allowed under federal law or regulation, rules adopted under authority of the following sections are transferred to the commissioner of transportation and continue in force and effect until repealed, modified, or superseded by duly authorized rules of the commissioner:

(1) section 218.041 except rules related to the form and manner of filing railroad rates, railroad accounting rules, and safety rules;

(2) section 219.40; and

(3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits or certificates of convenience and necessity under section 221.031, subdivision 1;

~~(4) rules relating to the sale, assignment, pledge, or other transfer of a stock interest in a corporation holding authority to operate as a permit carrier as prescribed in section 221.151, subdivision 1;~~

~~(5) rules relating to rates, charges, and practices under section 221.161, subdivision 4; and~~

~~(6) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits under sections 221.121 and 221.151.~~

(b) The commissioner shall review the transferred rules, orders, and directives and, when appropriate, develop and adopt new rules, orders, or directives.

Sec. 5. Minnesota Statutes 2006, section 221.011, subdivision 8, is amended to read:

Subd. 8. **Permit.** "Permit" means the license, or franchise, which may be issued to motor carriers other than regular route common carriers of passengers, ~~class I common carriers, and petroleum carriers, and household goods~~ motor carriers under ~~the provisions of~~ this chapter, authorizing the use of the highways of Minnesota for transportation for hire.

Sec. 6. Minnesota Statutes 2006, section 221.025, is amended to read:

221.025 EXEMPTIONS.

The provisions of this chapter requiring a certificate ~~or permit~~ to operate as a motor carrier do not apply to the intrastate transportation described below:

(1) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451 and the transportation of children or parents to or from a Head Start facility or Head Start activity in a Head Start bus inspected and certified under section 169.451;

(2) the transportation of solid waste, as defined in section 116.06, subdivision 22, including recyclable materials and waste tires, except that the term "hazardous waste" has the meaning given it in section 221.011, subdivision 31;

(3) a commuter van as defined in section 221.011, subdivision 27;

(4) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances; and tow trucks equipped with proper and legal warning devices when picking up and transporting (i) disabled or wrecked motor vehicles or (ii) vehicles towed or transported under a towing order issued by a public employee authorized to issue a towing order;

(5) the transportation of grain samples under conditions prescribed by the commissioner;

(6) the delivery of agricultural lime;

(7) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(8) the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(9) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(10) the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(11) the transportation of property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities ~~except as provided in section 221.296;~~

(12) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(13) the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 100-mile radius from the person's home post office and the carrier may transport other commodities within the 100-mile radius if the destination of each haul is a farm;

(14) the transportation of newspapers, as defined in section 331A.01, subdivision 5, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less; and

(15) the transportation of potatoes from the field of production, or a storage site owned or otherwise controlled by the producer, to the first place of processing.

The exemptions provided in this section apply to a person only while the person is exclusively engaged in exempt transportation.

Sec. 7. Minnesota Statutes 2006, section 221.026, is amended to read:

221.026 MOTOR CARRIER OF PROPERTY; EXEMPTIONS.

Subdivision 1. **Registration.** No person may engage in the for-hire transportation of property, ~~other than household goods,~~ in Minnesota unless the person has filed a registration statement with the commissioner on a form the commissioner prescribes.

Subd. 2. **Exemptions from requirements.** Notwithstanding any other law, a motor carrier of property is exempt from sections 221.021; ~~221.072; 221.121; 221.122; 221.123; 221.131; 221.132; 221.151; 221.161; 221.172,~~ subdivisions 3 to 8; and 221.185, except as provided in subdivision 4; ~~and 221.296.~~ The exemptions in this subdivision do not apply to a motor carrier of property while transporting household goods.

Subd. 3. **Safety regulations.** A motor carrier of property is subject to those federal regulations incorporated by reference in section 221.0314, unless exempted from those regulations by section 221.031.

Subd. 4. **Suspension and cancellation of registration.** The commissioner shall suspend or cancel, following the procedures for suspension or cancellation in section 221.185, the registration of a motor carrier of property who fails to file with the commissioner or maintain the insurance or bond required under section 221.141. A person may not engage in the for-hire transportation of property, ~~other than household goods,~~ in Minnesota while the person's registration is under suspension or cancellation under this subdivision.

Subd. 5. **Local regulation.** Section 221.091 applies to registration statements under this section to the same extent that it applies to certificates and permits issued by the ~~board~~ commissioner.

Sec. 8. Minnesota Statutes 2006, section 221.031, subdivision 1, is amended to read:

Subdivision 1. **Powers, duties, reports, limitations.** (a) This subdivision applies to motor carriers engaged in intrastate commerce.

(b) The commissioner shall prescribe rules for the operation of motor carriers, including their facilities; accounts; leasing of vehicles and drivers; service; safe operation of vehicles; equipment, parts, and accessories; hours of service of drivers; driver qualifications; accident reporting; identification of vehicles; installation of safety devices; inspection, repair, and maintenance; and proper automatic speed regulators if, in the opinion of the commissioner, there is a need for the rules.

(c) The commissioner shall direct the repair and reconstruction or replacement of an inadequate or unsafe motor carrier vehicle or facility. The commissioner may require the construction and maintenance or furnishing of suitable and proper freight terminals, passenger depots, waiting rooms, and accommodations or shelters in a city in this state or at a point on the highway traversed ~~which~~ that the commissioner, after investigation by the department, ~~may deem~~ deems just and proper for the protection of passengers or property.

~~(d) The commissioner shall require holders of household goods mover permits to file annual and other reports including annual accounts of motor carriers, schedules of rates and charges, or other data by motor carriers, regulate motor carriers in matters affecting the relationship between them and the traveling and shipping public, and prescribe other rules as may be necessary to carry out the provisions of this chapter.~~

~~(e) A motor carrier subject to paragraph (d) but having gross revenues from for hire transportation in a calendar year of less than \$200,000 may, at the discretion of the commissioner, be exempted from the filing of an annual report, if instead the motor carrier files an abbreviated annual report, in a form as may be prescribed by the commissioner, attesting that the motor carrier's gross revenues did not exceed \$200,000 in the previous calendar year. Motor carrier gross revenues from for hire transportation, for the purposes of this subdivision only, do not include gross revenues received from the operation of school buses as defined in section 169.01, subdivision 6.~~

~~(f) The commissioner shall enforce sections 169.781 to 169.783.~~

Sec. 9. Minnesota Statutes 2006, section 221.036, subdivision 1, is amended to read:

Subdivision 1. **Order.** The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) section 221.0255; (3) section 221.033, subdivision 2b; ~~(3) section 221.151; (4) section 221.171; (5) (4) section 221.141; or (6) (5) rules~~ of the commissioner relating to the transportation of hazardous waste, motor carrier operations, or insurance, ~~or tariffs and accounting~~. An order must be issued as provided in this section.

Sec. 10. Minnesota Statutes 2006, section 221.036, subdivision 3, is amended to read:

Subd. 3. **Amount of penalty; considerations.** (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of ~~section 221.021; 221.141; 221.151; or 221.171, or rules of the commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified under subdivision 1, except for rules of the commissioner relating to the transportation of hazardous waste or as otherwise provided under paragraph (b),~~ identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section 221.033, subdivision 2b, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

(d) The commissioner shall assess a penalty of not less than \$1,000 against a driver who is convicted of a violation of an out-of-service order. The commissioner shall assess a penalty of not more than \$10,000 against an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order.

Sec. 11. Minnesota Statutes 2006, section 221.131, is amended to read:

221.131 CARRIER ANNUAL VEHICLE REGISTRATION; FEES, IDENTIFICATION CARD FOR MOTOR CARRIERS OF PASSENGERS.

Subdivision 1. **Permit Registration renewal.** ~~Permits~~ Certificates of registration issued ~~under section 221.121 to a motor carrier of passengers under section 221.0252~~ are effective for a 12-month period. A ~~permit~~ certificate of registration holder ~~must~~ shall renew the ~~permit~~ certificate annually by registration of the vehicles operated under authority of that ~~permit as required by subdivision 2~~ certificate. A ~~permit~~ certificate holder has one annual renewal date encompassing all of the ~~permits~~ certificates held by the holder.

Subd. 2. **Annual vehicle registration; fee.** (a) ~~This subdivision applies only to holders of household goods mover permits and motor carriers of passengers.~~

(b) A ~~permit holder or~~ motor carrier of passengers shall pay an annual registration fee of \$75 on each vehicle, including pickup and delivery vehicles, operated by the carrier under authority of the ~~permit or~~ certificate of registration during the 12-month period or fraction of the 12-month period. Trailers and semitrailers used by a ~~permit~~ certificate holder in combination with power units may not be counted as vehicles in the computation of fees under this section if the permit holder pays the fees for power units.

~~(e)~~ (b) The commissioner shall furnish a distinguishing annual identification card for each vehicle or power unit for which a fee has been paid. The identification card must at all times be carried in the vehicle or power unit to which it has been assigned. An identification card may be reassigned to another vehicle or power unit upon application of the carrier and payment of a transfer fee of \$10. An identification card issued under this section is valid only for the period for which the ~~permit or~~ certificate of registration is effective.

~~(d)~~ (c) A fee of \$10 is charged for the replacement of an unexpired identification card that has been lost.

~~(e)~~ (d) The proceeds of the fees collected under this subdivision must be deposited in the trunk highway fund.

~~Subd. 2a. **Vehicle identification.** The permit holder must be identified on the power unit of each registered vehicle operated under the permit. Vehicles must show the name or the "doing business as" name of the permit holder operating the vehicle and the community and abbreviation of the state in which the permit holder maintains its principal office or in which the vehicle is customarily based. If the permit holder operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the operating permit holder appears on the vehicle, the words "operated by" must immediately precede the name of the permit holder. The name and address must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle is stationary, and be maintained in a manner that retains the legibility of the markings. The name and address may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.~~

~~Subd. 3. **Certificate carrier; annual vehicle registration.** Certificated passenger carriers shall pay an annual registration fee of \$40 for each vehicle, including pickup and delivery vehicles, operated during a calendar year. The commissioner shall issue distinguishing identification cards as provided in subdivision 2.~~

Subd. 4. **Floater card; fee.** The department may issue to carriers subject to subdivision 2 ~~or 3~~ special "floater" identification cards up to a maximum of five per motor carrier. Floater cards may be freely transferred between vehicles that have evidence of being inspected under section 221.0252, subdivision 3, paragraph (a), clause (2), within the previous 12 months, or have a current Commercial Vehicle Safety Alliance decal, and that are used under short-term leases by the motor carrier. The motor carrier shall pay a fee of \$100 for each floater card issued.

Subd. 5. **Limitation.** The provisions of this section are limited by applicable federal law.

Sec. 12. Minnesota Statutes 2006, section 221.132, is amended to read:

221.132 PREPAID TEMPORARY VEHICLE IDENTIFICATION CARD.

For special or extraordinary events, the commissioner may issue a prepaid temporary vehicle identification card to a ~~permit or~~ certificate holder subject to section 221.131, subdivision 2 ~~or 3~~, for a fee of \$5 per card. The card must be preprinted by the commissioner with the carrier's name, address, and ~~permit or~~ certificate number. The card may be used by the motor carrier to whom it is issued to identify a vehicle temporarily added to its fleet, if the vehicle has evidence of being inspected under section 221.0252, subdivision 3, paragraph (a), clause (2), within the previous 12 months, or has a current Commercial Vehicle Safety Alliance decal. The card must be executed by the motor carrier by dating and signing the card and describing the vehicle in which it will be carried. The identification card is valid for a period of ten days from the date the motor carrier places on the card when the card is executed. The card must be used within one year from the date of issuance by the commissioner. The card may not be used if the ~~permit or~~ certificate is not in full force and effect. The card may not be transferred. The commissioner may not refund the cost of unused prepaid temporary vehicle identification cards.

Sec. 13. Minnesota Statutes 2006, section 221.141, subdivision 4, is amended to read:

Subd. 4. **Household goods ~~mover~~ motor carrier.** A household goods ~~mover~~ motor carrier shall maintain in effect cargo insurance or cargo bond in the amount of \$50,000 and shall file with the commissioner a cargo certificate of insurance or cargo bond. A cargo certificate of insurance must conform to Form H, Uniform Motor Cargo Certificate of Insurance, described in Code of Federal Regulations, title 49, part 1023. A cargo bond must conform to Form J, described in Code of Federal Regulations, title 49, part 1023. Both Form H and Form J are incorporated by reference. The cargo certificate of insurance or cargo bond must be issued in the full and correct name of the person, corporation, or partnership to whom the ~~household goods mover permit certificate of registration~~ was issued and whose operations are being insured.

Sec. 14. Minnesota Statutes 2006, section 221.185, is amended to read:

221.185 OPERATING AUTHORITY; SUSPENSION, CANCELLATION.

Subdivision 1. **~~Grounds~~ Order for suspension.** Despite the provisions of section 221.021, a ~~household goods mover permit or a motor carrier certificate of registration issued under section 221.0251 or, 221.0252, or 221.0253~~ is suspended without a hearing, by order of the commissioner, if the ~~permit certificate~~ holder or carrier fails to:

(1) maintain and file with the commissioner, the insurance or bond required by section 221.141 and rules adopted under that section ~~or the carrier or permit holder fails to;~~

(2) pay annual vehicle registration fees ~~or renew permits as required by section 221.131; or the permit holder or carrier fails to; or~~

(3) pay an administrative penalty under section 221.036.

Subd. 2. **Notice of suspension.** (a) Failure to file and maintain insurance, ~~renew permits under section 221.131, or to pay annual vehicle registration fees or renew permits under section 221.131 or 221.296, or to maintain in good standing a protective agent's or private detective's license required under section 221.121, subdivision 6g, or 221.153, subdivision 3,~~ suspends a motor carrier's ~~permit or~~ certificate two days after the commissioner sends notice of the suspension by certified mail, return receipt requested, to the last known address of the motor carrier.

(b) In order to avoid permanent cancellation of the ~~permit or~~ certificate, the motor carrier must do one of the following within 45 days from the date of suspension:

(1) comply with the law by filing insurance or bond, ~~renewing permits,~~ or paying vehicle registration fees; or

(2) request a hearing before the commissioner regarding the failure to comply with the law.

Subd. 2a. **Notice of suspension; effective date.** The commissioner shall issue a notice of suspension if one of the conditions described in subdivision 1 occurs. The notice must give the reason for suspension and must be sent to the last known address of the carrier by certified mail, return receipt requested. A suspension is effective two days after a notice is mailed.

Subd. 3. **Suspension rescission.** If the motor carrier complies with the requirements of this chapter within 45 days after the date of suspension and pays the required fees, including a late vehicle registration fee of \$5 for each vehicle registered, the commissioner shall rescind the suspension unless the carrier's registration has expired. If a registered carrier fails to comply within one year of the effective date of a suspension, the carrier's registration is canceled.

Subd. 3a. **Hearing.** If the motor carrier requests a hearing within 45 days after the date of suspension, the commissioner shall review the suspension and:

(1) determine that the carrier has complied with the law and rescind the suspension;

(2) for just cause, grant an extension which must not exceed 20 days; or

(3) schedule a hearing to ascertain whether the carrier has failed to comply with the law. If it is determined after the hearing that the carrier has failed to comply with the law, the commissioner shall cancel the carrier's suspended ~~permit or~~ certificate.

Subd. 4. **Grounds for cancellation.** Except as provided in subdivision 5a, failure to comply with the requirements of ~~sections section~~ 221.141 ~~and 221.296~~ relating to bonds and insurance, ~~221.131 relating to permit renewal, 221.131 or 221.296~~ relating to annual vehicle registration or ~~permit renewal, 221.121, subdivision 6g, or 221.153, subdivision 3, relating to protective agent or private detective licensure,~~ or to request a hearing within 45 days of the date of suspension, is deemed an abandonment of the motor carrier's ~~permit or~~ certificate and the ~~permit or~~ certificate must be canceled by the commissioner.

Subd. 5. **Notice of cancellation.** The commissioner shall notify the motor carrier by certified mail, return receipt requested, that the ~~permit or~~ certificate is canceled effective on the date of mailing the notice of cancellation.

Subd. 5a. **Reinstatement after cancellation.** A motor carrier whose permit or certificate is canceled for failure to comply with ~~sections section~~ 221.141 ~~and 221.296~~ relating to bonds and insurance may ask the commissioner to review the cancellation. Upon review, the commissioner shall rescind the cancellation if (1) the motor carrier presents evidence showing that before the effective date of the notice of cancellation issued under subdivision 5, the motor carrier had obtained and paid for the insurance required by ~~sections section~~ 221.141 ~~and 221.296~~, and the rules of the commissioner, and (2) the commissioner is satisfied that the motor carrier has complied with the requirements of ~~sections section~~ 221.141 ~~and 221.296~~ and the rules of the commissioner.

Subd. 9. **New petition.** If the holder of a canceled ~~permit or~~ certificate seeks authority to operate as a motor carrier ~~it, the holder~~ shall file a petition with the commissioner ~~for a permit or certificate as provided in section 221.121 or 221.296, whichever is applicable.~~

Sec. 15. Minnesota Statutes 2006, section 221.221, subdivision 3, is amended to read:

Subd. 3. **Delegated powers.** Representatives of the department to whom authority has been delegated by the commissioner for the purpose of enforcing sections 169.781 to 169.783 ~~and 221.171~~ and the rules, orders, or directives of the commissioner adopted or issued under those sections, and for no other purpose, ~~shall~~ have the powers conferred by law upon police officers. The representatives of the department have the power to inspect records, logs, freight bills, bills of lading, or other documents, which may provide evidence to determine compliance with sections 169.781 to 169.783 ~~and 221.171~~.

Sec. 16. Minnesota Statutes 2006, section 221.291, subdivision 4, is amended to read:

Subd. 4. **Operating without registration or permit.** A person who operates a motor carrier without first registering under section 221.0251 ~~or, 221.0252, or who operates as a household goods mover without having obtained the necessary permit, 221.0253~~ is guilty of a misdemeanor, and upon conviction ~~shall~~ must be fined not less than the maximum fine ~~which that~~ may be imposed for a misdemeanor for each violation.

Sec. 17. REVISION OF RULES.

The commissioner of transportation shall repeal, amend, and adopt revisions to rules relating to household goods contained in Minnesota Rules, chapters 7800 and 7805, and may use the expedited process for adopting rules under Minnesota Statutes, section 14.389.

Sec. 18. INSTRUCTION TO REVISOR.

The revisor of statutes shall change the phrase "sections 221.011 to 221.296" to read "this chapter" where found in Minnesota Statutes, sections 221.021, subdivision 1; 221.022; and 221.091, subdivision 1.

Sec. 19. REPEALER.

Minnesota Statutes 2006, sections 174.65; 221.011, subdivisions 24, 25, 28, 29, 38, 39, 41, 44, and 45; 221.0252, subdivision 7; 221.072; 221.111; 221.121; 221.122; 221.123; 221.131, subdivisions 2a and 3; 221.141, subdivision 6; 221.151; 221.152; 221.153, subdivisions 1 and 2; 221.161; 221.171; 221.172, subdivisions 3, 4, 5, 6, 7, and 8; and 221.296, subdivisions 3, 4, 5, 6, 7, and 8, are repealed."

Delete the title and insert:

"A bill for an act relating to transportation; modifying or adding provisions relating to highways, motor vehicles, traffic regulations, drivers' licenses, transit, railroads, motor carriers, and other transportation-related programs or activities; imposing penalties; requiring reports; amending Minnesota Statutes 2006, sections 86B.825, subdivision 5; 123B.88, subdivision 3; 161.081, subdivision 3, as amended, by adding subdivisions; 168.011, subdivision 7; 168.012, subdivision 1; 168.013, subdivision 1e; 168.021, subdivisions 1, 2; 168.09, subdivision 7; 168.185; 168A.03, subdivision 1; 168A.05, subdivision 9; 168B.051, subdivision 2; 168B.06, subdivisions 1, 3; 168B.07, by adding subdivisions; 168B.08, subdivision 1; 168B.087, subdivision 1; 169.01, subdivisions 55, 76, by adding subdivisions; 169.18, subdivisions 1, 5, by adding a subdivision; 169.224; 169.67, subdivision 3; 169.781, subdivisions 1, 2, 5; 169.79; 169.801; 169.82, subdivision 3; 169.826, subdivision 1a; 169.85, subdivision 1; 169.86, by adding a subdivision; 169A.03, subdivision 23; 171.01, subdivisions 35, 46; 171.02, by adding a subdivision; 171.03; 171.055, subdivisions 1, 2; 171.0701; 171.13, by adding a subdivision; 171.165, subdivision 2; 171.321, subdivision 1; 174.02, subdivision 2; 174.03, subdivision 1; 174.24, by adding a subdivision; 174.64, subdivisions 2, 4; 174.66; 221.011, subdivisions 8, 23, by adding subdivisions; 221.025; 221.026; 221.031, subdivision 1; 221.0314, subdivision 9a; 221.036, subdivisions 1, 3; 221.131; 221.132; 221.141, subdivision 4; 221.185; 221.221, subdivision 3; 221.291, subdivision 4; 299D.03, subdivision 1; 299D.06; 473.1465, by adding a subdivision; 473.388, subdivision 2; Minnesota Statutes 2007 Supplement, sections 168.017, subdivision 3; 169.443, subdivision 9; 171.02, subdivision 2; Laws 2002, chapter 393, section 85; Laws 2008, chapter 152, article 2, sections 1; 3, subdivision 2; article 3, sections 1; 6; 8; article 6, section 7; proposing coding for new law in Minnesota Statutes, chapters 123B; 169; 171; 174; 219; 221; repealing Minnesota Statutes 2006, sections 168B.087, subdivision 2; 169.145; 174.65; 221.011, subdivisions 24, 25, 28, 29, 38, 39, 41, 44, 45; 221.0252, subdivision 7; 221.072; 221.111; 221.121; 221.122; 221.123; 221.131, subdivisions 2a, 3; 221.141, subdivision 6; 221.151; 221.152; 221.153, subdivisions 1, 2; 221.161; 221.171; 221.172, subdivisions 3, 4, 5, 6, 7, 8; 221.296, subdivisions 3, 4, 5, 6, 7, 8."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3902, A bill for an act relating to agriculture; changing an appropriation; amending Laws 2007, chapter 45, article 1, section 3, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

AGRICULTURE POLICY

Section 1. **[17.118] LIVESTOCK INVESTMENT GRANT PROGRAM.**

Subdivision 1. **Establishment.** The commissioner may award a livestock investment grant to a person who raises livestock in this state equal to ten percent of the first \$500,000 of qualifying expenditures, provided the person makes qualifying expenditures of at least \$4,000. The commissioner may award multiple livestock investment grants to a person over the life of the program as long as the cumulative amount does not exceed \$50,000.

Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Livestock" means beef cattle, dairy cattle, swine, poultry, goats, mules, farmed cervidae, ratitae, bison, sheep, and llamas.

(c) "Qualifying expenditures" means the amount spent for:

(1) the acquisition, construction, or improvement of buildings or facilities for the production of livestock or livestock products;

(2) the development of pasture for use by livestock including, but not limited to, the acquisition, development, or improvement of:

(i) raceways used by dairy cows returning from pasture to a central location for milking;

(ii) watering systems for livestock on pasture including water lines and booster pumps and well installations; and

(iii) livestock stream crossing stabilization; or

(3) the acquisition of equipment for livestock housing, confinement, feeding, and waste management including, but not limited to, the following:

(i) freestall barns;

(ii) watering facilities;

(iii) feed storage and handling equipment;

(iv) milking parlors;

(v) robotic equipment;

(vi) scales;

(vii) milk storage and cooling facilities;

(viii) bulk tanks;

(ix) computer hardware and software and associated equipment used to monitor the productivity and feeding of livestock;

(x) manure pumping and storage facilities;

(xi) swine farrowing facilities;

(xii) swine and cattle finishing barns;

(xiii) calving facilities;

(xiv) digesters;

(xv) equipment used to produce energy;

(xvi) on-farm processing facilities and equipment; and

(xvii) fences.

Except for qualifying pasture development expenditures under clause (2), qualifying expenditures only include amounts that are allowed to be capitalized and deducted under either section 167 or 179 of the Internal Revenue Code in computing federal taxable income. Qualifying expenditures do not include an amount paid to refinance existing debt.

(d) "Qualifying period" means, for a grant awarded during a fiscal year, that full calendar year of which the first six months precede the first day of the current fiscal year. For example, an eligible person who makes qualifying expenditures during calendar year 2008 is eligible to receive a livestock investment grant between July 1, 2008, and June 30, 2009.

Subd. 3. **Eligibility.** (a) To be eligible for a livestock investment grant, a person must:

(1) be a resident of Minnesota or an entity authorized to farm in this state under section 500.24, subdivision 3;

(2) be the principal operator of the farm;

(3) hold an appropriate feedlot registration; and

(4) apply to the commissioner on forms prescribed by the commissioner including a statement of the qualifying expenditures made during the qualifying period along with any proof or other documentation the commissioner may require.

(b) The \$50,000 maximum grant applies at the entity level for partnerships, S corporations, C corporations, trusts, and estates as well as at the individual level. In the case of married individuals, the grant is limited to \$50,000 for a married couple.

Subd. 4. **Process.** The commissioner shall review completed applications and award grants to eligible applicants in the order in which applications were received by the commissioner. The commissioner shall certify eligible applications up to the amount appropriated for a fiscal year. The commissioner must place any additional eligible applications on a waiting list and, notwithstanding subdivision 2, paragraph (c), give them priority during the next fiscal year. The commissioner shall notify in writing any applicant who applies for a grant and is ineligible under the provisions of this section as well as any applicant whose application is received or reviewed after the fiscal year funding limit has been reached.

Subd. 5. **Livestock investment grant account.** A livestock investment grant account is hereby established in the agricultural fund to receive general fund appropriations and money transferred from other accounts. Any interest earned on money in the account accrues to the account. Money in the account is appropriated to the commissioner for the purposes of the livestock investment grant program, including costs incurred to administer the program.

Sec. 2. Minnesota Statutes 2007 Supplement, section 18B.065, subdivision 1, is amended to read:

Subdivision 1. **Collection and disposal.** The commissioner of agriculture shall establish and operate a program to collect and dispose of waste pesticides. The program must be made available to ~~agriculture~~ agricultural and residential pesticide end users whose waste generating activity occurs in this state.

EFFECTIVE DATE. This section is effective July 1, 2008, and applies to all cooperative agreements entered into by the commissioner of agriculture and local units of government for waste pesticide collection and disposal after that date.

Sec. 3. Minnesota Statutes 2006, section 18B.065, subdivision 2, is amended to read:

Subd. 2. **Implementation.** (a) The commissioner may obtain a United States Environmental Protection Agency hazardous waste identification number to manage the waste pesticides collected.

(b) The commissioner may not limit the type and quantity of waste pesticides accepted for collection and may not assess pesticide end users for portions of the costs incurred.

Sec. 4. Minnesota Statutes 2007 Supplement, section 18B.065, subdivision 2a, is amended to read:

Subd. 2a. **Disposal site requirement.** (a) For agricultural waste pesticides, the commissioner must designate a place in each county of the state that is available at least every other year for persons to dispose of unused portions of agricultural pesticides in accordance with subdivision 4. The commissioner shall consult with the person responsible for solid waste management and disposal in each county to determine an appropriate location and to advertise each collection event.

(b) For residential waste pesticides, the commissioner must provide periodic disposal opportunities each year in each county. As provided under subdivision 7, the commissioner may enter into agreements with county or regional solid waste management entities to provide these collections and shall provide these entities with funding for all costs incurred including, but not limited to, related supplies, transportation, advertising, and disposal costs as well as reasonable overhead costs.

(c) The person responsible for waste pesticide collections under paragraphs (a) and (b) shall record information on each waste pesticide product collected including, but not limited to, the product name, active ingredient or ingredients, and the quantity. The person must submit this information to the commissioner at least annually.

EFFECTIVE DATE. This section is effective July 1, 2008, and applies to all cooperative agreements entered into by the commissioner of agriculture and local units of government for waste pesticide collection and disposal after that date.

Sec. 5. Minnesota Statutes 2006, section 18B.065, subdivision 7, is amended to read:

Subd. 7. **Cooperative agreements.** The commissioner may enter into cooperative agreements with state agencies and local units of government for administration of the waste pesticide collection program. The commissioner shall ensure that the program is carried out in all counties. If the commissioner cannot contract with another party to administer the program in a county, the commissioner shall perform collections according to the provisions of this section.

Sec. 6. Minnesota Statutes 2006, section 18B.07, subdivision 2, is amended to read:

Subd. 2. **Prohibited pesticide use.** (a) A person may not use, store, handle, distribute, or dispose of a pesticide, rinsate, pesticide container, or pesticide application equipment in a manner:

- (1) that is inconsistent with a label or labeling as defined by FIFRA;
- (2) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife; or
- (3) that will cause unreasonable adverse effects on the environment.

(b) A person may not direct a pesticide onto property beyond the boundaries of the target site. A person may not apply a pesticide resulting in damage to adjacent property.

(c) A person may not directly apply a pesticide on a human by overspray or target site spray, except when:

- (1) the pesticide is intended for use on a human;
- (2) the pesticide application is for mosquito control operations;

(3) the pesticide application is for control of gypsy moth, forest tent caterpillar, or other pest species, as determined by the commissioner, and the pesticide used is a biological agent; or

(4) the pesticide application is for a public health risk, as determined by the commissioner of health, and the commissioner of health, in consultation with the commissioner of agriculture, determines that the application is warranted based on the commissioner's balancing of the public health risk with the risk that the pesticide application poses to the health of the general population, with special attention to the health of children.

(d) For pesticide applications under paragraph (c), clause (2), the following conditions apply:

- (1) no practicable and effective alternative method of control exists;
- (2) the pesticide is among the least toxic available for control of the target pest; and

(3) notification to residents in the area to be treated is provided at least 24 hours before application through direct notification, posting daily on the treating organization's Web site, if any, and by sending a broadcast e-mail to those persons who request notification of such, of those areas to be treated by adult mosquito control techniques during the next calendar day. For control operations related to human disease, notice under this paragraph may be given less than 24 hours in advance.

(e) For pesticide applications under paragraph (c), clauses (3) and (4), the following conditions apply:

(1) no practicable and effective alternative method of control exists;

(2) the pesticide is among the least toxic available for control of the target pest; and

(3) notification of residents in the area to be treated is provided by direct notification and through publication in a newspaper of general circulation within the affected area.

(f) For purposes of this subdivision, "direct notification" may include mailings, public meetings, posted placards, neighborhood newsletters, or other means of contact designed to reach as many residents as possible. Public meetings held to meet this requirement for adult mosquito control, under paragraph (d), must be held within each city or town where the pesticide treatments are to be made, at a time and location that is convenient for residents of the area where the treatments will occur.

(g) A person may not apply a pesticide in a manner so as to expose a worker in an immediately adjacent, open field.

(h) Except for public health purposes, it is a violation of this chapter to apply for hire a pesticide to the incorrect site or to a site where an application has not been requested, ordered, or contracted for by the property owner or lawful manager or property manager of the site, notwithstanding that the application is done in a manner consistent with the label or labeling.

Sec. 7. Minnesota Statutes 2007 Supplement, section 18B.26, subdivision 3, is amended to read:

Subd. 3. **Application fee.** (a) A registrant shall pay an annual application fee for each pesticide to be registered, and this fee is set at 0.4 percent of annual gross sales within the state and annual gross sales of pesticides used in the state, with a minimum nonrefundable fee of \$250. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the application fee in this paragraph if the registrant properly documents the sale location and distributors. A registrant paying more than the minimum fee shall pay the balance due by March 1 based on the gross sales of the pesticide by the registrant for the preceding calendar year. The fee for disinfectants and sanitizers shall be the minimum. The minimum fee is due by December 31 preceding the year for which the application for registration is made. ~~The commissioner shall spend at least \$400,000, not including the commissioner's administrative costs, per fiscal year from the pesticide regulatory account for the purposes of the waste pesticide collection program.~~ In each fiscal year, the commissioner shall allocate from the pesticide regulatory account a sum sufficient to collect and dispose of waste pesticides under section 18B.065. However, notwithstanding section 18B.065, if at the end of any fiscal year the balance in the pesticide regulatory account is less than \$1,000,000, the commissioner may suspend waste pesticide collections or provide partial payment to a person for waste pesticide collection. The commissioner must notify as soon as possible and no later than August 1 a person under contract to collect waste pesticides of an anticipated suspension or payment reduction.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

(c) A registrant must annually report to the commissioner the amount and type of each registered pesticide sold, offered for sale, or otherwise distributed in the state. The report shall be filed by March 1 for the previous year's registration. The commissioner shall specify the form of the report and require additional information deemed necessary to determine the amount and type of pesticides annually distributed in the state. The information required shall include the brand name, amount, and formulation of each pesticide sold, offered for sale, or otherwise distributed in the state, but the information collected, if made public, shall be reported in a manner which does not identify a specific brand name in the report.

(d) A registrant who is required to pay more than the minimum fee for any pesticide under paragraph (a) must pay a late fee penalty of \$100 for each pesticide application fee paid after March 1 in the year for which the license is to be issued.

EFFECTIVE DATE. This section is effective July 1, 2008, and applies to all cooperative agreements entered into by the commissioner of agriculture and local units of government for waste pesticide collection and disposal after that date.

Sec. 8. Minnesota Statutes 2006, section 18D.305, subdivision 2, is amended to read:

Subd. 2. **Revocation and suspension.** (a) The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant or renew a registration, permit, license, or certification if a person violates a provision of this chapter or has a history within the last three years of violations of this chapter.

(b) The commissioner may refuse to accept an application for a registration, permit, license, or certification, and may revoke or suspend a previously issued registration, permit, license, or certification of a person from another state if that person has:

(1) had a registration, permit, license, or certification denied, revoked, or suspended by another state for an offense reasonably related to the requirements, qualifications, or duties of a registration, permit, license, or certification issued under chapter 18B or 18C; or

(2) been convicted of a violation, had a history of violations, or been subject to a final order imposing civil penalties authorized under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), as amended.

Sec. 9. Minnesota Statutes 2006, section 18E.04, subdivision 2, is amended to read:

Subd. 2. **Payment of corrective action costs.** (a) On request by an eligible person, the board may pay the eligible person for the reasonable and necessary cash disbursements for corrective action costs incurred by the eligible person as provided under subdivision 4 if the board determines:

(1) the eligible person pays the first \$1,000 of the corrective action costs;

(2) the eligible person provides the board with a sworn affidavit and other convincing evidence that the eligible person is unable to pay additional corrective action costs;

(3) the eligible person continues to assume responsibility for carrying out the requirements of corrective action orders issued to the eligible person or that are in effect;

(4) the incident was reported as required in chapters 18B, 18C, and 18D; and

(5) the eligible person submits an application for payment or reimbursement to the department, along with associated invoices, within three years of (i) ~~incurring eligible corrective action costs~~ performance of the eligible work, or (ii) approval of ~~a~~ the related corrective action design or plan for that work, whichever is later.

(b) The eligible person must submit an application for payment or reimbursement of eligible cost incurred prior to July 1, 2001, no later than June 1, 2004.

(c) An eligible person is not eligible for payment or reimbursement and must refund amounts paid or reimbursed by the board if false statements or misrepresentations are made in the affidavit or other evidence submitted to the commissioner to show an inability to pay corrective action costs.

(d) The board may pay the eligible person and one or more designees by multiparty check.

Sec. 10. Minnesota Statutes 2006, section 28A.03, is amended by adding a subdivision to read:

Subd. 10. Vending machine. "Vending machine" means a self-service device that, upon insertion of a coin, paper currency, token, card, or key, dispenses unit servings of food in bulk or in packages without the necessity of replenishing the device between each vending operation.

Sec. 11. Minnesota Statutes 2006, section 28A.08, is amended to read:

28A.08 LICENSE FEES; PENALTIES.

Subdivision 1. **General.** License fees, penalties for late renewal of licenses, and penalties for not obtaining a license before conducting business in food handling that are set in this section apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter. The penalties may be waived by the commissioner. Fees for all new licenses must be based on the anticipated future gross annual food sales. If a firm is found to be operating for multiple years without paying license fees, the state may collect the appropriate fees and penalties for each year of operation.

Subd. 3. Fees effective July 1, 2003.

Type of food handler	License Fee Effective July 1, 2003	Penalties	
		Late Renewal	No License
1. Retail food handler			
(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$50	\$17	\$33
(b) Having under \$15,000 gross sales <u>or service</u> including food preparation or having \$15,000 to \$50,000 <u>gross sales or service</u> for the immediately previous license or fiscal year	\$77	\$25	\$51
(c) Having \$50,001 to \$250,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$155	\$51	\$102

(d) Having \$250,001 to \$1,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$276	\$91	\$182
(e) Having \$1,000,001 to \$5,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$799	\$264	\$527
(f) Having \$5,000,001 to \$10,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,162	\$383	\$767
(g) Having \$10,000,001 to \$15,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,376	\$454	\$908
(h) Having \$15,000,001 to \$20,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,607	\$530	\$1,061
(i) Having \$20,000,001 to \$25,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,847	\$610	\$1,219
(j) Having over \$25,000,001 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$2,001	\$660	\$1,321

2. Wholesale food handler

(a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year	\$57	\$19	\$38
(b) Having \$25,001 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$284	\$94	\$187
(c) Having \$250,001 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year	\$444	\$147	\$293
(d) Having \$250,001 to \$1,000,000 gross sales or service not covered under paragraph (c) for the immediately previous license or fiscal year	\$590	\$195	\$389
(e) Having \$1,000,001 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$769	\$254	\$508
(f) Having \$5,000,001 to \$10,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$920	\$304	\$607
(g) Having \$10,000,001 to \$15,000,000 gross sales or service for the immediately previous license or fiscal year	\$990	\$327	\$653
(h) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,156	\$381	\$763
(i) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,329	\$439	\$877

(j) Having over \$25,000,001 or more gross sales or service for the immediately previous license or fiscal year	\$1,502	\$496	\$991
3. Food broker	\$150	\$50	\$99
4. Wholesale food processor or manufacturer			
(a) Having gross sales <u>or service</u> of less than \$125,000 for the immediately previous license or fiscal year	\$169	\$56	\$112
(b) Having \$125,001 to \$250,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$392	\$129	\$259
(c) Having \$250,001 to \$1,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$590	\$195	\$389
(d) Having \$1,000,001 to \$5,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$769	\$254	\$508
(e) Having \$5,000,001 to \$10,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$920	\$304	\$607
(f) Having \$10,000,001 to \$15,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,377	\$454	\$909
(g) Having \$15,000,001 to \$20,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,608	\$531	\$1,061
(h) Having \$20,000,001 to \$25,000,000 gross sales or service for the immediately previous license or fiscal year	\$1,849	\$610	\$1,220
(i) Having \$25,000,001 to \$50,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,090	\$690	\$1,379
(j) Having \$50,000,001 to \$100,000,000 gross sales or service for the immediately previous license or fiscal year	\$2,330	\$769	\$1,538
(k) Having \$100,000,000 or more gross sales or service for the immediately previous license or fiscal year	\$2,571	\$848	\$1,697
5. Wholesale food processor of meat or poultry products under supervision of the U. S. Department of Agriculture			
(a) Having gross sales <u>or service</u> of less than \$125,000 for the immediately previous license or fiscal year	\$112	\$37	\$74
(b) Having \$125,001 to \$250,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$214	\$71	\$141
(c) Having \$250,001 to \$1,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$333	\$110	\$220

(d) Having \$1,000,001 to \$5,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$425	\$140	\$281
(e) Having \$5,000,001 to \$10,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$521	\$172	\$344
(f) Having over \$10,000,001 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$765	\$252	\$505
(g) Having \$15,000,001 to \$20,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$893	\$295	\$589
(h) Having \$20,000,001 to \$25,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,027	\$339	\$678
(i) Having \$25,000,001 to \$50,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,161	\$383	\$766
(j) Having \$50,000,001 to \$100,000,000 gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,295	\$427	\$855
(k) Having \$100,000,001 or more gross sales <u>or service</u> for the immediately previous license or fiscal year	\$1,428	\$471	\$942
6. Wholesale food processor or manufacturer operating only at the State Fair	\$125	\$40	\$50
7. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota Farmstead cheese	\$30	\$10	\$15
8. Nonresident frozen dairy manufacturer	\$200	\$50	\$75
9. Wholesale food manufacturer processing less than 700,000 pounds per year of raw milk	\$30	\$10	\$15
10. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer	\$50	\$15	\$25

Sec. 12. Minnesota Statutes 2006, section 28A.082, is amended by adding a subdivision to read:

Subd. 3. **Disaster areas.** If the governor declares a disaster in an area of the state, the commissioner of agriculture may waive the plan review fee and direct agency personnel to expedite the plan review process.

Sec. 13. Minnesota Statutes 2006, section 28A.09, subdivision 1, is amended to read:

Subdivision 1. **Annual fee; exceptions.** Every ~~coin-operated~~ food vending machine is subject to an annual state inspection fee of \$25 for each nonexempt machine except nut vending machines which are subject to an annual state inspection fee of \$10 for each machine, provided that:

(a) Food vending machines may be inspected by either a home rule charter or statutory city, or a county, but not both, and if inspected by a home rule charter or statutory city, or a county they shall not be subject to the state inspection fee, but the home rule charter or statutory city, or the county may impose an inspection or license fee of no more than the state inspection fee. A home rule charter or statutory city or county that does not inspect food vending machines shall not impose a food vending machine inspection or license fee.

(b) Vending machines dispensing only gum balls, hard candy, unsorted candy, or ice manufactured and packaged by another ~~shall be, and water dispensing machines serviced by a cashier, are~~ exempt from the state inspection fee, but may be inspected by the state. A home rule charter or statutory city may impose by ordinance an inspection or license fee of no more than the state inspection fee for nonexempt machines on the vending machines and water dispensing machines described in this paragraph. A county may impose by ordinance an inspection or license fee of no more than the state inspection fee for nonexempt machines on the vending machines and water dispensing machines described in this paragraph which are not located in a home rule charter or statutory city.

(c) Vending machines dispensing only bottled or canned soft drinks are exempt from the state, home rule charter or statutory city, and county inspection fees, but may be inspected by the commissioner or the commissioner's designee.

Sec. 14. Minnesota Statutes 2006, section 29.23, is amended to read:

29.23 GRADING.

Subdivision 1. **Grades, weight classes and standards for quality.** All eggs purchased on the basis of grade by the first licensed buyer shall be graded in accordance with grade and weight classes established by the commissioner. The commissioner shall establish, by rule, and from time to time, may amend or revise, grades, weight classes, and standards for quality. When grades, weight classes, and standards for quality have been fixed by the secretary of the Department of Agriculture of the United States, they ~~may~~ must be accepted and published by the commissioner as definitions or standards for eggs in interstate and intrastate commerce.

Subd. 2. **Equipment.** The commissioner shall also by rule provide for minimum plant and equipment requirements for candling, grading, handling and storing eggs, and shall define candling. Equipment in use by a wholesale food handler before July 1, 1991, that does not meet the design and fabrication requirements of this chapter may remain in use if it is in good repair, capable of being maintained in a sanitary condition, and capable of maintaining a temperature of 45 degrees Fahrenheit (7 degrees Celsius) or less.

Subd. 3. **Egg temperature.** Eggs must be held at a temperature not to exceed 45 degrees Fahrenheit (7 degrees Celsius) after being received by the egg handler except for cleaning, sanitizing, grading, and further processing when they must immediately be placed under refrigeration that is maintained at 45 degrees Fahrenheit (7 degrees Celsius) or below. Eggs offered for ~~retail~~ sale by a retail food handler must be held at a temperature not to exceed ~~45~~ 41 degrees Fahrenheit (7 degrees Celsius). Equipment in use prior to August 1, 1991, is not subject to this requirement. Shell eggs that have been frozen must not be offered for sale except as approved by the commissioner.

Subd. 4. **Vehicle temperature.** A vehicle used ~~for the transportation of~~ to transport shell eggs from a warehouse, retail store, candling and grading facility, or egg holding facility must have an ambient air temperature of 45 degrees Fahrenheit (7 degrees Celsius) or below.

Sec. 15. Minnesota Statutes 2006, section 31.05, is amended to read:

31.05 EMBARGOES AND CONDEMNATIONS.

Subdivision 1. **Definitions.** As used in this section, "animals" means cattle; swine; sheep; goats; poultry; farmed cervidae, as defined in section 35.153, subdivision 3; llamas, as defined in section 17.455, subdivision 2; ratitae, as defined in section 17.453, subdivision 3; equines; and other large domesticated animals.

Subd. 1a. Tag or notice. A duly authorized agent of the commissioner who finds or has probable cause to believe that any food, animal, or consumer commodity is adulterated or so misbranded as to be dangerous or fraudulent, or is in violation of section 31.131 shall affix to such article or animal a tag or other appropriate marking giving notice that such article or animal is, or is suspected of being, adulterated or misbranded and has been detained or embargoed, and warning all persons not to remove or dispose of such article or animal by sale or otherwise until permission for removal or disposal is given by such agent or the court. It shall be unlawful for any person to remove or dispose of such detained or embargoed article or animal by sale or otherwise without such permission.

Subd. 2. **Action for condemnation.** When an article or animal detained or embargoed under subdivision 1 has been found by such agent to be adulterated, or misbranded, the agent shall petition the district court in the county in which the article or animal is detained or embargoed for an order and decree for the condemnation of such article or animal. Any such agent who has found that an article or animal so detained or embargoed is not adulterated or misbranded, shall remove the tag or other marking.

Subd. 3. **Remedies.** If the court finds that a detained or embargoed article or animal is adulterated or misbranded, such article or animal shall, after entry of the decree, be destroyed at the expense of the claimant thereof, under the supervision of such agent, and all court costs and fees, and storage and other proper expenses, shall be taxed against the claimant of such article or animal or the claimant's agent; provided, that when the adulteration or misbranding can be corrected by proper labeling or processing of the article or animal, the court, after entry of the decree and after such costs, fees, and expenses have been paid and a good and sufficient bond, conditioned that such article or animal shall be so labeled or processed, has been executed, may by order direct that such article or animal be delivered to claimant thereof for such labeling or processing under the supervision of an agent of the commissioner. The expense of such supervision shall be paid by claimant. The article or animal shall be returned to the claimant and the bond shall be discharged on the representation to the court by the commissioner that the article or animal is no longer in violation and that the expenses of such supervision have been paid.

Subd. 4. **Duties of commissioner.** Whenever the commissioner or any of the commissioner's authorized agents shall find in any room, building, vehicle of transportation or other structure, any meat, seafood, poultry, vegetable, fruit, or other perishable articles of food which are unsound, or contain any filthy, decomposed, or putrid substance, or that may be poisonous or deleterious to health or otherwise unsafe, the same being hereby declared to be a nuisance, the commissioner, or the commissioner's authorized agent, shall forthwith condemn or destroy the same, or in any other manner render the same unsalable as human food, and no one shall have any cause of action against the commissioner or the commissioner's authorized agent on account of such action.

Subd. 5. **Emergency response.** In the event of an emergency declared by the governor's order under section 12.31, if the commissioner finds or has probable cause to believe that ~~a~~ livestock, food, or a consumer commodity within a specific area is likely to be adulterated because of the emergency or so misbranded as to be dangerous or fraudulent, or is in violation of section 31.131, subdivision 1, the commissioner may embargo a geographic area that is included in the declared emergency. The commissioner shall provide notice to the public and to those with custody of the product in as thorough a manner as is practical under the emergency circumstances.

Sec. 16. Minnesota Statutes 2006, section 31.171, is amended to read:

31.171 EMPLOYMENT OF DISEASED PERSON.

It shall be unlawful for any person to work in or about any place where any fruit or any food products are manufactured, packed, stored, deposited, collected, prepared, produced or sold, whose condition is such that disease may be spread to associates direct, or through the medium of milk, cream, butter, other food or food products, likely to be eaten without being cooked after handling, whether such condition be due to a contagious, ~~or infectious, or venereal~~ disease, in its active or convalescent stage, or to the presence of disease germs, whether accompanied by, or without, any symptoms of the disease itself.

It shall be the duty of the commissioner, or the commissioner's assistant, inspector, or agent, to report to the state commissioner of health for investigation, any person suspected to be dangerous to the public health, as provided for in this section, and immediately to exclude such person from such employment pending investigation and during the period of infectiousness, if such person is certified by the state commissioner of health, or an authorized agent, to be dangerous to the public health.

Sec. 17. Minnesota Statutes 2007 Supplement, section 31.175, is amended to read:

31.175 WATER, PLUMBING, AND SEWAGE.

A person who is required by statutes administered by the Department of Agriculture, or by rules adopted pursuant to those statutes, to provide a suitable water supply, or plumbing or sewage disposal system, ~~may~~ shall not engage in the business of manufacturing, processing, selling, handling, or storing food at wholesale or retail unless the person's water supply is satisfactory ~~under plumbing codes~~ pursuant to rules adopted by the Department of Health, the person's plumbing is satisfactory pursuant to rules adopted by the Department of Labor and Industry, and the person's sewage disposal system satisfies the rules of the Pollution Control Agency.

Sec. 18. **[32.416] SOMATIC CELL COUNT, GOAT MILK.**

Notwithstanding any federal standard incorporated by reference in this chapter, the maximum allowable somatic cell count for raw goat milk is 1,500,000 cells per milliliter.

Sec. 19. Minnesota Statutes 2007 Supplement, section 35.244, is amended to read:

35.244 RULES FOR CONTROL OF BOVINE TUBERCULOSIS.

Subdivision 1. **Designation of zones.** The board has the authority to control tuberculosis and the movement of cattle, bison, goats, and farmed cervidae within and between tuberculosis zones in the state. Zones within the state may be designated as accreditation preparatory, modified accredited, modified accredited advanced, or accredited free as those terms are defined in Code of Federal Regulations, title 9, part 77.

Subd. 2. **Control within modified accredited zone.** In a modified accredited zone, the board has the authority to:

(1) require owners of cattle, bison, goats, or farmed cervidae to report personal contact information and location of livestock to the board;

(2) require a permit or movement certificates for all cattle, bison, goats, and farmed cervidae moving between premises within the zone or leaving or entering the zone;

(3) require official identification of all cattle, bison, goats, and farmed cervidae within the zone or leaving or entering the zone;

(4) require a negative tuberculosis test within 60 days prior to movement for any individual cattle, bison, goats, or farmed cervidae leaving the zone with the exception of cattle moving under permit directly to a slaughter facility under state or federal inspection;

(5) require a whole-herd tuberculosis test within 12 months prior to moving breeding cattle out of the zone;

(6) require annual herd inventories on all cattle, bison, goat, or farmed cervidae herds;

(7) require that a risk assessment be performed to evaluate the interaction of free-ranging deer with cattle, bison, goat, and farmed cervidae herds and require the owner to implement the recommendations of the risk assessment; and

(8) provide financial assistance to a person who fences a cattle feeding area.

Subd. 3. Authority to adopt rules. The board may adopt rules to provide for the control of tuberculosis in cattle. The rules may include provisions for quarantine, tests, and such other measures as the board deems appropriate. Federal regulations, as provided by Code of Federal Regulations, title 9, part 77, and the Bovine Tuberculosis Eradication Uniform Methods and Rules, are incorporated as part of the rules in this state.

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

Sec. 20. Minnesota Statutes 2007 Supplement, section 41A.105, subdivision 2, is amended to read:

Subd. 2. NextGen Energy Board. There is created a NextGen Energy Board consisting of the commissioners of agriculture, commerce, natural resources, the Pollution Control Agency, and employment and economic development; the chairs of the house and senate committees with jurisdiction over energy finance; the chairs of the house and senate committees with jurisdiction over agriculture finance; one member of the second largest political party in the house, as appointed by the chairs of the house committees with jurisdiction over agriculture finance and energy finance; one member of the second largest political party in the senate, as appointed by the chairs of the senate committees with jurisdiction over agriculture finance and energy finance; and the executive director of the Agricultural Utilization Research Institute. In addition, the governor shall appoint ~~seven~~ eight members: two representing statewide agriculture organizations; two representing statewide environment and natural resource conservation organizations; one representing the University of Minnesota; one representing the Minnesota Institute for Sustainable Agriculture; ~~and one representing the Minnesota State Colleges and Universities system; and one representing the forest products industry.~~

Sec. 21. Minnesota Statutes 2006, section 41D.01, subdivision 4, is amended to read:

Subd. 4. Expiration. This section expires on June 30, ~~2008~~ 2013.

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

Sec. 22. Minnesota Statutes 2006, section 97A.028, subdivision 3, is amended to read:

Subd. 3. Emergency deterrent materials assistance. (a) For the purposes of this subdivision, "cooperative damage management agreement" means an agreement between a landowner or tenant and the commissioner that establishes a program for addressing the problem of destruction of the landowner's or tenant's specialty crops or stored forage crops by wild animals, or destruction of agricultural crops by flightless Canada geese.

(b) A landowner or tenant may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of the landowner's or tenant's specialty crops or stored forage crops by wild animals, or destruction of agricultural crops by flightless Canada geese. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials when the commissioner determines that:

(1) immediate action is necessary to prevent significant damage from continuing ~~or to prevent the spread of bovine tuberculosis~~; and

(2) a cooperative damage management agreement cannot be implemented immediately.

(c) A person may receive emergency deterrent materials assistance under this subdivision more than once, but the cumulative total value of deterrent materials provided to a person, or for use on a parcel, may not exceed \$3,000 for specialty crops, ~~\$5,000 for measures to prevent the spread of bovine tuberculosis within a five mile radius of a cattle herd that is infected with bovine tuberculosis as determined by the Board of Animal Health~~, \$750 for protecting stored forage crops, or \$500 for agricultural crops damaged by flightless Canada geese. If a person is a co-owner or cotenant with respect to the specialty crops for which the deterrent materials are provided, the deterrent materials are deemed to be "provided" to the person for the purposes of this paragraph.

(d) As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner or tenant shall enter into a cooperative damage management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. If requested by a landowner or tenant, any fencing materials provided must be capable of providing long-term protection of specialty crops. A landowner or tenant who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.

Sec. 23. Minnesota Statutes 2006, section 148.01, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of sections 148.01 to 148.10:

(1) "chiropractic" is defined as the science of adjusting any abnormal articulations of the human body, especially those of the spinal column, for the purpose of giving freedom of action to impinged nerves that may cause pain or deranged function; and

(2) "animal chiropractic diagnosis and treatment" means treatment that includes, but is not limited to, identifying and resolving vertebral subluxation complexes, spinal manipulation, and manipulation of the extremity articulations of nonhuman vertebrates. Animal chiropractic diagnosis and treatment does not include:

(i) performing surgery;

(ii) dispensing or administering of medications; or

(iii) performing traditional veterinary care and diagnosis.

Sec. 24. Minnesota Statutes 2006, section 148.01, is amended by adding a subdivision to read:

Subd. 1a. **Animal chiropractic practice.** A licensed chiropractor may engage in the practice of animal chiropractic diagnosis and treatment if registered to do so by the board.

Sec. 25. Minnesota Statutes 2006, section 148.01, is amended by adding a subdivision to read:

Subd. 1b. **Scope of practice; animal chiropractic.** Criteria for registration to engage in the practice of animal chiropractic diagnosis and treatment must be set by the board, and must include, but are not limited to: active chiropractic license; education and training in the field of animal chiropractic from an American Veterinary Chiropractic Association, International Veterinary Chiropractic Association, or higher institution-approved course consisting of no less than 210 hours, meeting continuing education requirements; and other conditions and rules set by the board.

Sec. 26. Minnesota Statutes 2006, section 148.01, is amended by adding a subdivision to read:

Subd. 1c. **Titles.** Notwithstanding the limitations established in section 156.12, subdivision 4, a doctor of chiropractic properly registered to provide chiropractic care to animals in accordance with this chapter and rules of the board may use the title "animal chiropractor."

Sec. 27. Minnesota Statutes 2006, section 148.01, is amended by adding a subdivision to read:

Subd. 1d. **Provisional interim statute.** Upon approval by the board, a licensed chiropractor who has already taken and passed the education and training requirement set forth in subdivision 1b may engage in the practice of animal chiropractic during the time that the rules are being promulgated by the board. Enforcement actions may not be taken against persons who have completed the approved program of study by the American Veterinary Chiropractic Association or the International Veterinary Chiropractic Association until the rules have been adopted by the board.

Sec. 28. **[148.032] EDUCATIONAL CRITERIA FOR LICENSURE IN ANIMAL CHIROPRACTIC DIAGNOSIS AND TREATMENT; RECORDS; TREATMENT NOTES.**

(a) The following educational criteria must be applied to any licensed chiropractor who requests registration in animal chiropractic diagnosis and treatment. The criteria must include education and training in the following subjects:

(1) anatomy;

(2) anatomy laboratory;

(3) biomechanics and gait;

(4) chiropractic educational basics;

(5) animal chiropractic diversified adjusting technique, including:

(i) lecture cervical;

(ii) thoracic;

(iii) lumbosacral;

(iv) pelvic; and

(v) extremity;

(6) animal chiropractic diversified adjusting technique, including:

(i) laboratory cervical;

(ii) thoracic;

(iii) lumbosacral;

(iv) pelvic; and

(v) extremity;

(7) case management and case studies;

(8) chiropractic philosophy;

(9) ethics and legalities;

(10) neurology, neuroanatomy, and neurological conditions;

(11) pathology;

(12) radiology;

(13) research in current chiropractic and veterinary topics;

(14) rehabilitation, current topics, evaluation, and assessment;

(15) normal foot anatomy and normal foot care;

(16) saddle fit and evaluation, lecture, and laboratory;

(17) veterinary educational basics;

(18) vertebral subluxation complex; and

(19) zoonotic diseases.

(b) A licensed chiropractor requesting registration in animal chiropractic diagnosis and treatment must have completed and passed a course of study from an American Veterinary Chiropractic Association, International Veterinary Chiropractic Association, or higher institution-approved program, consisting of no less than 210 hours of education and training as set forth in paragraph (a).

(c) A licensed chiropractor engaged in the practice of animal chiropractic diagnosis and treatment must maintain complete and accurate records and patient files in the chiropractor's office for at least three years.

(d) A licensed chiropractor engaged in the practice of animal chiropractic diagnosis and treatment must make treatment notes and records available to the patient's owner upon request and must communicate their findings and treatment plan with the referring veterinarian, or the animal's veterinarian if the animal has not been referred by a veterinarian.

Sec. 29. **[148.033] ANIMAL CHIROPRACTIC CONTINUING EDUCATION HOURS.**

Any chiropractor engaged in the practice of animal chiropractic diagnosis and treatment applying for renewal of a registration related to animal chiropractic diagnosis and treatment must have completed a minimum of six hours annually of continuing education in animal chiropractic diagnosis and treatment, in addition to the required 20 hours annually of continuing education in human chiropractic under this chapter. The continuing education course attended for purposes of complying with this section must be approved by the board prior to attendance by the chiropractor.

Sec. 30. Laws 2007, chapter 45, article 1, section 3, subdivision 3, is amended to read:

Subd. 3. Agricultural Marketing and Development	8,547,000	5,157,000
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\$186,000 the first year and \$186,000 the second year are for transfer to the Minnesota grown account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.102. Grants may be made for one year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2009, for Minnesota grown grants in this paragraph are available until June 30, 2011. \$50,000 of the appropriation in each year is for efforts that identify and promote Minnesota grown products in retail food establishments including but not limited to restaurants, grocery stores, and convenience stores. The balance in the Minnesota grown matching account in the agricultural fund is canceled to the Minnesota grown account in the agricultural fund and the Minnesota grown matching account is abolished.

\$160,000 the first year and \$160,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture as authorized in Minnesota Statutes, section 17.116. Of the amount for grants, up to \$20,000 may be used for dissemination of information about the demonstration projects. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2009, for sustainable agriculture grants in this paragraph are available until June 30, 2011.

\$100,000 the first year and \$100,000 the second year are to provide training and technical assistance to county and town officials relating to livestock siting issues and local zoning and land use planning, including a checklist template that would clarify the federal, state, and local government requirements for consideration of an animal agriculture modernization or expansion project. In developing the training and technical assistance program, the commissioner shall seek guidance, advice, and support of livestock producer organizations, general agricultural organizations, local government associations, academic institutions, other government agencies, and others with expertise in land use and agriculture.

\$103,000 the first year and \$106,000 the second year are for additional integrated pest management activities.

\$2,500,000 the first year is for the agricultural best management practices loan program. At least \$2,000,000 is available for pass-through to local governments and lenders for low-interest loans. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

\$1,000,000 the first year is for the agricultural best management practices loan program for capital equipment loans for persons using native, perennial cropping systems for energy or seed production. This appropriation is available until spent. * (The preceding text beginning "\$1,000,000 the first year" was indicated as vetoed by the governor.)

\$100,000 the first year and \$100,000 the second year are for annual cost-share payments to resident farmers or persons who sell, process, or package agricultural products in this state for the costs of organic certification. Annual cost-share payments per farmer must be two-thirds of the cost of the certification or \$350, whichever is less. In any year that a resident farmer or person who sells, processes, or packages agricultural products in this state receives a federal organic certification cost-share payment, that resident farmer or person is not eligible for state cost-share payments. A certified farmer is eligible to receive annual certification cost-share payments for up to five years. \$15,000 each year is for organic market and program development. The commissioner may allocate any excess appropriation in either fiscal year for organic producer education efforts, assistance for persons transitioning from conventional to organic agriculture, or sustainable agriculture demonstration grants authorized under Minnesota Statutes, section 17.116, and pertaining to organic research or demonstration. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

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

Sec. 31. Laws 2007, chapter 45, article 1, section 3, subdivision 4, is amended to read:

Subd. 4. Bioenergy and Value-Added Agricultural Products	19,918,000	15,168,000
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\$15,168,000 the first year and \$15,168,000 the second year are for ethanol producer payments under Minnesota Statutes, section 41A.09. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make payments on a pro rata basis. If the appropriation exceeds the total amount for which all producers are eligible in a fiscal year for scheduled payments and for deficiencies in payments during previous fiscal years, the balance in the

appropriation is available to the commissioner for value-added agricultural programs including the value-added agricultural product processing and marketing grant program under Minnesota Statutes, section 17.101, subdivision 5. The appropriation remains available until spent.

\$3,000,000 the first year is for grants to bioenergy projects. The NextGen Energy Board shall make recommendations to the commissioner on grants for owners of Minnesota facilities producing bioenergy, organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse stands of prairie plants and other perennials for bioenergy systems, or certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic material via gasification or other processes. The board must give priority to a bioenergy facility that is at least 60 percent owned and controlled by farmers, as defined in Minnesota Statutes, section 500.24, subdivision 2, paragraph (n), or natural persons residing in the county or counties contiguous to where the facility is located. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy production or \$500,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The board shall make a good faith effort to select projects that have merit and when taken together represent a variety of bioenergy technologies, biomass feedstocks, and geographic regions of the state. Projects must have a qualified engineer certification on the technology and fuel source. Grantees shall provide reports at the request of the commissioner and must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable. No later than February 1, 2009, the commissioner shall report on the projects funded under this appropriation to the house and senate committees with jurisdiction over agriculture finance. The commissioner's costs in administering the program may be paid from the appropriation. Any unencumbered balance does not cancel at the end of the first year and is available in the second year.

\$350,000 the first year is for grants to the Minnesota Institute for Sustainable Agriculture at the University of Minnesota to provide funds for on-station and on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse stands of prairie plants and other perennials for bioenergy systems including, but not limited to, multiple species selection and establishment, ecological management between planting and harvest, harvest technologies, financial and agronomic risk management, farmer goal setting and adoption of technologies,

integration of wildlife habitat into management approaches, evaluation of carbon and other benefits, and robust policies needed to induce farmer conversion on marginal lands. * (The preceding text beginning "\$350,000 the first year" was indicated as vetoed by the governor.)

\$200,000 the first year is for a grant to the Minnesota Turf Seed Council for basic and applied agronomic research on native plants, including plant breeding, nutrient management, pest management, disease management, yield, and viability. The grant recipient may subcontract with a qualified third party for some or all of the basic or applied research. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to a joint venture combined heat and power energy facility located in Scott or LeSueur County for the creation of a centrally located biomass fuel supply depot with the capability of unloading, processing, testing, scaling, and storing renewable biomass fuels. The grant must be matched by at least \$3 of nonstate funds for every \$1 of state funds. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$300,000 the first year is for a grant to the Bois Forte Band of Chippewa for a feasibility study of a renewable energy biofuels demonstration facility on the Bois Forte Reservation in St. Louis and Koochiching Counties. The grant shall be used by the Bois Forte Band to conduct a detailed feasibility study of the economic and technical viability of developing a multistream renewable energy biofuels demonstration facility on Bois Forte Reservation land to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$300,000 the first year is for a grant to the White Earth Band of Chippewa for a feasibility study of a renewable energy biofuels production, research, and production facility on the White Earth Reservation in Mahnomen County. The grant must be used by the White Earth Band and the University of Minnesota to conduct a detailed feasibility study of the economic and technical viability of

(1) developing a multistream renewable energy biofuels demonstration facility on White Earth Reservation land to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy, and (2) developing, harvesting, and marketing native prairie plants and seeds for bioenergy production. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to the Elk River Economic Development Authority for upfront engineering and a feasibility study of the Elk River renewable fuels facility. The facility must use a plasma gasification process to convert primarily cellulosic material, but may also use plastics and other components from municipal solid waste, as feedstock for the production of methanol for use in biodiesel production facilities. Any unencumbered balance in fiscal year 2008 does not cancel but is available for fiscal year 2009. Notwithstanding Minnesota Statutes, section 16A.285, the agency must not transfer this appropriation. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

\$200,000 the first year is for a grant to Chisago County to conduct a detailed feasibility study of the economic and technical viability of developing a multistream renewable energy biofuels demonstration facility in Chisago, Isanti, or Pine County to utilize existing forest resources, woody biomass, and cellulosic material to produce biofuels or bioenergy. Chisago County may expend funds to Isanti and Pine Counties and the University of Minnesota for any costs incurred as part of the study. The feasibility study must consider the capacity of: (1) the seed bank at Wild River State Park to expand the existing prairie grass, woody biomass, and cellulosic material resources in Chisago, Isanti, and Pine Counties; (2) willing and interested landowners in Chisago, Isanti, and Pine Counties to grow cellulosic materials; and (3) the Minnesota Conservation Corps, the sentence to serve program, and other existing workforce programs in east central Minnesota to contribute labor to these efforts. The grant recipient must actively participate in the Agricultural Utilization Research Institute's Renewable Energy Roundtable and no later than February 1, 2009, must report to the house and senate committees with jurisdiction over agriculture finance. This is a onetime appropriation and is available until spent.

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

Sec. 32. Laws 2007, chapter 45, article 1, section 3, subdivision 5, is amended to read:

Subd. 5. **Administration and Financial Assistance**

7,338,000

6,751,000

\$1,005,000 the first year and \$1,005,000 the second year are for continuation of the dairy development and profitability enhancement and dairy business planning grant programs established under Laws 1997, chapter 216, section 7, subdivision 2, and Laws 2001, First Special Session chapter 2, section 9, subdivision 2. The commissioner may allocate the available sums among permissible activities, including efforts to improve the quality of milk produced in the state in the proportions that the commissioner deems most beneficial to Minnesota's dairy farmers. The commissioner must submit a work plan detailing plans for expenditures under this program to the chairs of the house and senate committees dealing with agricultural policy and budget on or before the start of each fiscal year. If significant changes are made to the plans in the course of the year, the commissioner must notify the chairs.

\$50,000 the first year and \$50,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment.

\$19,000 the first year and \$19,000 the second year are for a grant to the Minnesota Livestock Breeders Association.

\$250,000 the first year and \$250,000 the second year are for grants to the Minnesota Agricultural Education Leadership Council for programs of the council under Minnesota Statutes, chapter 41D.

\$600,000 the first year is for grants for fertilizer research as awarded by the Minnesota Agricultural Fertilizer Research and Education Council under Minnesota Statutes, section 18C.71. ~~No later than February 1, 2009, The amount available to the commissioner pursuant to Minnesota Statutes, section 18C.70, subdivision 2, for administration of this activity is available until February 1, 2009, by which time~~ the commissioner shall report to the house and senate committees with jurisdiction over agriculture finance. The report must include the progress and outcome of funded projects as well as the sentiment of the council concerning the need for additional research funded through an industry checkoff fee.

\$465,000 the first year and \$465,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations shall be disbursed not later than July 15 of each year. These payments are the amount of aid owed by the state for an annual fair held in the previous calendar year.

\$65,000 the first year and \$65,000 the second year are for annual grants to the Minnesota Turf Seed Council for basic and applied research on the improved production of forage and turf seed related to new and improved varieties. The grant recipient may subcontract with a qualified third party for some or all of the basic and applied research.

\$500,000 the first year and \$500,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's six Second Harvest food banks for the purchase of milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Second Harvest food bank serving Minnesota according to the formula used in the distribution of United States Department of Agriculture commodities under The Emergency Food Assistance Program (TEFAP). Second Harvest Heartland must submit quarterly reports to the commissioner on forms prescribed by the commissioner. The reports must include, but are not limited to, information on the expenditure of funds, the amount of milk purchased, and the organizations to which the milk was distributed. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank receiving money from this appropriation may use up to two percent of the grant for administrative expenses.

\$100,000 the first year and \$100,000 the second year are for transfer to the Board of Trustees of the Minnesota State Colleges and Universities for mental health counseling support to farm families and business operators through farm business management programs at Central Lakes College and Ridgewater College.

\$18,000 the first year and \$18,000 the second year are for grants to the Minnesota Horticultural Society.

\$50,000 is for a grant to the University of Minnesota, Department of Horticultural Science, Enology Laboratory, to upgrade and purchase instrumentation to allow rapid and accurate measurement of enology components. This is a onetime appropriation and is available until expended.

Sec. 33. **INDUSTRIAL HEMP DEVELOPMENT AND REGULATION.**

(a) The Agricultural Utilization Research Institute, in consultation with the commissioner of agriculture shall create a detailed proposal for establishing industrial hemp as a cash crop option for Minnesota's agricultural producers. Commercial industrial hemp production would not be allowed and the commissioner would not promulgate any administrative rules until the United States Department of Justice, Drug Enforcement Administration, authorizes a person to commercially grow industrial hemp in the United States, at which time the commissioner shall evaluate industrial hemp laws in other states and propose a system of licensure and regulation that does not interfere with the strict regulation of controlled substances in this state.

(b) No later than January 15, 2009, the commissioner shall present the proposal in paragraph (a) to the house and senate committees with jurisdiction over agriculture and public safety policy and finance.

Sec. 34. **VIRAL HEMORRHAGIC SEPTICEMIA TESTING.**

The commissioners of agriculture, health, and natural resources shall form a work group and develop a plan for detecting and responding to the presence of the fish virus Viral Hemorrhagic Septicemia (VHS) in Minnesota. The plan must cover how the joint laboratory facility at the Departments of Agriculture and Health may be used to provide testing needed to diagnose and respond to VHS. No later than January 5, 2009, the commissioners shall present the plan to the chairs of the house and senate committees with jurisdiction over agriculture, health, and natural resources policy and finance.

Sec. 35. **REPEALER.**

Minnesota Statutes 2007 Supplement, section 41A.105, subdivision 5, is repealed.

ARTICLE 2

BIODIESEL FUEL CONTENT

Section 1. Minnesota Statutes 2006, section 239.77, as amended by Laws 2007, chapter 62, sections 3 and 4, is amended to read:

239.77 BIODIESEL CONTENT MANDATE.

Subdivision 1. **Biodiesel fuel.** "Biodiesel fuel" means a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural or other plant oils or animal fats ~~and~~; that meets American Society For Testing and Materials specification D6751-07 for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels; and that is manufactured by a person certified by the BQ-9000 National Biodiesel Accreditation Program.

Subd. 2. **Minimum content.** (a) Except as otherwise provided in this section, all diesel fuel sold or offered for sale in Minnesota for use in internal combustion engines must contain at least 2.0 percent the stated percentage of biodiesel fuel oil by volume on and after the following dates:

<u>(1) September 29, 2005</u>	<u>2 percent</u>
<u>(2) May 1, 2009</u>	<u>5 percent</u>
<u>(3) May 1, 2012</u>	<u>10 percent</u>
<u>(4) May 1, 2015</u>	<u>20 percent</u>

The minimum content levels in clauses (3) and (4) are effective during the months of April, May, June, July, August, September, and October only. The minimum content for the remainder of the year is five percent. However, if the commissioners of agriculture, commerce, and the Pollution Control Agency determine, after consultation with the Biodiesel Task Force and other technical experts, that an American Society for Testing and Materials specification or equivalent federal standard exists for the specified biodiesel blend level in those clauses that adequately addresses technical issues associated with Minnesota's cold weather and publish a notice in the State Register to that effect, the commissioners may allow the specified biodiesel blend level in those clauses to be effective year round.

(b) The minimum content levels in paragraph (a), clauses (3) and (4), become effective on the date specified only if the commissioners of agriculture, commerce, and the Pollution Control Agency publish notice in the State Register and provide written notice to the chairs of the house of representatives and senate committees with jurisdiction over agriculture, commerce, and transportation policy and finance, at least 270 days prior to the date of each scheduled increase, that all of the following conditions have been met and the state is prepared to move to the next scheduled minimum content level:

(1) an American Society for Testing and Materials specification or equivalent federal standard exists for the next minimum diesel-biodiesel blend;

(2) a sufficient supply of biodiesel is available and the amount of biodiesel produced in this state is equal to at least 50 percent of anticipated demand at the next minimum content level; and

(3) adequate blending infrastructure and regulatory protocol are in place in order to promote biodiesel quality and avoid any potential economic disruption.

(c) The commissioners of agriculture, commerce, and the Pollution Control Agency must consult with the Biodiesel Task Force when assessing and certifying conditions in paragraph (b), and in general must seek the guidance of the Biodiesel Task Force regarding biodiesel labeling, enforcement, and other related issues.

(d) During a period of biodiesel fuel shortage or a problem with biodiesel quality that negatively affects the availability of biodiesel fuel, the commissioner of commerce may temporarily suspend the minimum content requirements in this subdivision until there is sufficient biodiesel fuel, as defined in subdivision 1, available to fulfill the minimum content requirements.

(e) By February 1, 2012, and periodically thereafter, the commissioner of commerce shall determine the wholesale diesel price at various pipeline and refinery terminals in the region, and the biodiesel price at biodiesel plants in the region after any applicable per gallon federal tax credit is subtracted. The commissioner shall report wholesale price differences to the governor who, after consultation with the commissioners of commerce and agriculture, may by executive order adjust the biodiesel mandate if a price disparity reported by the commissioner will cause economic hardship to retailers of diesel fuel in this state. Any adjustment must be for a specified period of time, after which the percentage of biodiesel fuel to be blended into diesel fuel returns to the amount required in this subdivision. The biodiesel mandate must not be adjusted to less than five percent.

Subd. 3. **Exceptions.** (a) The minimum content ~~requirement~~ requirements of subdivision 2 ~~does~~ do not apply to fuel used in the following equipment:

(1) motors located at an electric generating plant regulated by the Nuclear Regulatory Commission;

(2) railroad locomotives; ~~and~~

(3) off-road taconite and copper mining equipment and machinery;

(4) off-road logging equipment and machinery; and

(5) vehicles and equipment used exclusively on an aircraft landing field.

(b) The exemption in paragraph (a), clause (1), expires 30 days after the Nuclear Regulatory Commission has approved the use of biodiesel fuel in motors at electric generating plants under its regulation.

(c) This subdivision expires on May 1, 2012.

Subd. 4. **Disclosure.** A refinery or terminal shall provide, at the time diesel fuel is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the fuel. For biodiesel-blended products, the bill of lading or shipping manifest must disclose biodiesel content, stating volume percentage, gallons of biodiesel per gallons of petroleum diesel base-stock, or an ASTM "Bxx" designation where "xx" denotes the volume percent biodiesel included in the blended product. This subdivision does not apply to sales or transfers of biodiesel blend stock between refineries, between terminals, or between a refinery and a terminal.

Subd. 5. **Annual report.** Beginning in 2009, the commissioner of agriculture must report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance regarding the implementation of the minimum content requirements in subdivision 2, including information about the price and supply of biodiesel fuel. The report must include any written comments received from members of the Biodiesel Fuel Task Force by January 1 of that year.

Sec. 2. Minnesota Statutes 2007 Supplement, section 296A.01, subdivision 8a, is amended to read:

Subd. 8a. **Biodiesel fuel.** ~~"Biodiesel fuel" means a renewable, biodegradable, mono-alkyl ester combustible liquid fuel derived from agricultural plant oils or animal fats and that meets American Society for Testing and Materials specification D6751-07 for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels~~ has the meaning given in section 239.77, subdivision 1.

Sec. 3. **PROPOSAL; PETROLEUM INSPECTION FEE REVENUE.**

The commissioners of finance, commerce, and the Pollution Control Agency must develop and submit to the legislature as part of their next biennial budget request a proposal for eliminating, to the extent feasible, redundant fuel inspections and dedicating, to the extent feasible, all revenue from the petroleum inspection fee levied on petroleum products under Minnesota Statutes, section 239.101, subdivision 3, to the Weights and Measures Division of the Department of Commerce. All additional funding appropriated to the Weights and Measures Division under this proposal must be used for increased and enhanced fuel quality assurance enforcement activities and equipment and for educational activities focused on the handling, distribution, and use of biodiesel fuel.

Sec. 4. **BIO-BASED DIESEL ALTERNATIVES.**

(a) By January 1, 2011, the commissioners of agriculture, commerce, and the Pollution Control Agency shall jointly review the technology, economics, and operational characteristics associated with bio-based diesel alternatives and shall make recommendations concerning their use in Minnesota to the governor and the chairs of the house of representatives and senate committees with jurisdiction over agriculture and energy finance.

(b) For the purposes of this section, "bio-based diesel alternatives" means alternatives to petroleum diesel fuel that are warranted for use in a standard diesel engine without modification and derived from a biological resource.

Sec. 5. **TECHNICAL COLD WEATHER ISSUES.**

The commissioners of agriculture and commerce shall convene technical stakeholders who are experts in cold weather biodiesel and petroleum diesel issues to consider and make recommendations regarding improvements in the production, blending, handling, and distribution of biodiesel blends to further ensure the performance of these fuels in cold weather. The commissioners shall issue a report on these issues by January 15, 2009, to the chairs of the house of representatives and senate committees with jurisdiction over agriculture and commerce policy and finance.

ARTICLE 3

VETERANS AFFAIRS POLICY

Section 1. Minnesota Statutes 2006, section 13.785, is amended by adding a subdivision to read:

Subd. 4. **Deceased veterans data.** Data relating to veterans deceased as a result of service-connected causes are classified under section 197.225.

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

Sec. 2. Minnesota Statutes 2006, section 196.021, is amended to read:

196.021 DEPUTY COMMISSIONERS; DUTIES.

Subdivision 1. **Appointment.** The commissioner shall appoint a deputy commissioner for veteran services ~~as provided in subdivision 2, and the board of directors of the Minnesota Veterans Homes may appoint a deputy commissioner for veteran health care as provided in section 198.004.~~ Both deputy commissioners serve in the unclassified service, ~~the deputy for veteran services at the pleasure of the commissioner and the deputy for veteran health care at the pleasure of the board.~~ Both deputies ~~shall~~ must be residents of Minnesota, citizens of the United States, and veterans as defined in section 197.447.

Subd. 2. ~~**Deputy for veteran services; Powers and duties.** The deputy commissioner for veteran services has and the deputy commissioner for veteran health care have those powers delegated by the commissioner that have not otherwise been delegated to the deputy commissioner for veteran health care by the commissioner or assigned to that deputy commissioner by law.~~ A delegation must be in writing, signed by the commissioner, and filed with the secretary of state.

Sec. 3. Minnesota Statutes 2006, section 196.03, is amended to read:

196.03 OFFICERS AND EMPLOYEES.

~~Except as provided in chapter 198,~~ All officers and employees of the department shall be appointed by the commissioner and they shall perform such duties as may be assigned to them by the commissioner.

Sec. 4. **[196.30] VETERANS HEALTH CARE ADVISORY COUNCIL.**

Subdivision 1. **Creation.** The Veterans Health Care Advisory Council is established to provide the Department of Veterans Affairs with advice and recommendations on providing veterans with quality long-term care and the anticipated future needs of Minnesota veterans.

Subd. 2. **Membership.** (a) The council consists of nine public members appointed by the governor. The council members are:

(1) seven members with extensive expertise in health care delivery, long-term care, and veterans services;

(2) one licensed clinician who may be either a physician, physician's assistant, or a nurse practitioner; and

(3) one additional member.

(b) The governor shall designate a member to serve as the chair.

(c) The commissioner of veterans affairs, or the commissioner's designee, is an ex officio member of the council and shall provide necessary and appropriate administrative and technical support to the council.

(d) Membership terms, removal of members, and the filling of vacancies are as provided in section 15.059, subdivisions 2 and 4. Members shall not receive compensation or per diem payments, but may receive reimbursement for expenses pursuant to section 15.059, subdivision 3.

Subd. 3. **Duties.** The council is an advisory group with the responsibility of providing the commissioner of veterans affairs with information and professional expertise on the delivery of quality long-term care to veterans. The council's duties include:

(1) developing a new vision and strategic plan for the veterans homes that complements the Department of Veterans Affairs overall veterans service programs;

(2) providing recommendations and advice on matters including clinical performance, systemwide quality improvement efforts, culture and working environment of the veterans homes, and other operational and organizational functions of the veterans homes;

(3) studying and reviewing current issues and trends in the long-term care industry and the veterans community;

(4) providing recommendations to the commissioner on alternative options for the delivery of long-term care to veterans so that veterans and their families can determine appropriate services under models similar to those available in the community;

(5) establishing, as appropriate, subcommittees or ad hoc task forces of council members, stakeholders, and other individuals with expertise or experience to address specific issues; and

(6) reviewing and providing advice on any other matter at the request of the commissioner.

Subd. 4. **Continuation.** To ensure continued accountability and the active involvement of healthcare experts and stakeholders in the governance structure of the veterans homes, the governor may appoint a panel of experts to review the continuing effectiveness of the council. The commissioner may disband the council at any time.

Sec. 5. [197.225] LIST OF DECEASED MILITARY PERSONNEL.

(a) The commissioner of veterans affairs shall collect and maintain data about Minnesota residents who have died of service-connected causes while serving in the United States armed forces. The data may include deceased service members who are the immediate family members of Minnesota residents, but who themselves were not Minnesota residents at the time of death. The commissioner shall collect the following data: the individual's full name, military rank, branch of service, age at the time of death, and Minnesota hometown or if not a Minnesota resident at the time of death, the service member's home state.

(b) Data collected pursuant to this section are nonpublic data, but may be disseminated to the individual's next of kin, and for ceremonial or honorary purposes to veterans' organizations, civic organizations, the news media, and researchers. No other use or dissemination of the data is permitted.

(c) The next of kin of a veteran whose data is collected may request that the data not be disseminated for any purpose. Upon receiving such a request, the Department of Veterans Affairs must exclude the deceased veteran's data from any data disseminated for ceremonial or honorary purposes as permitted by paragraph (b).

(d) Data collected pursuant to this section shall not be indicative of any person's status with regard to qualification for veterans benefits or other benefits.

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

Sec. 6. Minnesota Statutes 2006, section 197.236, is amended to read:

197.236 VETERANS CEMETERY STATE VETERANS CEMETERIES.

Subd. 3. **Operation and maintenance.** The commissioner of veterans affairs shall supervise and control the veterans ~~cemetary~~ cemeteries established under this section. The cemeteries are to be maintained and operated in accordance with the operational standards and measures of the National Cemetery Administration. The commissioner may contract for the maintenance ~~and operation~~ of the ~~cemetary~~ cemeteries. All personnel, equipment, and support necessary for maintenance and operation of the ~~cemetary~~ cemeteries must be included in the department's budget.

Subd. 5. **Rules.** The commissioner of veterans affairs may adopt rules regarding the operation of the ~~cemetary~~ cemeteries. ~~If practicable,~~ The commissioner shall require that upright granite markers supplied by the United States Department of Veterans Affairs be used to mark all gravesites.

Subd. 6. **Permanent development and maintenance account.** A veterans cemetery development and maintenance account is established in the special revenue fund of the state treasury. Receipts for burial fees, ~~earnings from the veterans cemetery trust account~~ plot or interment allowance claims, designated appropriations, and any other cemetery receipts must be deposited into this account. The money in the account, including interest earned, is appropriated to the commissioner to be used for the development, operation, maintenance, and improvement of the ~~cemetary~~ cemeteries. To the extent practicable, the commissioner of veterans affairs must apply for available federal grants ~~for the development and operation of the cemetery~~ to establish, expand, or improve the cemeteries.

~~Subd. 7. **Permanent trust account.** A veterans cemetery trust account is established in the special revenue fund of the state treasury. All designated appropriations and monetary donations to the cemetery must be placed in this account. The principal of this account must be invested by the State Board of Investment and may not be spent. The income from this account must be transferred as directed by the account manager to the veterans cemetery development and maintenance account.~~

Subd. 8. **Eligibility.** ~~Any person who is eligible for burial in a national veterans cemetery is eligible for burial in the State Veterans Cemetery Cemeteries must be operated solely for the burial of service members who die on active duty, eligible veterans, and their spouses and dependent children, as defined in United States Code, title 38, section 101, paragraph (2).~~

Subd. 9. **Burial fees.** The commissioner of veterans affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of eligible ~~family members~~ spouses and dependent children. The fees shall cover as nearly as practicable the actual costs of interment, excluding the value of the plot. ~~The department may accept the Social Security burial allowance, if any, of the eligible family members in an amount not to exceed the actual cost of the interment.~~ The commissioner may waive the fee in the case of an indigent eligible person.

No plot or interment fees may be charged for the burial of ~~eligible veterans, members of the National Guard, or military reservists, except that funds available from the Social Security or veterans burial allowances, if any, must be paid to the commissioner in an amount not to exceed the actual cost of the interment, excluding the value of the plot~~ service members who die on active duty or eligible veterans, as defined in United States Code, title 38, section 101, paragraph (2).

~~Prior to the interment of an eligible person, the commissioner shall request the cooperation of the eligible person's next of kin in applying to the appropriate federal agencies for payment to the cemetery of any allowable interment allowance.~~

~~Subd. 10. **Allocation of plots.** A person, or survivor of a person, eligible for interment in the State Veterans Cemetery may apply for a burial plot for the eligible person by submitting a request to the commissioner of veterans affairs on a form supplied by the department. The department shall allot plots on a first come, first served basis. To the extent that it is practical, plots must be allocated in a manner permitting the burial of eligible family members above, below, or adjacent to the eligible veteran, member of the National Guard, or military reservist.~~

Subd. 11. **Plot allowance claims.** The commissioner of veterans affairs must apply to the Veterans Benefits Administration for a plot or interment allowance payable to the state for expenses incurred by the state in the burial of eligible veterans in cemeteries owned and operated by the state if the burial is performed at no cost to the veteran's next of kin.

Subd. 12. **No staff.** No staff may be hired for or allocated to any new veterans cemetery without explicit legislative approval.

Sec. 7. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of veterans affairs, unless otherwise specified.

(c) "Cost of attendance" for ~~both graduate and~~ undergraduate students has the meaning given in section 136A.121, subdivision 6, multiplied by a factor of 1.2. The Cost of attendance for graduate students has the meaning given in section 136A.121, subdivision 6, multiplied by a factor of 1.2, using the tuition and fee maximum established by law for four-year programs shall be used to calculate the tuition and fee maximum under section 136A.121, subdivision 6, for a graduate student. For purposes of calculating the cost of attendance for graduate students, full time is eight credits or more per term or the equivalent.

(d) "Child" means a natural or adopted child of a person described in subdivision 4, paragraph (a), clause (1), item (i) or (ii).

(e) "Eligible institution" means a postsecondary institution under section 136A.101, subdivision 4, or a graduate school licensed or registered with the state of Minnesota serving only graduate students.

(f) "Program" means the Minnesota GI Bill program established in this section, unless otherwise specified.

(g) "Time of hostilities" means any action by the armed forces of the United States that is recognized by the issuance of a presidential proclamation or a presidential executive order in which the armed forces expeditionary medal or other campaign service medals are awarded according to presidential executive order, and any additional period or place that the commissioner determines and designates, after consultation with the United States Department of Defense, to be a period or place where the United States is in a conflict that places persons at such a risk that service in a foreign country during that period or in that place should be considered to be included.

(h) "Veteran" has the meaning given in section 197.447. Veteran also includes a service member who has received an honorable discharge after leaving each period of federal active duty service and has:

(1) served 90 days or more of federal active duty in a foreign country during a time of hostilities in that country;

(2) been awarded any of the following medals:

(i) Armed Forces Expeditionary Medal;

(ii) Kosovo Campaign Medal;

(iii) Afghanistan Campaign Medal;

(iv) Iraq Campaign Medal;

(v) Global War on Terrorism Expeditionary Medal; or

(vi) any other campaign medal authorized for service after September 11, 2001; or

~~(2)~~ (3) received a service-related medical discharge from any period of service in a foreign country during a time of hostilities in that country.

A service member who has fulfilled the requirements for being a veteran under this paragraph but is still serving actively in the United States armed forces is also a veteran for the purposes of this section.

Sec. 8. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 4, is amended to read:

Subd. 4. **Eligibility.** (a) A person is eligible for educational assistance under this section if:

(1) the person is:

(i) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time on or after September 11, 2001;

(ii) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(iii) the surviving spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has died as a direct result of that military service; or

(iv) the spouse or child of a person who has served in the military at any time on or after September 11, 2001, and who has a total and permanent service-connected disability as rated by the United States Veterans Administration;

~~(2) the person providing the military service described in clause (1), items (i) to (iv), was a Minnesota resident within six months of the time of the person's initial enlistment or any reenlistment in the United States armed forces;~~

~~(3)~~ (2) the person receiving the educational assistance is a Minnesota resident, as defined in section 136A.101, subdivision 8; and

~~(4)~~ (3) the person receiving the educational assistance:

(i) is an undergraduate or graduate student at an eligible institution;

(ii) is maintaining satisfactory academic progress as defined by the institution for students participating in federal Title IV programs;

(iii) is enrolled in an education program leading to a certificate, diploma, or degree at an eligible institution;

(iv) has applied for educational assistance under this section prior to the end of the academic term for which the assistance is being requested;

(v) is in compliance with child support payment requirements under section 136A.121, subdivision 2, clause (5); and

(vi) if an undergraduate student, has applied for the federal Pell Grant and the Minnesota State Grant has completed the Free Application for Federal Student Aid (FAFSA).

(b) A person's eligibility terminates when the person becomes eligible for benefits under section 135A.52.

(c) To determine eligibility, the commissioner may require official documentation, including the person's federal form DD-214 or other official military discharge papers; correspondence from the United States Veterans Administration; birth certificate; marriage certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency; proof of identity; or any other official documentation the commissioner considers necessary to determine eligibility.

(d) The commissioner may deny eligibility or terminate benefits under this section to any person who has not provided sufficient documentation to determine eligibility for the program. An applicant may appeal the commissioner's eligibility determination or termination of benefits in writing to the commissioner at any time. The commissioner must rule on any application or appeal within 30 days of receipt of all documentation that the commissioner requires. The decision of the commissioner regarding an appeal is final. However, an applicant whose appeal of an eligibility determination has been rejected by the commissioner may submit an additional appeal of that determination in writing to the commissioner at any time that the applicant is able to provide substantively significant additional information regarding the applicant's eligibility for the program. An approval of an applicant's eligibility by the commissioner following an appeal by the applicant is not retroactively effective for more than one year or the semester of the person's original application, whichever is later.

(e) Upon receiving an application with insufficient documentation to determine eligibility, the commissioner must notify the applicant within 30 days of receipt of the application that the application is being suspended pending receipt by the commissioner of sufficient documentation from the applicant to determine eligibility.

Sec. 9. Minnesota Statutes 2007 Supplement, section 197.791, subdivision 5, is amended to read:

Subd. 5. **Benefit amount.** (a) On approval by the commissioner of eligibility for the program, the applicant shall be awarded, on a funds-available basis, the educational assistance under the program for use at any time according to program rules at any eligible institution.

(b) The amount of educational assistance in any semester or term for an eligible person must be determined by subtracting from the eligible person's cost of attendance the amount the person received or was eligible to receive in that semester or term from:

(1) the federal Pell Grant;

(2) the state grant program under section 136A.121; and

(3) any federal military or veterans educational benefits including but not limited to the Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational rehabilitation benefits, and any other federal benefits associated with the person's status as a veteran, except veterans disability payments from the United States Veterans Administration.

(c) The amount of educational assistance for any eligible person who is a full-time student must not exceed the following:

- (1) \$1,000 per semester or term of enrollment;
- (2) ~~\$2,000~~ \$3,000 per state fiscal year; and
- (3) \$10,000 in a lifetime.

For a part-time student, the amount of educational assistance must not exceed \$500 per semester or term of enrollment. For the purpose of this paragraph, a part-time undergraduate student is a student taking fewer than 12 credits or the equivalent for a semester or term of enrollment and a part-time graduate student is a student considered part time by the eligible institution the graduate student is attending. The minimum award for undergraduate and graduate students is \$50 per term.

Sec. 10. Minnesota Statutes 2006, section 198.32, subdivision 1, is amended to read:

Subdivision 1. **Resident's rights.** A resident of a Minnesota veterans home has the right to complain and otherwise exercise freedom of expression and assembly which is guaranteed by amendment I of the United States Constitution. The administrator of the home shall inform each resident in writing at the time of admission of the right to complain to the administrator about home accommodations and services. A notice of the right to complain shall be posted in the home. The administrator shall also inform each resident of the right to complain to the ~~board~~ ~~or to the~~ commissioner of veterans affairs. Each resident of a home shall be encouraged and assisted, throughout the period of stay in the home, to understand and exercise the rights of freedom of expression and assembly as a resident and as a citizen, and, to this end, the resident may voice grievances and recommend changes in policies and services to home staff, other residents, and outside representatives of the resident's choice, free from restraint, interference, coercion, discrimination, or reprisal, including retaliatory eviction.

Sec. 11. Minnesota Statutes 2006, section 349.12, subdivision 3a, is amended to read:

Subd. 3a. **Allowable expense.** "Allowable expense" means the percentage of the total cost incurred by the organization in the purchase of any good, service, or other item which corresponds to the proportion of the total actual use of the good, service, or other item that is directly related to conduct of lawful gambling. Allowable expense includes the advertising of the conduct of lawful gambling, provided that the amount expended does not exceed five percent of the annual gross profits of the organization or \$5,000 per year per organization, whichever is less. A percentage of the cost of a newsletter of a veterans organization, as determined by the board, is an allowable expense if any portion of the newsletter is used to promote lawful gambling in Minnesota. The board may adopt rules to regulate the content of the advertising to ensure that the content is consistent with the public welfare.

Sec. 12. Minnesota Statutes 2006, section 609.115, is amended by adding a subdivision to read:

Subd. 10. **Veterans mental health status.** If a defendant convicted of a crime is currently serving in the military or is a veteran and has been diagnosed by a qualified psychiatrist or clinical psychologist or physician with a mental illness, the court may:

(1) order that the officer preparing the report under subdivision 1 consult with the United States Department of Veterans Affairs, Minnesota Department of Veterans Affairs, or another agency or person with suitable knowledge or experience, for the purpose of providing the court with information regarding treatment options available to the defendant including federal, state, and local programming; and

(2) consider the treatment recommendations of any diagnosing or treating mental health professionals together with the treatment options available to the defendant in imposing sentence.

Sec. 13. **RULES TRANSFER.**

Minnesota Rules, chapter 9050, is transferred from the Veterans Homes Board of Directors to the commissioner of veterans affairs. The commissioner shall administer and enforce those rules and may amend or repeal them.

Sec. 14. **APPOINTMENTS.**

Notwithstanding Minnesota Statutes, section 196.30, subdivision 2, paragraph (d), the governor may make the initial appointments to the Veterans Health Care Advisory Council under Executive Order 07-20 without complying with the appointment process in Minnesota Statutes, section 15.0597.

Sec. 15. **PARTNERING IN DELIVERY OF VETERANS SERVICES.**

The commissioner must seek input from a broad range of experienced nongovernmental social service and health care providers, including both secular and faith-based service organizations, from throughout the state regarding the feasibility of public-private collaboration in providing services to Minnesota Veterans. The services may include home health care, psychological counseling, life-skills rehabilitation counseling, home hospice care, respite care, and other types of home-based health care as judged necessary by the commissioner to enable veterans to recover from service-connected injuries, illnesses, and disabilities. The commissioner must report to the legislature by January 15, 2009, on its findings and recommendations for establishing such service-delivery partnerships.

Sec. 16. **VETERANS HOMES STRATEGIC PLANNING GROUP.**

Subdivision 1. **Creation.** An intergovernmental and veterans study group shall be appointed for the purpose of conducting strategic planning for existing and future state veterans homes, including in-depth strategic planning for the Minneapolis veterans home. This group is designated the "Veterans Homes Strategic Planning Group." The Veterans Homes Strategic Planning Group shall consist of the following 17 members:

(1) three senators, including two members of the majority party and one member of the minority party, at least one of whom represents a Minneapolis legislative district and one of whom represents a greater-Minnesota legislative district, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate;

(2) three members of the house of representatives, including two members of the majority party and one member of the minority party, at least one of whom represents a Minneapolis legislative district and one of whom represents a greater-Minnesota legislative district, appointed by the speaker of the house;

(3) the commissioner and two deputy commissioners of the Minnesota Department of Veterans Affairs (MDVA), or the commissioner's designees;

(4) the president and legislative chair person of the Minnesota Association of County Veteran Service Officers (CVSOs), or the president's designees;

(5) the chair of the Commanders Task Force of Minnesota's congressionally-chartered veterans service organizations, or the chair's designee;

(6) the mayor of Minneapolis, or the mayor's designee, and one Minneapolis city planner designated by the mayor;

(7) the chair of the Twin Cities Metropolitan Council, or the chair's designee;

(8) one person from the Minnesota Inter-County Association (MICA), as designated by the association board; and

(9) one person from the Association of Minnesota Counties (AMC), as designated by the Association board.

Subd. 2. **Duties.** (a) The Veterans Homes Strategic Planning Group must meet periodically to conduct strategic planning for the state veterans homes, both existing and future, and with special focus on the current Minnesota veterans home in Minneapolis. The planning process must encompass a 25-year future time span, and must include:

(1) current and projected figures for the number of Minnesota veterans within broad age categories, by gender and geographic region of the state;

(2) current and projected needs of Minnesota veterans for skilled nursing care, domiciliary care and outpatient services, as being currently provided by the state veterans homes, and as may be needed in the future;

(3) current and projected capital expenditure, plant maintenance, and operational costs for each existing Minnesota veterans home, both per-facility and per-veteran-served, with discussion of factors determining cost differences among the homes;

(4) identification and discussion of the feasibility of alternative methods for meeting at least some of the various future needs of veterans, including:

(i) the possibility of partnering for home-based services for veterans with nongovernmental nonprofit or faith-based social service and healthcare delivery organizations, as a means of reducing some of the future needs of veterans for domiciliary or skilled nursing care in veterans homes;

(ii) reliance on private, veterans-only nursing homes for handling part or all of the future growth in veterans skilled nursing or domiciliary needs, possibly supplemented by some state-provided veterans services not currently available in private nursing homes; or

(iii) any other feasible alternative service delivery methods;

(5) current and projected capital expenditure, plant maintenance, and operational costs for meeting future veterans needs under:

(i) the veterans-homes-only model; and

(ii) the combined veterans-homes and home-based partnering model (or any other feasible service delivery model that the group identifies); and

(6) discussion and recommendations regarding:

(i) the types and levels of veterans home care judged feasible for the state to attempt to provide in the near-term and long-term future; and

(ii) the optimal locations and timing for construction of any future state veterans homes and other service delivery facilities in Minnesota.

(b) In addition to the duties described in paragraph (a), the Veterans Homes Strategic Planning Group must provide specific addition analysis of the projected capital, maintenance, and operating costs of the current Minnesota veterans home in Minneapolis, and must assess the feasibility of alternative operational models at that home or at locations within the seven-county metropolitan area. Discussion must include the feasibility, and estimation of any cost-savings from the razing or remodeling and converting of some of the infrastructure of the current campus for alternative uses and other pertinent items, such as:

(i) construction of rental housing for veterans and family members of veterans receiving medical care at the nearby US/VA Medical Center or other nearby medical institutions;

(ii) conducting a land use study including a highest and best use analysis for the existing site and all improvements;

(iii) investigating opportunities for public/private partnerships in strategic land use; and

(iv) any other purpose judged feasible by the strategic planning group.

Subd. 3. **Report required.** (a) By January 15, 2009, the Veterans Homes Strategic Planning Group must report its proposed recommendations to the chairs of the senate and house committees with jurisdiction over veterans affairs, state governmental operations, and local government affairs. The strategic planning group may suggest draft legislation for legislative consideration.

(b) The strategic planning group may continue its strategic planning activities and by January 15, 2010, may issue a second report to the same legislative chairs containing follow-up recommendations for legislative consideration.

Subd. 4. **Administrative provisions.** (a) The commissioner of veterans affairs, or the commissioner's designee, must convene the initial meeting of the Veterans Homes Strategic Planning Group. Upon request of the group, the commissioner must provide meeting space and administrative services for the group. The members of the group must elect a chair or co-chairs from the legislative members of the group at the initial meeting. Each subsequent meeting of the group is at the call of the chair or co-chairs.

(b) Public members of the strategic planning group serve without special compensation or special payment of expenses from the group.

(c) The strategic planning group expires on June 30, 2010, unless an extension is authorized by law by that date.

(d) In accordance with completed predesign documents, veterans population surveys, and department construction project priority listing, the commissioner shall continue to plan, develop, and pursue federal funding and other resources for the construction of a veterans long-term and domiciliary mental health facility in Kandiyohi County. The planning must include possible options for traumatic brain injury treatment.

Subd. 5. **Deadline for appointments and designations.** The appointments and designations authorized by this section must be completed by August 1, 2008. The strategic planning group must convene its initial meeting no later than September 1, 2008.

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

Sec. 17. **COUNTY VETERANS SERVICES WORKING GROUP.**

Subdivision 1. **Creation.** The County Veteran Services Working Group shall consist of the following 13 members:

(1) two senators, including one member from the majority party and one member from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate;

(2) two members of the house of representatives, one member from the majority party and one member from the minority party, appointed by the speaker of the house;

(3) the commissioner and two deputy commissioners of the Minnesota Department of Veterans Affairs (MDVA), or the commissioner's designees;

(4) the president, vice president, and legislative chair person of the Minnesota Association of County Veteran Service Officers (CVSOs);

(5) the chair of the Commanders Task Force of Minnesota's congressionally-chartered veterans service organizations, or the chair's designee;

(6) one person from the Minnesota Inter-County Association (MICA), as designated by the association board; and

(7) one person from the Association of Minnesota Counties (AMC), as designated by the association board.

Subd. 2. **Duties.** The working group must meet periodically to review the findings and recommendations of the 2008 report of the Office of the Legislative Auditor (OLA) on Minnesota's county veterans service offices, and make written recommendations to the legislature regarding whether and how each of that report's recommendations should be implemented. The working group may also provide additional recommendations on how to enhance the current services provided by the county veteran service offices.

The working group may suggest draft legislation for legislative consideration. By January 15, 2009, the working group must report its proposed recommendations to the chairs of the senate and house committees with jurisdiction over veterans affairs, state governmental operations, and local government affairs.

Subd. 3. **Administrative provisions.** (a) The commissioner of veterans affairs, or the commissioner's designee, must convene the initial meeting of the working group. Upon request of the working group, the commissioner must provide meeting space and administrative services for the group. The members of the working group must elect a chair or co-chairs from the legislative members of the working group at the initial meeting. Each subsequent meeting is at the call of the chair or co-chairs.

(b) Public members of the working group serve without special compensation or special payment of expenses from the working group.

(c) The working group expires on June 30, 2009, unless an extension is authorized by law by that date.

Subd. 4. **Deadline for appointments and designations.** The appointments and designations authorized by this section must be completed by August 1, 2008. The working group must convene its initial meeting no later than September 1, 2008.

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

Sec. 18. STUDY OF VETERANS EMPLOYMENT IN STATE GOVERNMENT.

(a) By October 1, 2008, each hiring authority of the executive, legislative, and judicial branches of state government must report to the commissioner of finance on the incidence of employment, recruitment, retention, and retirement of veterans in their nonelected workforce for fiscal year 2008. The report must be made in a manner approved by the commissioner and must include analysis by age category. Each hiring authority must also report specific veteran employment data requested by the commissioner as of June 30, 2008, June 30, 2001, and an earlier date if judged feasible by the commissioner.

(b) By January 15, 2009, the commissioner must submit a report on the employment of veterans in state government to the chairs of the house and senate policy and finance committees having jurisdiction over veterans affairs. The report must present and analyze the data obtained in paragraph (a).

(c) For purposes of this section, "veteran" has the meaning given in Minnesota Statutes, section 197.447.

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

Sec. 19. REVISOR'S INSTRUCTION.

(a) The revisor shall change "board," "board of directors," or "Veterans Homes Board of Directors" to "commissioner" wherever it is used in Minnesota Statutes, sections 198.003; 198.005; 198.006; 198.007; 198.022; 198.03; 198.05; 198.065; 198.066; 198.16; 198.23; 198.261; 198.265; 198.266; 198.31; 198.33; 198.34; 198.35; 198.36; and 198.37; and shall change "board rules" to "rules adopted under this chapter" wherever it appears in Minnesota Statutes, sections 198.007 and 198.022.

(b) In Minnesota Rules, chapter 9050, the revisor shall:

(1) change the terms "executive director," "executive director of the board," "executive director of the Veterans Homes Board," "Minnesota Veterans Homes Board," and "board" to "commissioner of veterans affairs" except where the term "board" is used with a different meaning in Minnesota Rules, part 9050.0040, subpart 16;

(2) change the term "board-operated facility" to "facility operated by the commissioner of veterans affairs" and change the term "non-board-operated facility" to "facility not operated by the commissioner of veterans affairs";

(3) change the term "board-approved" to "approved by the commissioner of veterans affairs"; and

(4) eliminate the term "board" where it is used in the third paragraph of Minnesota Rules, part 9050.1070, subpart 9.

(c) The revisor shall change any of the terms in paragraph (a) or (b) to "commissioner of veterans affairs" if they are used to refer to the Veterans Homes Board of Directors or its executive director anywhere else in Minnesota Statutes or Minnesota Rules.

Sec. 20. REPEALER.

Minnesota Statutes 2006, sections 197.236, subdivisions 7 and 10; 198.001, subdivisions 6 and 9; 198.002, subdivisions 1, 3, and 6; 198.003, subdivisions 5 and 6; and 198.004, subdivision 2, and Minnesota Statutes 2007 Supplement, sections 198.002, subdivision 2; and 198.004, subdivision 1, are repealed.

(b) Minnesota Rules, part 9050.0040, subpart 15, is repealed."

Delete the title and insert:

"A bill for an act relating to the operation of state government; making certain changes in agriculture, fuel, and veterans policy; establishing or changing certain programs, requirements, and procedures; regulating certain activities; establishing a planning group and a working group; amending Minnesota Statutes 2006, sections 13.785, by adding a subdivision; 18B.065, subdivisions 2, 7; 18B.07, subdivision 2; 18D.305, subdivision 2; 18E.04, subdivision 2; 28A.03, by adding a subdivision; 28A.08; 28A.082, by adding a subdivision; 28A.09, subdivision 1; 29.23; 31.05; 31.171; 41D.01, subdivision 4; 97A.028, subdivision 3; 148.01, subdivision 1, by adding subdivisions; 196.021; 196.03; 197.236; 198.32, subdivision 1; 239.77, as amended; 349.12, subdivision 3a; 609.115, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 18B.065, subdivisions 1, 2a; 18B.26, subdivision 3; 31.175; 35.244; 41A.105, subdivision 2; 197.791, subdivisions 1, 4, 5; 296A.01, subdivision 8a; Laws 2007, chapter 45, article 1, section 3, subdivisions 3, 4, 5; proposing coding for new law in Minnesota Statutes, chapters 17; 32; 148; 196; 197; repealing Minnesota Statutes 2006, sections 197.236, subdivisions 7, 10; 198.001, subdivisions 6, 9; 198.002, subdivisions 1, 3, 6; 198.003, subdivisions 5, 6; 198.004, subdivision 2; Minnesota Statutes 2007 Supplement, sections 41A.105, subdivision 5; 198.002, subdivision 2; 198.004, subdivision 1; Minnesota Rules, part 9050.0040, subpart 15."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 4075, A bill for an act relating to agriculture; providing requirements for cattle herds within certain areas; appropriating money to the Board of Animal Health for the buyout of cattle herds in certain areas; proposing coding for new law in Minnesota Statutes, chapter 35.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[35.086] BOVINE TUBERCULOSIS MANAGEMENT ZONE; RESTRICTIONS.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Bovine tuberculosis management zone" means the area within the ten-mile radius around the five presumptive tuberculosis-positive deer sampled during the fall 2006 hunter-harvested surveillance effort.

(c) "Located within" means that the herd is kept in the area for at least a part of calendar year 2007.

Subd. 2. **Cattle herd buyout.** (a) The board shall offer a herd buyout payment to cattle owners with existing cattle that are located within the bovine tuberculosis management zone. The payment shall be \$500 per bovine animal. By July 15, 2008, the cattle owner must accept or decline the offer for herd buyout payments under this subdivision. A cattle owner receiving payment under this subdivision must sign a contract with the board that provides:

(1) all cattle located within the bovine tuberculosis management zone will be slaughtered by December 31, 2008;

(2) the landowner and cattle owner will not have or allow any livestock to be located on land in the proposed modified accredited zone, unless authorized by the board; and

(3) a landowner or cattle owner who violates a condition under this subdivision must repay all payments received under this section and is subject to penalties for violations under this chapter.

(b) After the effective date of this section, livestock shall not be moved into the bovine tuberculosis management zone unless authorized by the board.

(c) Prior to making any payments under this subdivision, the board shall verify that all cattle for which a contract has been signed under this subdivision have been slaughtered.

(d) A cattle owner who signs a contract under paragraph (a) or who depopulated an infected herd shall receive an annual payment of \$75 for each bovine animal slaughtered. The board shall make the first annual payment by June 30, 2009, and make annual payments by June 30 each year thereafter until the area receives a bovine tuberculosis-free status and the owner is authorized by the board to have cattle located within the bovine tuberculosis management zone.

Subd. 3. **Cattle herds remaining in the zone.** The board shall conduct a risk assessment for cattle that remain located within the bovine tuberculosis management zone. If the board determines that cattle herds within the bovine tuberculosis management zone present a risk of interaction between cattle and deer or elk, the board shall require the owner of the cattle to keep all cattle in a manner that does not allow cattle and deer or elk interface. The board may also require that any person who stores forage crops within the bovine tuberculosis management zone, including but not limited to a person who participates in the herd buyout in subdivision 2, must keep stored forage crops in a manner that does not allow deer or elk access. The board shall offer cost-share assistance for fencing under subdivision 4 to a person who is required to:

(1) keep cattle in a manner that does not allow cattle and deer or elk interface; or

(2) keep stored forage crops in a manner that does not allow deer or elk access.

Subd. 4. **Cost-share assistance for fencing.** (a) The board shall provide cost-share assistance to persons required to fence stored forage crops or fence cattle in areas where the board determines that there is an unacceptable risk of transmitting bovine tuberculosis to deer or elk. The cost-share payments shall be 90 percent of the cost of an approved fence up to a maximum cost-share payment of \$75,000. The payments under this subdivision shall be on a reimbursement basis and paid by the board after the board determines that the fence is built to the specifications required by the board.

(b) The board shall establish specifications for fences that qualify for cost-share assistance under this subdivision and provide cattle owners or those who store forage crops with a list of approved fencing contractors. The fencing must be constructed and maintained by an approved fencing contractor, the landowner, or the tenant.

(c) The board shall periodically inspect fences for which cost-share assistance has been received under this subdivision. If the board determines that a fence for which cost-share assistance has been received is not being maintained or used properly, the board may:

(1) order that the fence be repaired or used properly; or

(2) require repayment of any cost-share assistance received by the person and, if the fence was intended to keep cattle in a manner that does not allow cattle and deer or elk interface, the board may place the herd under quarantine.

Sec. 2. Minnesota Statutes 2007 Supplement, section 35.244, is amended to read:

35.244 RULES FOR CONTROL OF BOVINE TUBERCULOSIS.

Subdivision 1. **Designation of zones.** The board has the authority to control tuberculosis and the movement of cattle, bison, goats, and farmed cervidae within and between tuberculosis zones in the state. Zones within the state may be designated as accreditation preparatory, modified accredited, modified accredited advanced, or accredited free as those terms are defined in Code of Federal Regulations, title 9, part 77. The board may designate bovine tuberculosis control zones that contain not more than 325 herds.

Subd. 2. **Control within modified accredited zone.** In a modified accredited zone, the board has the authority to:

(1) require owners of cattle, bison, goats, or farmed cervidae to report personal contact information and location of livestock to the board;

(2) require a permit or movement certificates for all cattle, bison, goats, and farmed cervidae moving between premises within the zone or leaving or entering the zone;

(3) require official identification of all cattle, bison, goats, and farmed cervidae within the zone or leaving or entering the zone;

(4) require a whole-herd tuberculosis test on each herd of cattle, bison, goats, or farmed cervidae when any of the animals in the herd is kept on a premises within the zone;

(5) require a negative tuberculosis test within 60 days prior to movement for any individual cattle, bison, goat, or farmed cervidae moved from a premises in the zone to another location in Minnesota, with the exception of cattle moving under permit directly to a slaughter facility under state or federal inspection;

(6) require a whole-herd tuberculosis test within 12 months prior to moving cattle, bison, goats, or farmed cervidae from premises in the zone to another location in Minnesota;

(7) require annual herd inventories on all cattle, bison, goat, or farmed cervidae herds; and

(8) require that a risk assessment be performed to evaluate the interaction of free-ranging deer and elk with cattle, bison, goat, and farmed cervidae herds and require the owner to implement the recommendations of the risk assessment.

Subd. 3. **Authority to adopt rules.** The board may adopt rules to provide for the control of tuberculosis in cattle. The rules may include provisions for quarantine, tests, and such other measures as the board deems appropriate. Federal regulations, as provided by Code of Federal Regulations, title 9, part 77, and the Bovine Tuberculosis Eradication Uniform Methods and Rules, are incorporated as part of the rules in this state.

Sec. 3. Minnesota Statutes 2006, section 97A.045, subdivision 11, is amended to read:

Subd. 11. **Power to prevent or control wildlife disease.** (a) If the commissioner determines that action is necessary to prevent or control a wildlife disease, the commissioner may prevent or control wildlife disease in a species of wild animal in addition to the protection provided by the game and fish laws by further limiting, closing, expanding, or opening seasons or areas of the state; by reducing or increasing limits in areas of the state; by establishing disease management zones; by authorizing free licenses; by allowing shooting from motor vehicles by persons designated by the commissioner; by issuing replacement licenses for sick animals; by requiring sample collection from hunter-harvested animals; by limiting wild animal possession, transportation, and disposition; and by restricting wildlife feeding.

(b) The commissioner shall restrict wildlife feeding within ~~a 15-mile radius of a cattle herd that is infected with bovine tuberculosis~~ the modified accredited bovine tuberculosis zone proposed by the Board of Animal Health. In addition to any other penalties provided by law, a person who violates wildlife feeding restrictions required under this paragraph may not obtain a hunting license to take a wild animal for two years after the date of conviction.

(c) The commissioner may prevent or control wildlife disease in a species of wild animal in the state by emergency rule adopted under section 84.027, subdivision 13.

Sec. 4. Minnesota Statutes 2006, section 97A.045, is amended by adding a subdivision to read:

Subd. 13. **Collection of deer and elk in a bovine tuberculosis zone.** The commissioner of natural resources, in coordination with the Board of Animal Health, shall remove, upon request, deceased deer and elk within the modified accredited bovine tuberculosis zone proposed by the Board of Animal Health. The commissioner shall make a good faith effort to inform the state's residents of this requirement and how a person may make a deer or elk removal request. The commissioner is not required to continue these collections once the split state zone is upgraded by the United States Department of Agriculture to a bovine tuberculosis status of modified accredited advanced or better.

Sec. 5. **BOVINE TUBERCULOSIS CONTROL ASSESSMENT; TEMPORARY ASSESSMENT; APPROPRIATION.**

(a) From January 1, 2009, to December 31, 2009, a person who purchases a beef cow, heifer, or steer in this state shall collect a bovine tuberculosis control assessment of \$1 per head and shall submit all assessments collected to the commissioner of agriculture at least once every 30 days. For the purposes of this section, "a person who purchases a beef cow, heifer, or steer in this state" includes the first purchaser, as defined in Minnesota Statutes, section 17.53, subdivision 8, paragraph (a), and any subsequent purchaser of the living animal.

(b) Money collected under this section shall be deposited in an account in the special revenue fund and is appropriated to the Board of Animal Health for bovine tuberculosis control activities.

(c) Notwithstanding paragraph (a), a person may not collect a bovine tuberculosis control assessment from a person whose cattle operation is located within a modified accredited zone established under Minnesota Statutes, section 35.244, unless the cattle owner voluntarily pays the assessment. The commissioner of agriculture shall publish and make available a list of cattle producers exempt under this paragraph.

Sec. 6. **APPROPRIATION.**

(a) \$472,000 in fiscal year 2008 and \$2,252,000 in fiscal year 2009 are appropriated from the general fund to the Board of Animal Health for monitoring, testing, eradication, education, outreach, and other activities the board is required to undertake to comply with federal regulations concerning cattle, bison, goats, and farmed cervidae under a United States Department of Agriculture modified accredited status, and annual payments under Minnesota Statutes, section 35.086. \$80,000 of this appropriation in fiscal year 2009 is for a grant to the North Central Research Center at Grand Rapids for a study of the best management practices for control of bovine tuberculosis in pasture. The appropriation for fiscal year 2009 is added to the base.

(b) \$3,160,000 is appropriated in fiscal year 2008 from the general fund to the Board of Animal Health for cattle herd buyout payments and fencing cost-share assistance under Minnesota Statutes, section 35.086. This is a onetime appropriation and is available until spent.

(c) \$150,000 is appropriated in fiscal year 2009 from the general fund to the Board of Animal Health for a grant to the North Central Research Center at Grand Rapids for a study of the best management practices for control of bovine tuberculosis in pasture. This is a onetime appropriation and is available until spent.

(d) If an appropriation for the same purpose is enacted in 2008 H. F. No. 1812, article 9, section 3, the comparable appropriation in that act is void.

Sec. 7. **EFFECTIVE DATE.**

Sections 1 to 6 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; providing for control of bovine tuberculosis in certain areas; appropriating money; amending Minnesota Statutes 2006, section 97A.045, subdivision 11, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 35.244; proposing coding for new law in Minnesota Statutes, chapter 35."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

S. F. No. 3137, A bill for an act relating to commuter rail; clarifying the commissioner of transportation's authority; providing for the operation and maintenance of commuter rail lines located in whole or in part within the metropolitan area; proposing coding for new law in Minnesota Statutes, chapters 174; 473.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

S. F. No. 3224, A bill for an act relating to transportation; authorizing creation of Advisory Committee on Nonmotorized Transportation; proposing coding for new law in Minnesota Statutes, chapter 174.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

S. F. No. 3669, A bill for an act relating to transportation; requiring report on mitigating effects of transportation construction projects on small businesses.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **REPORT ON MITIGATION OF TRANSPORTATION CONSTRUCTION IMPACTS.**

(a) The commissioner of transportation shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation policy and finance and over economic development policy and finance that proposes a model public information program targeted at small businesses as defined in Minnesota Statutes, section 645.445, subdivision 2, that are impacted by transportation construction projects.

(b) The report must include, but not be limited to:

(1) identification of methods and techniques for informing small businesses about upcoming transportation construction projects;

(2) a description of components of an information packet for businesses, which includes:

(i) the nature, extent, and timing of planned construction, including anticipated changes in parking, traffic, and public access in the area;

(ii) identification of a contact within the appropriate road authority that can provide information about construction progress and timing; and

(iii) a listing of area business development organizations that can assist businesses with financing, marketing, and technical counseling during the construction period; and

(3) recommendations for opportunities to provide further assistance to small businesses impacted by transportation construction projects.

(c) In preparing the report, the commissioner shall consult with the commissioner of employment and economic development, the Metropolitan Council, counties, cities, and community organizations, including a metropolitan consortium of community developers and local chambers of commerce.

(d) The commissioner of transportation shall submit the report no later than March 15, 2009."

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

The report was adopted.

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

S. F. No. 3672, A bill for an act relating to relating to liquor; permitting farm wineries to manufacturer and sell distilled spirits under certain conditions; authorizing liquor licenses; making technical corrections; amending Minnesota Statutes 2006, section 340A.315, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 340A.412, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 169A.35, subdivision 6, is amended to read:

Subd. 6. **Exceptions.** (a) This section does not prohibit the possession or consumption of alcoholic beverages by passengers in:

(1) a bus that is operated by a motor carrier of passengers, as defined in section 221.011, subdivision 48; ~~or~~

(2) a vehicle that is operated for commercial purposes in a manner similar to a bicycle as defined in section 169.01, subdivision 51, with three or more passengers who provide pedal power to the drive train of the vehicle; or

~~(2)~~ (3) a vehicle providing limousine service as defined in section 221.84, subdivision 1.

(b) Subdivisions 3 and 4 do not apply to a bottle or receptacle that is in the trunk of the vehicle if it is equipped with a trunk, or that is in another area of the vehicle not normally occupied by the driver and passengers if the vehicle is not equipped with a trunk. However, a utility compartment or glove compartment is deemed to be within the area occupied by the driver and passengers.

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

Sec. 2. Minnesota Statutes 2007 Supplement, section 340A.412, subdivision 4, is amended to read:

Subd. 4. **Licenses prohibited in certain areas.** (a) No license to sell intoxicating liquor may be issued within the following areas:

(1) where restricted against commercial use through zoning ordinances and other proceedings or legal processes regularly had for that purpose, except licenses may be issued to restaurants in areas which were restricted against commercial uses after the establishment of the restaurant;

(2) within the Capitol or on the Capitol grounds, except as provided under Laws 1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

(3) on the State Fairgrounds, except as provided under section 37.21, subdivision 2;

(4) on the campus of the College of Agriculture of the University of Minnesota;

(5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other institution under the supervision or control, in whole or in part, of the commissioner of human services or the commissioner of corrections;

(6) in a town or municipality in which a majority of votes at the last election at which the question of license was voted upon were not in favor of license under section 340A.416, or within one-half mile of any such town or municipality, except that intoxicating liquor manufactured within this radius may be sold to be consumed outside it;

(7) within 1,500 feet of a state university, except that:

(i) the minimum distance in the case of Winona and Southwest State University is 1,200 feet, measured by a direct line from the nearest corner of the administration building to the main entrance of the licensed establishment;

(ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale intoxicating liquor licenses may be issued, measured by a direct line from the nearest corner of the administration building to the main entrance of the licensed establishment;

(iii) at Mankato State University the distance is measured from the front door of the student union of the Highland campus;

(iv) a temporary license under section 340A.404, subdivision 10, may be issued to a location on the grounds of a state university for an event sponsored or approved by the state university; and

(v) this restriction does not apply to the area surrounding the premises of Metropolitan State University in Minneapolis; and

(8) within 1,500 feet of any public school that is not within a city.

(b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler of intoxicating liquor or to a drugstore or to a person who had a license originally issued lawfully prior to July 1, 1967.

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

Sec. 3. SPECIAL LICENSE; MINNEAPOLIS.

Notwithstanding any law, local ordinance, or charter provision, the city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant located at 1367 Willow Street South. The provisions of Minnesota Statutes, chapter 340A, apply to licenses issued under this section. The license authorizes sales on all days of the week.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council in the manner provided by Minnesota Statutes, section 645.021, notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a).

Sec. 4. TEMPORARY CLOSING TIME.

During the 2008 Republican National Convention, licensing jurisdictions that lie fully or partially within the seven-county metropolitan area may at their discretion issue special permits for service of alcohol through extended hours lasting until 4:00 a.m. each day. This section is subject to the following conditions:

(1) only holders of an existing on-sale intoxicating liquor license or a 3.2 malt liquor license are eligible for later closing hours;

(2) later closing hours apply only during the period from 12:00 p.m. on August 31, 2008, through 4:00 a.m. on September 5, 2008;

(3) local licensing jurisdictions issuing special permits to operate with extended hours during these days, may charge a fee up to but not to exceed \$2,500 for such a permit. In the process of issuing a permit under this section, the licensing jurisdiction may limit approval to specified geographic, zoning, or license classifications within its jurisdiction; and

(4) this section is repealed as of 4:01 a.m. on September 5, 2008.

Sec. 5. REPORT.

The House Research Department and Office of Senate Counsel, Research and Fiscal Analysis shall review issues surrounding the production and sale of distilled spirits by microdistillers, farm wineries, wholesalers, retailers, or other avenues for sale, and shall report to the relevant committees of the house of representatives and senate, by February 1, 2009, on the legal and policy implications of changes in these statutes. This report shall include a review of laws from other states, and shall not make recommendations."

Delete the title and insert:

"A bill for an act relating to liquor; regulating consumption and service of alcohol under certain conditions; authorizing a liquor license; requiring a report; amending Minnesota Statutes 2006, section 169A.35, subdivision 6; Minnesota Statutes 2007 Supplement, section 340A.412, subdivision 4."

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2987, 3323, 3486 and 3723 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 960, 1018, 1578, 2024, 2368, 2399, 2403, 2449, 2533, 2576, 2597, 2642, 2654, 2765, 2806, 2828, 2876, 2919, 2936, 2939, 2948, 2980, 2996, 3003, 3021, 3049, 3070, 3082, 3089, 3098, 3119, 3130, 3132, 3135, 3138, 3166, 3174, 3202, 3203, 3213, 3214, 3225, 3227, 3235, 3256, 3263, 3268, 3303, 3326, 3336, 3337, 3341, 3342, 3362, 3372, 3377, 3397, 3446, 3455, 3474, 3492, 3508, 3563, 3571, 3622, 3647, 3756 and 3137 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dean introduced:

H. F. No. 4179, A bill for an act relating to civil actions; regulating the liability of certain health care providers for providing emergency care and treatment; regulating affidavits of expert review in malpractice actions against health care providers; amending Minnesota Statutes 2006, sections 145.682, subdivisions 3, 6; 604A.01, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Otremba introduced:

H. F. No. 4180, A bill for an act relating to game and fish; modifying firearm possession restrictions; amending Minnesota Statutes 2006, sections 97B.041; 97B.211, subdivision 1.

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

Olin introduced:

H. F. No. 4181, A bill for an act relating to taxation; providing for subtraction from income attributable to herd eradication; increasing the bovine testing credit in certain areas; providing a state paid property tax credit for property in bovine tuberculosis management zones in certain cases; providing for sales tax exemption for certain fencing materials; appropriating money; amending Minnesota Statutes 2006, sections 290.01, subdivision 19a, as amended; 290.06, subdivision 33, as amended; 290.091, subdivision 2, as amended; 297A.69, subdivision 4; Minnesota Statutes 2007 Supplement, sections 273.1393; 290.01, subdivision 19b, as amended; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Hackbarth introduced:

H. F. No. 4182, A bill for an act relating to human services; requiring drug screening for MFIP eligibility; amending Minnesota Statutes 2006, section 256J.15, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Thao introduced:

H. F. No. 4183, A bill for an act relating to complementary and alternative health care practices; prohibiting the practice of naturopathy; amending Minnesota Statutes 2006, section 146A.01, subdivision 4; Minnesota Statutes 2007 Supplement, section 146A.08, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Abeler and Gottwalt introduced:

H. F. No. 4184, A bill for an act relating to human services; establishing a health and human services finance board; authorizing rulemaking; designating the board to receive general fund appropriations; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hansen introduced:

H. F. No. 4185, A bill for an act relating to motor vehicles; establishing special license plates for contributions to cure pediatric cancers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Dill introduced:

H. F. No. 4186, A bill for an act relating to taxation; authorizing the city of Ely to impose sales and use and excise taxes.

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

Benson introduced:

H. F. No. 4187, A bill for an act relating to taxation; property tax exemption extension relating to an electric generation facility; amending Minnesota Statutes 2006, section 272.02, subdivision 84; Laws 2006, chapter 259, article 3, section 2.

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

Gardner, Benson, Knuth, Scalze, Morgan, Ruud, Masin, Bunn and Marquart introduced:

H. F. No. 4188, A bill for an act relating to taxation; increasing the maximum property tax refund; decreasing the income threshold for homeowners' property tax refund; allowing a second exemption amount for married claimants who are both 65 or older or disabled; amending Minnesota Statutes 2006, sections 290A.03, subdivision 3; 290A.04, subdivision 2.

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

Sertich moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 1314, A bill for an act relating to commerce; regulating the advertising and conducting of certain live musical performances or productions; proposing coding for new law in Minnesota Statutes, chapter 325E.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

CONCURRENCE AND REPASSAGE

Atkins moved that the House concur in the Senate amendments to H. F. No. 1314 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1314, A bill for an act relating to commerce; regulating the advertising and conducting of certain live musical performances or productions; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hamilton	Knuth	McNamara	Poppe
Anderson, S.	Dettmer	Hansen	Koenen	Moe	Rukavina
Anzelc	Dill	Hausman	Kohls	Morgan	Ruth
Atkins	Dittrich	Haws	Kranz	Morrow	Ruud
Beard	Dominguez	Heidgerken	Laine	Mullery	Sailer
Benson	Doty	Hilstrom	Lanning	Murphy, E.	Scalze
Berns	Drazkowski	Hilty	Lenczewski	Murphy, M.	Seifert
Bigham	Eastlund	Holberg	Lesch	Nelson	Sertich
Bly	Eken	Hoppe	Liebling	Nornes	Severson
Brod	Erhardt	Hornstein	Lieder	Norton	Shimanski
Brown	Erickson	Hortman	Lillie	Olin	Simon
Brynaert	Faust	Hosch	Loeffler	Otremba	Simpson
Bunn	Finstad	Howes	Madore	Ozment	Slawik
Carlson	Fritz	Huntley	Magnus	Paulsen	Slocum
Clark	Gardner	Jaros	Mahoney	Paymar	Smith
Cornish	Garofalo	Johnson	Mariani	Pelowski	Solberg
Davnie	Gottwalt	Juhnke	Marquart	Peterson, A.	Swails
Dean	Greiling	Kahn	Masin	Peterson, N.	Thao
DeLaForest	Gunther	Kalin	McFarlane	Peterson, S.	Thissen

Tillberry
Tingelstad
Tschumper

Urdahl
Wagenius
Walker

Ward
Wardlow
Welti

Westrom
Winkler
Wollschlager

Zellers
Spk. Kelliher

Those who voted in the negative were:

Anderson, B.

Buesgens

Emmer

Hackbarth

Olson

Peppin

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 2599, A bill for an act relating to local government; increasing amount that counties may appropriate for Memorial Day observances; amending Minnesota Statutes 2006, sections 375.34; 375.35.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brod moved that the House concur in the Senate amendments to H. F. No. 2599 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2599, A bill for an act relating to local government; increasing amount that counties may appropriate for Memorial Day observances; amending Minnesota Statutes 2006, sections 375.34; 375.35.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler
Anderson, B.
Anderson, S.
Anzelc
Atkins
Beard
Benson
Berns
Bigham
Bly
Brod
Brown
Brynaert

Buesgens
Bunn
Carlson
Clark
Cornish
Davnies
Dean
DeLaForest
Demmer
Dettmer
Dill
Dittrich
Dominguez

Doty
Drazkowski
Eastlund
Eken
Emmer
Erhardt
Erickson
Faust
Finstad
Fritz
Gardner
Garofalo
Gottwalt

Greiling
Gunther
Hackbarth
Hamilton
Hansen
Hausman
Haws
Heidgerken
Hilstrom
Hilty
Holberg
Hoppe
Hornstein

Hortman
Hosch
Howes
Huntley
Jaros
Johnson
Juhnke
Kahn
Kalin
Knuth
Koenen
Kohls
Kranz

Laine
Lanning
Lenczewski
Lesch
Liebling
Lieder
Lillie
Loeffler
Madore
Magnus
Mahoney
Mariani
Marquart

Masin	Nornes	Peterson, A.	Sertich	Thao	Welti
McFarlane	Norton	Peterson, N.	Severson	Thissen	Westrom
McNamara	Olin	Peterson, S.	Shimanski	Tillberry	Winkler
Moe	Olson	Poppe	Simon	Tingelstad	Wollschlager
Morgan	Otremba	Rukavina	Simpson	Tschumper	Zellers
Morrow	Ozment	Ruth	Slawik	Urdahl	Spk. Kelliher
Mullery	Paulsen	Ruud	Slocum	Wagenius	
Murphy, E.	Paymar	Sailer	Smith	Walker	
Murphy, M.	Pelowski	Scalze	Solberg	Ward	
Nelson	Peppin	Seifert	Swails	Wardlow	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3114, A bill for an act relating to park districts; providing that a park district may acquire property within a city in accordance with the adopted comprehensive plan of the city; amending Minnesota Statutes 2006, section 398.09.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hilstrom moved that the House concur in the Senate amendments to H. F. No. 3114 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

The question was taken on the Hilstrom motion and the roll was called. There were 86 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Abeler	Eken	Jaros	Madore	Ozment	Solberg
Anderson, S.	Erhardt	Johnson	Mahoney	Paulsen	Thao
Anzelc	Faust	Juhnke	Mariani	Paymar	Thissen
Atkins	Fritz	Kahn	Marquart	Pelowski	Tillberry
Benson	Gardner	Kalin	Masin	Peterson, A.	Tingelstad
Bigham	Greiling	Knuth	Moe	Peterson, N.	Tschumper
Bly	Hansen	Koenen	Morgan	Peterson, S.	Wagenius
Brown	Hausman	Kranz	Morrow	Poppe	Ward
Brynaert	Hilstrom	Laine	Mullery	Rukavina	Welti
Carlson	Hilty	Lenczewski	Murphy, E.	Ruud	Winkler
Clark	Hornstein	Lesch	Murphy, M.	Sailer	Spk. Kelliher
Davnie	Hortman	Liebling	Nelson	Scalze	
Dill	Hosch	Lieder	Norton	Sertich	
Dittrich	Howes	Lillie	Olin	Simon	
Dominguez	Huntley	Loeffler	Otremba	Slocum	

Those who voted in the negative were:

Anderson, B.	DeLaForest	Finstad	Holberg	Olson	Smith
Beard	Demmer	Garofalo	Hoppe	Peppin	Swails
Berns	Dettmer	Gottwalt	Kohls	Ruth	Urdahl
Brod	Doty	Gunther	Lanning	Seifert	Wardlow
Buesgens	Drazkowski	Hackbarth	Magnus	Severson	Westrom
Bunn	Eastlund	Hamilton	McFarlane	Shimanski	Wollschlager
Cornish	Emmer	Haws	McNamara	Simpson	Zellers
Dean	Erickson	Heidgerken	Nornes	Slawik	

The motion prevailed.

H. F. No. 3114, A bill for an act relating to park districts; providing that a park district may acquire property within a city in accordance with the adopted comprehensive plan of the city; amending Minnesota Statutes 2006, section 398.09.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 105 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Howes	Madore	Ozment	Swails
Anderson, S.	Eken	Huntley	Magnus	Paulsen	Thao
Anzelc	Erhardt	Jaros	Mahoney	Paymar	Thissen
Atkins	Faust	Johnson	Mariani	Pelowski	Tillberry
Benson	Finstad	Juhnke	Marquart	Peterson, A.	Tingelstad
Berns	Fritz	Kahn	Masin	Peterson, N.	Tschumper
Bigham	Gardner	Kalin	McFarlane	Peterson, S.	Urdahl
Bly	Greiling	Knuth	Moe	Poppe	Wagenius
Brod	Hamilton	Koenen	Morgan	Rukavina	Walker
Brown	Hansen	Kranz	Morrow	Ruth	Ward
Brynaert	Hausman	Laine	Mullery	Ruud	Welti
Bunn	Haws	Lanning	Murphy, E.	Sailer	Westrom
Carlson	Heidgerken	Lenczewski	Murphy, M.	Scalze	Winkler
Clark	Hilstrom	Lesch	Nelson	Sertich	Wollschlager
Davnie	Hilty	Liebling	Nornes	Simon	Spk. Kelliher
Dill	Hornstein	Lieder	Norton	Slawik	
Dittrich	Hortman	Lillie	Olin	Slocum	
Dominguez	Hosch	Loeffler	Otremba	Solberg	

Those who voted in the negative were:

Anderson, B.	DeLaForest	Emmer	Hackbarth	Olson	Simpson
Beard	Demmer	Erickson	Holberg	Peppin	Smith
Buesgens	Dettmer	Garofalo	Hoppe	Seifert	Wardlow
Cornish	Drazkowski	Gottwalt	Kohls	Severson	Zellers
Dean	Eastlund	Gunther	McNamara	Shimanski	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3516, A bill for an act relating to real property; providing specification of certain information about a premises subject to foreclosure; providing for electronic recording; requiring a report; amending Minnesota Statutes 2006, sections 14.03, subdivision 3; 58.02, by adding a subdivision; 287.08; 287.241; 287.25; 386.03; 386.19; 386.26, subdivision 1; 386.31; 386.409; 507.093; 507.40; 507.46, subdivision 1; Minnesota Statutes 2007 Supplement, section 507.24, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 272; 507; 580.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Davnie moved that the House refuse to concur in the Senate amendments to H. F. No. 3516, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 3220, A bill for an act relating to local government; authorizing political subdivisions to make grants to nonprofit organizations; proposing coding for new law in Minnesota Statutes, chapter 471.

The Senate has appointed as such committee:

Senators Vickerman, Lourey and Day.

Said House File is herewith returned to the House.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 3758, 3360, 2930, 3775, 3139, 3218 and 2605.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 3758, A bill for an act relating to energy; modifying provisions relating to power transmission lines, renewable energy obligations, and related activities and costs; amending Minnesota Statutes 2006, sections 216B.16, subdivision 7b; 216B.1645, subdivisions 1, 2; 216B.243, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 216B.1645, subdivision 2a.

The bill was read for the first time.

Brynaert moved that S. F. No. 3758 and H. F. No. 3977, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3360, A bill for an act relating to animals; prohibiting the possession of certain items related to animal fighting; imposing criminal penalties; amending Minnesota Statutes 2006, section 343.31, subdivision 1.

The bill was read for the first time.

Mullery moved that S. F. No. 3360 and H. F. No. 3132, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2930, A bill for an act relating to commerce; regulating debt management services; repealing an obsolete criminal provision; amending Minnesota Statutes 2007 Supplement, sections 332A.02, subdivision 2; 332A.04, subdivisions 1, 2, 4; 332A.06; 332A.10, subdivision 5; 332A.12, by adding a subdivision; 332A.13, subdivision 8; repealing Minnesota Statutes 2006, section 609B.163.

The bill was read for the first time.

Davnie moved that S. F. No. 2930 and H. F. No. 3287, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3775, A bill for an act relating to solid waste; establishing a pilot program to collect and process used paint; requiring reports.

The bill was read for the first time.

Sailer moved that S. F. No. 3775 and H. F. No. 4051, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3139, A bill for an act relating to crime; establishing offense related to interfering with Internet ticket sales; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time.

Atkins moved that S. F. No. 3139 and H. F. No. 2911, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3218, A bill for an act relating to workers' compensation; adopting recommendations of the Workers' Compensation Advisory Council; amending Minnesota Statutes 2006, sections 176.011, subdivision 9; 176.041, subdivision 1; 176.101, subdivision 1; 176.102, subdivisions 2, 11; 176.135, by adding a subdivision; 176.136, subdivisions 1a, 1b; 176.1812, subdivision 1; 176.183, subdivision 1; 176.185, subdivision 8a; 176.231, subdivision 10; 176.245; 176.275, subdivision 1; 176.285; 176.83, subdivision 7; repealing Minnesota Statutes 2006, sections 176.1041; 176.669.

The bill was read for the first time.

Nelson moved that S. F. No. 3218 and H. F. No. 3566, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2605, A bill for an act relating to the Metropolitan Council; providing for staggered terms of Metropolitan Council members; amending Minnesota Statutes 2006, section 473.123, subdivision 2a.

The bill was read for the first time.

Peterson, S., moved that S. F. No. 2605 and H. F. No. 2662, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Sertich from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Monday, April 14, 2008:

H. F. No. 3316; S. F. Nos. 3119, 2881, 3647, 3049, 3235 and 2390; H. F. No. 3574; and S. F. Nos. 2936, 2500 and 3021.

FISCAL CALENDAR

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 4023.

H. F. No. 4023, A bill for an act relating to appropriations; making forecast adjustments for health, human services, and education; appropriating money; amending Laws 2007, chapter 146, article 1, section 24, subdivisions 2, 3, 4, 5, 6, 7, 8; article 2, section 46, subdivisions 2, 3, 4, 6, 9; article 3, section 24, subdivisions 3, 4; article 4, section 16, subdivisions 2, 3, 6, 8; article 5, section 13, subdivisions 2, 3, 4; article 9, section 17, subdivisions 2, 3, 4, 8, 9, 13.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Bunn	Eastlund	Hamilton	Jaros	Lieder
Anderson, B.	Carlson	Eken	Hansen	Johnson	Lillie
Anderson, S.	Clark	Emmer	Hausman	Juhnke	Loeffler
Anzelc	Cornish	Erhardt	Haws	Kahn	Madore
Atkins	Davnie	Erickson	Heidgerken	Kalin	Magnus
Beard	Dean	Faust	Hilstrom	Knuth	Mahoney
Benson	DeLaForest	Finstad	Hilty	Koenen	Mariani
Berns	Demmer	Fritz	Holberg	Kohls	Marquart
Bigham	Dettmer	Gardner	Hoppe	Kranz	Masin
Bly	Dill	Garofalo	Hornstein	Laine	McFarlane
Brod	Dittrich	Gottwalt	Hortman	Lanning	McNamara
Brown	Dominguez	Greiling	Hosch	Lenczewski	Moe
Brynaert	Doty	Gunther	Howes	Lesch	Morgan
Buesgens	Drazkowski	Hackbarth	Huntley	Liebling	Morrow

Mullery	Paulsen	Ruth	Simpson	Tingelstad	Winkler
Murphy, E.	Paymar	Ruud	Slawik	Tschumper	Wollschlager
Murphy, M.	Pelowski	Sailer	Slocum	Urdahl	Zellers
Nelson	Peppin	Scalze	Smith	Wagenius	Spk. Kelliher
Nornes	Peterson, A.	Seifert	Solberg	Walker	
Norton	Peterson, N.	Sertich	Swails	Ward	
Olin	Peterson, S.	Severson	Thao	Wardlow	
Otremba	Poppe	Shimanski	Thissen	Welti	
Ozment	Rukavina	Simon	Tillberry	Westrom	

Those who voted in the negative were:

Olson

The bill was passed and its title agreed to.

FISCAL CALENDAR

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 3569.

H. F. No. 3569 was reported to the House.

McNamara moved to amend H. F. No. 3569, the first engrossment, as follows:

Page 1, line 7, delete "\$4,900,000" and insert "\$2,450,000" and after "2008" insert "and \$2,450,000 in fiscal year 2009" and delete "workers' compensation" and insert "taconite area environmental protection fund under section 298.223"

Page 1, line 8, delete "special fund under Minnesota Statutes, section 176.129,"

Page 1, line 9, delete "Notwithstanding section"

Page 1, line 10, delete "176.129, subdivision 6, the" and insert "This"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the McNamara amendment and the roll was called. There were 53 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Brown	Cornish	Demmer	Eastlund
Anderson, B.	Berns	Buesgens	Dean	Dettmer	Emmer
Anderson, S.	Brod	Bunn	DeLaForest	Drazkowski	Erhardt

Erickson	Hamilton	Magnus	Ozment	Severson	Urdahl
Finstad	Heidgerken	McFarlane	Paulsen	Shimanski	Wardlow
Garofalo	Holberg	McNamara	Peppin	Simpson	Walti
Gottwalt	Hoppe	Nornes	Peterson, N.	Smith	Westrom
Gunther	Kohls	Norton	Ruth	Swails	Zellers
Hackbarth	Lanning	Olson	Seifert	Tingelstad	

Those who voted in the negative were:

Anzelc	Faust	Jaros	Loeffler	Otremba	Solberg
Atkins	Fritz	Johnson	Madore	Paymar	Thao
Benson	Gardner	Juhnke	Mahoney	Pelowski	Thissen
Bigham	Greiling	Kahn	Mariani	Peterson, A.	Tillberry
Bly	Hansen	Kalin	Marquart	Peterson, S.	Tschumper
Brynaert	Hausman	Knuth	Masin	Poppe	Wagenius
Carlson	Haws	Koenen	Moe	Rukavina	Walker
Clark	Hilstrom	Kranz	Morgan	Ruud	Ward
Davnie	Hilty	Laine	Morrow	Sailer	Winkler
Dill	Hornstein	Lenczewski	Mullery	Scalze	Wollschlager
Dittrich	Hortman	Lesch	Murphy, E.	Sertich	Spk. Kelliher
Dominguez	Hosch	Liebling	Murphy, M.	Simon	
Doty	Howes	Lieder	Nelson	Slawik	
Eken	Huntley	Lillie	Olin	Slocum	

The motion did not prevail and the amendment was not adopted.

H. F. No. 3569, A bill for an act relating to workers' health; directing the University of Minnesota to study workers' health including lung health; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Huntley	Loeffler	Ozment	Solberg
Anzelc	Eken	Jaros	Madore	Paymar	Swails
Atkins	Faust	Johnson	Mahoney	Pelowski	Thao
Benson	Fritz	Juhnke	Mariani	Peterson, A.	Thissen
Bigham	Gardner	Kahn	Marquart	Peterson, S.	Tillberry
Bly	Greiling	Kalin	Masin	Poppe	Tschumper
Brown	Hansen	Knuth	Moe	Rukavina	Wagenius
Brynaert	Hausman	Koenen	Morgan	Ruud	Walker
Bunn	Haws	Kranz	Morrow	Sailer	Ward
Carlson	Hilstrom	Laine	Mullery	Scalze	Walti
Clark	Hilty	Lenczewski	Murphy, E.	Sertich	Winkler
Davnie	Hornstein	Lesch	Murphy, M.	Simon	Wollschlager
Dill	Hortman	Liebling	Nelson	Slawik	Spk. Kelliher
Dittrich	Hosch	Lieder	Olin	Slocum	
Dominguez	Howes	Lillie	Otremba	Smith	

Those who voted in the negative were:

Anderson, B.	DeLaForest	Finstad	Hoppe	Paulsen	Tingelstad
Anderson, S.	Demmer	Garofalo	Kohls	Peppin	Urdahl
Beard	Dettmer	Gottwalt	Lanning	Peterson, N.	Wardlow
Berns	Drazkowski	Gunther	Magnus	Ruth	Westrom
Brod	Eastlund	Hackbarth	McFarlane	Seifert	Zellers
Buesgens	Emmer	Hamilton	McNamara	Severson	
Cornish	Erhardt	Heidgerken	Nornes	Shimanski	
Dean	Erickson	Holberg	Olson	Simpson	

The bill was passed and its title agreed to.

FISCAL CALENDAR

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 3391.

H. F. No. 3391 was reported to the House.

The Speaker called Juhnke to the Chair.

Huntley moved to amend H. F. No. 3391, the fourth engrossment, as follows:

Page 3, line 20, after the period, insert "The requirements for health care homes must be consistent with the standards developed by a nationally recognized independent accrediting organization."

Page 4, line 2, before the period, insert "and section 256B.0751"

Page 4, line 4, delete ", long-term"

Page 4, line 7, after the first comma, insert "physician's assistants"

Page 4, line 7, delete the second comma

Page 4, line 11, after "arranging" insert ", or assisting with arrangements for,"

Page 4, line 18, after the period, insert "A personal clinician and care team may utilize county health care and social service providers to satisfy these requirements."

Page 4, line 22, after "family" insert "or a legally recognized person as defined in chapter 145C"

Page 5, line 13, delete "employ" and insert "utilize"

Page 7, line 30, delete "translators" and insert "language interpreters"

Page 8, line 13, delete "and"

Page 8, line 16, before the period, insert "; and (10) any criteria waived under section 256B.69, subdivision 29, paragraph (a)"

Page 10, line 5, after "nurses" insert ", physician's assistants"

Page 10, line 30, after "assets" insert "within ten percent of the applicable asset limit"

Page 11, line 32, delete "January" and insert "July"

Page 18, line 27, delete "December 31, 2008" and insert "June 30, 2009"

Page 19, line 3, after "Children" insert "in families"

Page 20, line 26, delete "January" and insert "July"

Page 20, line 27, delete "11" and insert "12"

Page 23, line 14, delete "ten" and insert "13"

Page 23, line 15, delete "three" and insert "four"

Page 23, line 17, delete "three" and insert "four"

Page 23, line 18, delete "four" and insert "five"

Page 24, line 19, after "programs" insert ", who require highly specialized care or who benefit from medical education"

Page 24, line 33, delete "and"

Page 24, after line 33, insert:

"(10) submit recommendations to the legislature, by January 1, 2009, on cost-effective methods for administering employee subsidies under section 62U.09; and"

Page 24, line 34, delete "(10)" and insert "(11)"

Page 25, line 19, after the semicolon, insert:

"(5) the extent to which health plan companies and third-party administrators have reduced their costs and premiums;"

Page 25, line 20, delete "(5)" and insert "(6)"

Page 30, line 22, delete "AND EFFICIENCY"

Page 30, line 26, delete "and efficiency"

Page 30, line 34, delete "quality and efficiency-based" and insert "quality-based"

Page 31, line 9, delete "and efficiency"

Page 31, line 17, after the semicolon, insert:

"(8) quality measures cannot be different from those recommended by the uniform outcome measures working group as approved by the Health Care Transformation Commission;"

Page 31, line 18, delete "(8)" and insert "(9)" and delete "and efficiency"

Page 33, line 22, after "develop" insert "and present to the legislature recommendations for"

Page 33, line 23, after "programs" insert "and the additional changes necessary to implement the payment system"

Page 34, line 33, after "programs" insert ", who require highly specialized care or who benefit from medical education"

Page 35, line 18, delete "total"

Page 35, line 35, delete everything after "2012"

Page 35, line 36, delete "is later"

Page 36, delete lines 1 and 2

Page 36, line 3, delete "(2)" and insert "(1)"

Page 36, line 5, delete "(3)" and insert "(2)"

Page 36, line 8, delete "(4)" and insert "(3)"

Page 36, line 11, delete "(5)" and insert "(4)"

Page 36, line 16, delete "2009" and insert "2010"

Page 36, line 24, delete "2010" and insert "2012"

Page 36, line 29, delete "2010" and insert "2012"

The motion prevailed and the amendment was adopted.

Thao moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 10, line 5, after "nurses" insert ", oral health professionals,"

The motion prevailed and the amendment was adopted.

Holberg and Murphy, E., moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 9, line 9, before the period, insert ", to the chairs and lead minority members of the legislative committees with jurisdiction over data practices, and to the Information Policy Analysis Division of the Department of Administration"

The motion prevailed and the amendment was adopted.

Abeler moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 4, line 9, after the first "coordination." insert "(a)"

Page 4, after line 18, insert:

"(b) Selection of a health care home does not limit a patient's ability to seek care from other providers."

Page 21, after line 2, insert:

"Section 1. Minnesota Statutes 2006, section 62Q.025, is amended by adding a subdivision to read:

Subd. 3. Premium rating of high deductible health plans. A health plan company offering, issuing, or renewing high deductible health plans in the individual market in this state must annually analyze the relationships between the experience of those plans and the experience of its plans that are not high deductible health plans and make actuarially appropriate adjustments in its relative premium rates based upon those relative experiences. The health plan company must file the relative experience data and analysis with the commissioner when requesting approval of changes in premium rates."

Page 21, line 29, after "determines" insert ", on an annual basis,"

Page 23, after line 32, insert:

"(d) Sixty percent of the membership of the commission constitutes a quorum.

(e) A majority of 60 percent of the membership of the commission is required for approval or adoption of a recommendation related to performance of the duties of the commission under subdivision 5."

Page 25, line 5, delete everything after the headnote

Page 25, delete lines 6 and 7

Page 25, line 8, delete "(b)" and insert "(a)"

Page 25, line 10, delete "(c)" and insert "(b)" and delete "establishing" and insert "recommending"

Page 27, after line 34, insert:

"(e) An individual need not comply with the individual responsibility requirement if the individual is a member of a health care sharing ministry. For the purpose of this chapter, a "health care sharing ministry" is defined as a health care cost-sharing arrangement among individuals of the same religion based on sincerely held religious beliefs and administered by a not-for-profit religious organization. A health care sharing ministry shall not be considered to be engaging in the business of insurance."

Page 27, line 35, delete "(e)" and insert "(f)"

Page 36, line 9, after "develop" insert "at least one" and delete "plans that encourage" and insert "plan that encourages"

Page 36, line 20, after the first "commission" insert "and at minimal cost to the provider"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Thissen moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 35, line 29, after "Payments." insert "(a)"

Page 35, line 34, after the period, insert:

"(b) No health care provider that submits a package price shall vary the payment amount the provider accepts as payment in full for the package of services based on the identity of the payer, a contractual relationship with a payer, the identity of the patient, or whether the patient has coverage through a group purchaser. This paragraph does not apply to services provided to patients who are enrolled in Medicare, workers' compensation, no fault auto insurance, or a state public health care program. This paragraph does not affect the right of a provider to provide charity care or care for a reduced price due to the financial hardship of the patient or due to a patient being a family member."

Page 36, delete section 13

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Olson moved to amend the Thissen amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, line 8, delete ", workers' compensation,"

Page 1, line 9, delete "no fault auto insurance,"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 39 yeas and 95 nays as follows:

Those who voted in the affirmative were:

Anderson, B.
Beard

Berns
Brod

Buesgens
Cornish

Dean
DeLaForest

Demmer
Dettmer

Drazkowski
Eastlund

Emmer	Hamilton	Kohls	Olson	Severson	Westrom
Erickson	Heidgerken	Lanning	Paulsen	Shimanski	Zellers
Finstad	Holberg	Magnus	Peppin	Simpson	
Gunther	Hoppe	McFarlane	Ruth	Smith	
Hackbarth	Howes	Nornes	Seifert	Wardlow	

Those who voted in the negative were:

Abeler	Doty	Hosch	Loeffler	Otremba	Solberg
Anderson, S.	Eken	Huntley	Madore	Ozment	Swails
Anzelc	Erhardt	Jaros	Mahoney	Paymar	Thao
Atkins	Faust	Johnson	Mariani	Pelowski	Thissen
Benson	Fritz	Juhnke	Marquart	Peterson, A.	Tillberry
Bigham	Gardner	Kahn	Masin	Peterson, N.	Tingelstad
Bly	Garofalo	Kalin	McNamara	Peterson, S.	Tschumper
Brown	Gottwalt	Knuth	Moe	Poppe	Urdahl
Brynaert	Greiling	Koenen	Morgan	Rukavina	Wagenius
Bunn	Hansen	Kranz	Morrow	Ruud	Walker
Carlson	Hausman	Laine	Mullery	Sailer	Ward
Clark	Haws	Lenczewski	Murphy, E.	Scalze	Welti
Davnie	Hilstrom	Lesch	Murphy, M.	Sertich	Winkler
Dill	Hilty	Liebling	Nelson	Simon	Wollschlager
Dittrich	Hornstein	Lieder	Norton	Slawik	Spk. Kelliher
Dominguez	Hortman	Lillie	Olin	Slocum	

The motion did not prevail and the amendment to the amendment was not adopted.

Brod moved to amend the Thissen amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, line 8, after the second comma, insert "or"

Page 1, line 9, delete ", or a state public health care program"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 46 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Hoppe	Paulsen	Smith
Anderson, B.	DeLaForest	Garofalo	Kohls	Peppin	Tingelstad
Anderson, S.	Demmer	Gottwalt	Lanning	Peterson, N.	Urdahl
Beard	Dettmer	Gunther	Magnus	Ruth	Wardlow
Berns	Drazkowski	Hackbarth	McFarlane	Seifert	Westrom
Brod	Eastlund	Hamilton	McNamara	Severson	Zellers
Buesgens	Emmer	Heidgerken	Nornes	Shimanski	
Cornish	Erickson	Holberg	Olson	Simpson	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Loeffler	Otremba	Solberg
Atkins	Erhardt	Jaros	Madore	Ozment	Swails
Benson	Faust	Johnson	Mahoney	Paymar	Thao
Bigham	Fritz	Juhnke	Mariani	Pelowski	Thissen
Bly	Gardner	Kahn	Marquart	Peterson, A.	Tillberry
Brown	Greiling	Kalin	Masin	Peterson, S.	Tschumper
Brynaert	Hansen	Knuth	Moe	Poppe	Wagenius
Bunn	Hausman	Koenen	Morgan	Rukavina	Walker
Carlson	Haws	Kranz	Morrow	Ruud	Ward
Clark	Hilstrom	Laine	Mullery	Sailer	Welti
Davnie	Hilty	Lenczewski	Murphy, E.	Scalze	Winkler
Dill	Hornstein	Lesch	Murphy, M.	Sertich	Wollschlager
Dittrich	Hortman	Liebling	Nelson	Simon	Spk. Kelliher
Dominguez	Hosch	Lieder	Norton	Slawik	
Doty	Howes	Lillie	Olin	Slocum	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Thissen amendment to H. F. No. 3391, the fourth engrossment, as amended. The motion prevailed and the amendment was adopted.

Olson moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 22, after line 12, insert:

"Sec. 3. **PUBLIC EMPLOYEE INSURANCE CARE OPT-OUT.**

Notwithstanding any other law, public employees who are covered by employer-provided health insurance must be given the option of declining the insurance and choosing to receive as salary an amount equivalent to the employer's cost for the insurance."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson amendment and the roll was called. There were 44 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Kohls	Peppin	Urdahl
Anderson, B.	DeLaForest	Gottwalt	Magnus	Ruth	Wardlow
Anderson, S.	Demmer	Gunther	McFarlane	Seifert	Westrom
Beard	Dettmer	Hackbarth	McNamara	Severson	Zellers
Berns	Drazkowski	Hamilton	Nornes	Shimanski	
Brod	Eastlund	Heidgerken	Olson	Simpson	
Buesgens	Emmer	Holberg	Ozment	Smith	
Cornish	Erickson	Hoppe	Paulsen	Tingelstad	

Those who voted in the negative were:

Anzelc	Eken	Howes	Lieder	Norton	Slawik
Atkins	Erhardt	Huntley	Lillie	Olin	Slocum
Benson	Faust	Jaros	Loeffler	Otremba	Solberg
Bigham	Fritz	Johnson	Madore	Paymar	Swails
Bly	Gardner	Juhnke	Mahoney	Pelowski	Thao
Brown	Garofalo	Kahn	Mariani	Peterson, A.	Thissen
Brynaert	Greiling	Kalin	Marquart	Peterson, N.	Tillberry
Bunn	Hansen	Knuth	Masin	Peterson, S.	Tschumper
Carlson	Hausman	Koenen	Moe	Poppe	Wagenius
Clark	Haws	Kranz	Morgan	Rukavina	Walker
Davnie	Hilstrom	Laine	Morrow	Ruud	Ward
Dill	Hilty	Lanning	Mullery	Sailer	Walti
Dittrich	Hornstein	Lenczewski	Murphy, E.	Scalze	Winkler
Dominguez	Hortman	Lesch	Murphy, M.	Sertich	Wollschlager
Doty	Hosch	Liebling	Nelson	Simon	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Anderson, S., was excused between the hours of 4:35 p.m. and 4:40 p.m.

Liebling, Laine, Tschumper and Bly offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

Dean requested a division of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended.

Dean further requested that the second portion of the divided Liebling et al amendment be voted on first.

The second portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended, reads as follows:

Page 27, line 1, delete "**; CONTINGENT**" and insert a period

Page 27, delete line 2

Page 27, delete subdivision 3

Page 31, after line 6, insert:

"(4) quality measures of health care outcomes must be based on medical evidence and developed through consensus process in which providers participate;"

Page 31, after line 30, insert:

"Subd. 4. **Continued review.** The committee shall review payment restructuring under this section on an ongoing periodic basis and shall adjust the payment system as necessary, to ensure that the quality of care continues to be safe, effective, and scientifically based."

Page 31, line 31, delete "4" and insert "5"

Page 31, lines 31 and 34, delete "January" and insert "July"

Page 32, lines 1 and 3, delete "January" and insert "July"

Page 35, line 35, delete everything after "2012," and insert "or upon legislative approval, whichever is later;"

Page 35, delete line 36

Page 36, after line 14, insert:

"The legislature must approve the commissioner's plan to implement this section before it may be implemented."

Page 38, line 2, after the period, insert "This model shall be available for use within a year after the grant is awarded."

Page 39, after line 21, insert:

"(d) The study shall be completed and submitted to the legislature within one year of final enactment."

Renumber the clauses in sequence

Renumber the subdivisions in sequence

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second portion of the Liebling et al amendment and the roll was called. There were 125 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abeler	Brown	Dettmer	Erickson	Hamilton	Hortman
Anderson, B.	Buesgens	Dill	Faust	Hansen	Hosch
Anzelc	Bunn	Dittrich	Finstad	Hausman	Howes
Atkins	Carlson	Dominguez	Fritz	Haws	Huntley
Beard	Clark	Doty	Gardner	Heidgerken	Jaros
Benson	Cornish	Drazkowski	Garofalo	Hilstrom	Johnson
Berns	Davnie	Eastlund	Gottwalt	Hilty	Juhnke
Bigham	Dean	Eken	Greiling	Holberg	Kalin
Bly	DeLaForest	Emmer	Gunther	Hoppe	Knuth
Brod	Demmer	Erhardt	Hackbarth	Hornstein	Koenen

Kohls	Mariani	Nornes	Poppe	Simpson	Urdahl
Kranz	Marquart	Olin	Rukavina	Slawik	Wagenius
Laine	Masin	Olson	Ruth	Slocum	Walker
Lanning	McFarlane	Otremba	Ruud	Smith	Ward
Lenczewski	McNamara	Ozment	Sailer	Solberg	Wardlow
Lesch	Moe	Paulsen	Scalze	Swails	Welti
Liebling	Morgan	Paymar	Seifert	Thao	Westrom
Lieder	Morrow	Pelowski	Sertich	Thissen	Wollschlager
Lillie	Mullery	Peppin	Severson	Tillberry	Zellers
Madore	Murphy, M.	Peterson, A.	Shimanski	Tingelstad	Spk. Kelliher
Magnus	Nelson	Peterson, N.	Simon	Tschumper	

Those who voted in the negative were:

Brynaert	Loeffler	Murphy, E.	Peterson, S.
Kahn	Mahoney	Norton	Winkler

The motion prevailed and the second portion of the Liebling et al amendment was adopted.

The first portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended, reads as follows:

Page 3, line 23, after "51" insert ", and features of the proposals for integrated community initiatives developed in response to Laws of Minnesota 2007, chapter 147, article 15, section 18, subdivision 2"

Page 4, line 5, delete "all of"

Page 4, line 10, after "providing" insert "or monitoring" and delete "for all"

Page 4, line 13, delete "requirement" and insert "coordination"

Page 21, line 15, after the period, insert "The uniform definitions and measures shall include mechanisms to adjust for patient health status and racial, ethnic, or language factors that affect quality outcomes."

Page 21, line 25, delete "and" and after "(2)" insert "identification of the evidence supporting each measure as an effective method of improving the quality of patient care; and (3)"

Page 26, line 10, after the second "health care" insert "dental care, comprehensive mental health services, chemical dependency treatment, vision care, language interpreter services, emergency transportation, and prescription drugs."

ReNUMBER the clauses in sequence

ReNUMBER the subdivisions in sequence

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

Peppin moved to amend the first portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, delete lines 2 to 4

Page 1, delete lines 8 to 16

A roll call was requested and properly seconded.

The question was taken on the Peppin amendment to the first portion of the Liebling et al amendment and the roll was called. There were 35 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cornish	Emmer	Hackbarth	McFarlane	Ruth
Anderson, S.	Dean	Erhardt	Holberg	McNamara	Severson
Beard	DeLaForest	Erickson	Hoppe	Olson	Simpson
Berns	Dettmer	Garofalo	Howes	Paulsen	Wardlow
Brod	Drazkowski	Gottwalt	Kohls	Peppin	Zellers
Buesgens	Eastlund	Gunther	Lanning	Peterson, N.	

Those who voted in the negative were:

Abeler	Eken	Jaros	Mahoney	Pelowski	Thao
Anzelc	Faust	Johnson	Mariani	Peterson, A.	Thissen
Atkins	Finstad	Juhnke	Marquart	Peterson, S.	Tillberry
Benson	Fritz	Kahn	Masin	Poppe	Tingelstad
Bigham	Gardner	Kalin	Moe	Rukavina	Tschumper
Bly	Greiling	Knuth	Morgan	Ruud	Urdahl
Brown	Hamilton	Koenen	Morrow	Sailer	Wagenius
Brynaert	Hansen	Kranz	Mullery	Scalze	Walker
Bunn	Hausman	Laine	Murphy, E.	Seifert	Ward
Carlson	Haws	Lenczewski	Murphy, M.	Sertich	Welti
Clark	Heidgerken	Lesch	Nelson	Shimanski	Westrom
Davnie	Hilstrom	Liebling	Nornes	Simon	Winkler
Demmer	Hilty	Lieder	Norton	Slawik	Wollschlager
Dill	Hornstein	Lillie	Olin	Slocum	Spk. Kelliher
Dittrich	Hortman	Loeffler	Otremba	Smith	
Dominguez	Hosch	Madore	Ozment	Solberg	
Doty	Huntley	Magnus	Paymar	Swails	

The motion did not prevail and the Peppin amendment to the first portion of the Liebling et al amendment was not adopted.

Seifert requested a division of the first portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended.

Seifert further requested that the second part of the divided Liebling et al amendment be voted on first.

The second part of the Seifert division of the first portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended, reads as follows:

Page 26, line 10, after "health care" insert "dental care, comprehensive mental health services, chemical dependency treatment, vision care, language interpreter services, emergency transportation, and prescription drugs,"

Renumber the clauses in sequence

Renumber the subdivisions in sequence

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second part of the Seifert division of the first portion of the Liebling et al amendment and the roll was called. There were 84 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Hosch	Liebling	Murphy, M.	Slawik
Anzelc	Eken	Howes	Lieder	Nelson	Slocum
Atkins	Erhardt	Huntley	Lillie	Olin	Solberg
Benson	Fritz	Jaros	Loeffler	Otremba	Swails
Bigham	Gardner	Johnson	Madore	Paymar	Thao
Bly	Greiling	Juhnke	Mahoney	Pelowski	Tillberry
Brown	Hamilton	Kahn	Mariani	Peterson, A.	Tingelstad
Brynaert	Hansen	Kalin	Marquart	Peterson, N.	Tschumper
Carlson	Hausman	Knuth	Masin	Rukavina	Wagenius
Clark	Haws	Koenen	Moe	Ruud	Walker
Davnie	Hilstrom	Kranz	Morgan	Sailer	Ward
Dill	Hilty	Laine	Morrow	Scalze	Welti
Dittrich	Hornstein	Lenczewski	Mullery	Sertich	Wollschlager
Dominguez	Hortman	Lesch	Murphy, E.	Simon	Spk. Kelliher

Those who voted in the negative were:

Anderson, B.	DeLaForest	Garofalo	Magnus	Peterson, S.	Wardlow
Anderson, S.	Demmer	Gottwalt	McFarlane	Poppe	Westrom
Beard	Dettmer	Gunther	McNamara	Ruth	Winkler
Berns	Drazkowski	Hackbarth	Nornes	Seifert	Zellers
Brod	Eastlund	Heidgerken	Norton	Severson	
Buesgens	Emmer	Holberg	Olson	Shimanski	
Bunn	Erickson	Hoppe	Ozment	Simpson	
Cornish	Faust	Kohls	Paulsen	Smith	
Dean	Finstad	Lanning	Peppin	Urdahl	

The motion prevailed and the second part of the Seifert division of the first portion of the Liebling et al amendment was adopted.

The first part of the Seifert division of the first portion of the Liebling et al amendment to H. F. No. 3391, the fourth engrossment, as amended, reads as follows:

Page 3, line 23, after "51" insert ", and features of the proposals for integrated community initiatives developed in response to Laws of Minnesota 2007, chapter 147, article 15, section 18, subdivision 2"

Page 4, line 5, delete "all of"

Page 4, line 10, after "providing" insert "or monitoring" and delete "for all"

Page 4, line 13, delete "requirement" and insert "coordination"

Page 21, line 15, after the period, insert "The uniform definitions and measures shall include mechanisms to adjust for patient health status and racial, ethnic, or language factors that affect quality outcomes."

Page 21, line 25, delete "and" and after "(2)" insert "identification of the evidence supporting each measure as an effective method of improving the quality of patient care; and (3)"

Renumber the clauses in sequence

Renumber the subdivisions in sequence

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the first part of the Seifert division of the first portion of the Liebling et al amendment was adopted.

DeLaForest was excused between the hours of 5:05 p.m. and 8:30 p.m.

Hosch moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 22, line 24, after the period, insert "This definition shall not be used to exclude or deny technology or treatment necessary to preserve life on the basis of an individual's age or expected length of life or of the individual's present or predicted disability, degree of medical dependency, or quality of life."

Buesgens moved to amend the Hosch amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, line 3, after "life" insert "from conception"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 65 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Gottwalt	Koenen	Olin	Shimanski
Anderson, B.	Drazkowski	Gunther	Kohls	Olson	Simpson
Anderson, S.	Eastlund	Hackbarth	Lanning	Otremba	Smith
Beard	Eken	Hamilton	Lenczewski	Ozment	Solberg
Berns	Emmer	Haws	Lieder	Paulsen	Tingelstad
Brod	Erhardt	Heidgerken	Magnus	Pelowski	Urdahl
Buesgens	Erickson	Holberg	Marquart	Peppin	Ward
Cornish	Faust	Hoppe	McFarlane	Peterson, N.	Wardlow
Dean	Finstad	Hosch	McNamara	Ruth	Westrom
Demmer	Fritz	Howes	Murphy, M.	Seifert	Zellers
Dettmer	Garofalo	Juhnke	Nornes	Severson	

Those who voted in the negative were:

Anzelc	Dittrich	Johnson	Mariani	Poppe	Tillberry
Atkins	Dominguez	Kahn	Masin	Rukavina	Tschumper
Benson	Gardner	Kalin	Moe	Ruud	Wagenius
Bigham	Greiling	Knuth	Morgan	Sailer	Walker
Bly	Hansen	Kranz	Morrow	Scalze	Welti
Brown	Hausman	Laine	Mullery	Sertich	Winkler
Brynaert	Hilstrom	Lesch	Murphy, E.	Simon	Wollschlager
Bunn	Hilty	Liebling	Nelson	Slawik	Spk. Kelliher
Carlson	Hornstein	Lillie	Norton	Slocum	
Clark	Hortman	Loeffler	Paymar	Swails	
Davnie	Huntley	Madore	Peterson, A.	Thao	
Dill	Jaros	Mahoney	Peterson, S.	Thissen	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Hosch amendment to H. F. No. 3391, the fourth engrossment, as amended. The motion prevailed and the amendment was adopted.

Peppin moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 40, after line 21, insert:

"Sec. 2. **UNIVERSITY OF MINNESOTA WORKERS' HEALTH STUDY.**

(a) \$4,900,000 in fiscal year 2008 is transferred to a special fund under Minnesota Statutes, section 176.129, to the Board of Regents of the University of Minnesota for the purposes of this section. Notwithstanding section 176.129, subdivision 6, the appropriation must be used for a study of workers' health. The study must include a comprehensive science and evidence-based study of workers' lung health. The university, as the lead agency, must develop, conduct and coordinate the study in partnership with the Department of Health, the Department of Natural Resources, the Pollution Control Agency, business and industry, local health providers and organizations, other affected groups, and other state, federal, and local agencies. This is a onetime appropriation that does not cancel and is available until expended.

(b) At a minimum, the study funded under this section must include industry-specific worker mortality and morbidity studies, clinical disease studies, exposure assessments, case-control screening of current and former workers, and environmental studies that assess health impacts on workers and communities. The university must begin the studies in 2008 and complete them no later than 2013. The university, in conjunction with its partners in the workers' health study, must report annually to the committees of the legislature with responsibility for health and workers' safety until the study is completed. Each annual report must present the preliminary findings of the workers' health studies and recommendations based on those findings."

Page 40, line 25, after the period, insert:

"The \$4,900,000 required for section 2 is to be paid from this \$20,000,000 appropriation."

Page 40, after line 28, insert:

"Sec. 4. **REPEALER.**

H. F. No. 3569, if enacted, is repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Peppin amendment and the roll was called. There were 43 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Gottwalt	Lanning	Peppin	Wardlow
Anderson, S.	Dettmer	Gunther	Magnus	Ruth	Westrom
Beard	Drazkowski	Hackbarth	McFarlane	Seifert	Zellers
Brod	Eastlund	Hamilton	McNamara	Severson	
Brown	Emmer	Heidgerken	Nornes	Shimanski	
Buesgens	Erickson	Holberg	Olson	Simpson	
Cornish	Finstad	Hoppe	Ozment	Smith	
Dean	Garofalo	Kohls	Paulsen	Tingelstad	

Those who voted in the negative were:

Abeler	Davnie	Hansen	Johnson	Lieder	Mullery
Anzelc	Dill	Hausman	Juhnke	Lillie	Murphy, E.
Atkins	Dittrich	Haws	Kahn	Loeffler	Murphy, M.
Benson	Dominguez	Hilstrom	Kalin	Madore	Nelson
Berns	Doty	Hilty	Knuth	Mahoney	Norton
Bigham	Eken	Hornstein	Koenen	Mariani	Olin
Bly	Erhardt	Hortman	Kranz	Marquart	Otremba
Brynaert	Faust	Hosch	Laine	Masin	Paymar
Bunn	Fritz	Howes	Lenczewski	Moe	Pelowski
Carlson	Gardner	Huntley	Lesch	Morgan	Peterson, A.
Clark	Greiling	Jaros	Liebling	Morrow	Peterson, N.

Peterson, S.	Sailer	Slawik	Thao	Wagenius	Winkler
Poppe	Scalze	Slocum	Thissen	Walker	Wollschlager
Rukavina	Sertich	Solberg	Tillberry	Ward	Spk. Kelliher
Ruud	Simon	Swails	Tschumper	Welti	

The motion did not prevail and the amendment was not adopted.

Olson and Heidgerken moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 22, after line 12, insert:

"Sec. 3. **PUBLIC EMPLOYEE INSURANCE CARE OPT-OUT.**

Notwithstanding any other law, public employees who are covered by employer-provided health insurance must be given the option of declining the insurance and choosing to receive an amount equivalent to 50% of the employer's cost for the insurance in a health savings fund for the purpose of purchasing private or other health insurance."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson and Heidgerken amendment and the roll was called. There were 42 yeas and 91 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Hoppe	Olson	Shimanski
Anderson, B.	Demmer	Gottwalt	Kohls	Paulsen	Simpson
Anderson, S.	Dettmer	Gunther	Lanning	Peppin	Tingelstad
Beard	Drazkowski	Hackbarth	Magnus	Peterson, N.	Urdahl
Berns	Eastlund	Hamilton	McFarlane	Ruth	Wardlow
Brod	Emmer	Heidgerken	McNamara	Seifert	Westrom
Buesgens	Erickson	Holberg	Nornes	Severson	Zellers

Those who voted in the negative were:

Anzelc	Dittrich	Hilstrom	Koenen	Masin	Pelowski
Atkins	Dominguez	Hilty	Kranz	Moe	Peterson, A.
Benson	Doty	Hornstein	Laine	Morgan	Peterson, S.
Bigham	Eken	Hortman	Lenczewski	Morrow	Poppe
Bly	Erhardt	Hosch	Lesch	Mullery	Rukavina
Brown	Faust	Howes	Liebling	Murphy, E.	Ruud
Brynaert	Finstad	Huntley	Lieder	Murphy, M.	Sailer
Bunn	Fritz	Jaros	Lillie	Nelson	Scalze
Carlson	Gardner	Johnson	Loeffler	Norton	Sertich
Clark	Greiling	Juhnke	Madore	Olin	Simon
Cornish	Hansen	Kahn	Mahoney	Otremba	Slawik
Davnie	Hausman	Kalin	Mariani	Ozment	Slocum
Dill	Haws	Knuth	Marquart	Paymar	Smith

Solberg	Thissen	Wagenius	Wolti	Spk. Kelliher
Swails	Tillberry	Walker	Winkler	
Thao	Tschumper	Ward	Wollschlager	

The motion did not prevail and the amendment was not adopted.

The Speaker called Juhnke to the Chair.

Hilstrom was excused between the hours of 6:10 p.m. and 8:15 p.m.

Anzelc was excused for the remainder of today's session.

Dean moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 23, after line 9, insert:

"Sec. 2. **[62U.035] POLICY GOALS OF HEALTH CARE REFORM.**

It is the policy and intent of the State of Minnesota to enact and promote consumer-driven, market-based solutions within the health care sector, to achieve the greatest access to the highest quality of care. It is not the intent of this act to shift, in part or in whole, any care provided in the private market to public programs or a single-payer government system. Any policies enacted must be patient-centered, and offer choice and competition through the free market. Any policies enacted must inform consumers, prevent health care rationing, provide effective accountability, and continue to advance and provide access to high-quality, affordable care."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dean amendment and the roll was called. There were 52 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Howes	Paulsen	Smith
Anderson, B.	Demmer	Garofalo	Kohls	Peppin	Swails
Anderson, S.	Dettmer	Gottwalt	Lanning	Peterson, N.	Tingelstad
Beard	Dittrich	Gunther	Magnus	Peterson, S.	Urdahl
Berns	Drazkowski	Hackbarth	McFarlane	Ruth	Wardlow
Brod	Eastlund	Hamilton	McNamara	Seifert	Westrom
Buesgens	Emmer	Heidgerken	Nornes	Severson	Zellers
Bunn	Erhardt	Holberg	Olson	Shimanski	
Cornish	Erickson	Hoppe	Ozment	Simpson	

Those who voted in the negative were:

Atkins	Fritz	Kahn	Mariani	Pelowski	Tillberry
Benson	Gardner	Kalin	Marquart	Peterson, A.	Tschumper
Bigham	Greiling	Knuth	Masin	Poppe	Wagenius
Bly	Hansen	Koenen	Moe	Rukavina	Walker
Brown	Hausman	Kranz	Morgan	Ruud	Ward
Brynaert	Haws	Laine	Morrow	Sailer	Welti
Carlson	Hilty	Lenczewski	Mullery	Scalze	Winkler
Clark	Hornstein	Lesch	Murphy, E.	Sertich	Wollschlager
Davnie	Hortman	Liebling	Murphy, M.	Simon	Spk. Kelliher
Dill	Hosch	Lieder	Nelson	Slawik	
Dominguez	Huntley	Lillie	Norton	Slocum	
Doty	Jaros	Loeffler	Olin	Solberg	
Eken	Johnson	Madore	Otremba	Thao	
Faust	Juhnke	Mahoney	Paymar	Thissen	

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Gottwalt moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 21, after line 2, insert:

"Section 1. **[62Q.022] HEALTH PLAN COMPANIES AUTHORIZED IN OTHER STATES.**

(a) Health plan companies authorized to issue health coverage in other states may issue health coverage in this state under this section.

(b) Each written application for participation in an out-of-state health benefit plan shall contain the following language in boldface type at the beginning of the document: "This policy is primarily governed by the laws of [insert state where the master policy is filed]; therefore, all of the rating laws applicable to policies filed in this state do not apply to this policy, which may result in increases in your premium at renewal that would not be permissible in a Minnesota-approved policy. Any purchase of individual health insurance should be considered carefully since future medical conditions may make it impossible to qualify for another individual health policy. For information concerning individual health coverage under a Minnesota-approved policy, please consult your insurance agent or the Minnesota Department of Commerce or Health."

(c) Each out-of-state health benefit plan shall contain the following language in boldface type at the beginning of the document: "The benefits of this policy providing your coverage are governed primarily by the laws of a state other than Minnesota. While this health benefit plan may provide you a more affordable health insurance policy, it may also provide fewer health benefits than those included as state mandated health benefits in policies in Minnesota. Please consult your insurance agent to determine which state-mandated health benefits are excluded under this policy."

(d) The commissioner of commerce or health, as appropriate, shall be authorized to conduct market conduct and solvency examinations of all out-of-state companies seeking to offer health benefit plans in this state or who have been given approval to offer health benefit plans in this state. Such examinations shall be conducted in the same manner and under the same terms and conditions as for companies located in this state."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 50 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Garofalo	Kohls	Paulsen	Tingelstad
Anderson, B.	Dettmer	Gottwalt	Kranz	Peppin	Urdahl
Anderson, S.	Dittrich	Gunther	Lanning	Peterson, N.	Wardlow
Beard	Drazkowski	Hackbarth	Magnus	Ruth	Westrom
Berns	Eastlund	Hamilton	McFarlane	Seifert	Zellers
Brod	Emmer	Heidgerken	McNamara	Severson	
Buesgens	Erhardt	Holberg	Nornes	Shimanski	
Cornish	Erickson	Hoppe	Olson	Simpson	
Dean	Finstad	Howes	Ozment	Smith	

Those who voted in the negative were:

Atkins	Faust	Juhnke	Mariani	Pelowski	Thao
Benson	Fritz	Kahn	Marquart	Peterson, A.	Thissen
Bigham	Gardner	Kalin	Masin	Peterson, S.	Tillberry
Bly	Greiling	Knuth	Moe	Poppe	Tschumper
Brown	Hansen	Koenen	Morgan	Rukavina	Wagenius
Brynaert	Hausman	Laine	Morrow	Ruud	Walker
Bunn	Haws	Lenczewski	Mullery	Sailer	Ward
Carlson	Hilty	Lesch	Murphy, E.	Scalze	Welti
Clark	Hornstein	Liebling	Murphy, M.	Sertich	Winkler
Davnie	Hortman	Lieder	Nelson	Simon	Wollschlager
Dill	Hosch	Lillie	Norton	Slawik	Spk. Kelliher
Dominguez	Huntley	Loeffler	Olin	Slocum	
Doty	Jaros	Madore	Otremba	Solberg	
Eken	Johnson	Mahoney	Paymar	Swails	

The motion did not prevail and the amendment was not adopted.

Gottwalt moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 40, after line 28, insert:

"ARTICLE 6

MINNESOTACARE CMF PROGRAM

Section 1. **[256L.20] MINNESOTACARE CARE FOR MORE FAMILIES PROGRAM.**

The commissioner shall establish the MinnesotaCare Care for More Families (CMF) program. The commissioner shall implement the program on January 1, 2010, or upon federal approval, whichever is later.

Sec. 2. **[256L.22] ELIGIBILITY.**

Subdivision 1. **General requirements.** Families and children meeting the eligibility requirements of this section are eligible for the MinnesotaCare CMF program. Enrollment in the program is voluntary. For purposes of the program, a child is an individual under age 19.

Subd. 2. **Income limit.** Families and children with family income equal to or less than 300 percent of the federal poverty guidelines for the applicable family size are eligible for the MinnesotaCare CMF program.

Subd. 3. **No other health coverage.** (a) Families and children must have no other health coverage at the time of application, except that families and children that contribute 15 percent or more of their gross income toward the cost of employer-sponsored coverage are eligible for the program.

(b) Families and children eligible to enroll in the medical assistance program are not eligible for the MinnesotaCare CMF program.

(c) Families and children enrolled in the MinnesotaCare program under section 256L.04, subdivision 1, may voluntarily enroll in the MinnesotaCare CMF program.

Subd. 4. **Other MinnesotaCare eligibility requirements.** (a) To be eligible for MinnesotaCare CMF, families and children must comply with the citizenship requirement in section 256L.04, subdivision 10, and the residency requirement in section 256L.09.

(b) Section 256L.07, subdivisions 2 and 3, do not apply to enrollment under the MinnesotaCare CMF program.

Sec. 3. **[256L.24] PROGRAM ADMINISTRATION.**

Unless otherwise specified, the commissioner shall administer the MinnesotaCare CMF program using the procedures and methods used to administer the MinnesotaCare program for persons enrolled under section 256L.04, subdivision 1.

Sec. 4. **[256L.26] COVERED SERVICES.**

Covered services under the MinnesotaCare CMF program consist of all comprehensive health maintenance services covered under a standard HMO contract, as defined under section 62D.02, subdivision 7, and Minnesota Rules, chapter 4685, or their actuarial equivalent.

Sec. 5. **[256L.28] HIGH-DEDUCTIBLE HEALTH PLAN.**

Subdivision 1. **Purchase required.** Enrollees shall purchase a high-deductible health plan. For purposes of this requirement, a high-deductible health plan is a health plan with an annual deductible equal to \$1,000 for individuals and \$2,000 for families, indexed by the Consumer Price Index (CPI-urban). The health plan purchased may be either a family or individual policy, at the option of the enrollee. Enrollees who receive premium subsidies must select the least costly high-deductible health plan available to the enrollee.

Subd. 2. **Plan coverage.** High-deductible health plans must provide coverage for all services required to be covered under section 256L.26.

Subd. 3. **Cost-sharing.** High-deductible plans shall have no enrollee cost-sharing, beyond the deductible.

Sec. 6. **[256L.30] MEDICAL BENEFIT ACCOUNT.**

Subdivision 1. **Establishment of account.** Each enrollee shall manage a medical benefit account. A medical benefit account is a trust established and owned by the state of Minnesota for the sole benefit of the MinnesotaCare CMF enrollee, that may be used to pay for health care services subject to a deductible, other qualified medical expenses, and qualified educational expenses of the enrollee. The medical benefit account shall consist of a deductible account and a freedom account.

Subd. 2. **Deductible account.** The deductible account shall be funded by the enrollee and the state, to the value of the annual deductible of the high-deductible health plan. Expenditures from the deductible account are limited to medical expenses that count toward the deductible, according to the terms of the high-deductible health plan.

Subd. 3. **Freedom account.** The freedom account shall be funded with money rolled over from the enrollee's previous year's unspent deductible account dollars, investment gains, and any additional private contributions. Money in the freedom account may be spent on:

(1) all qualified medical expenses, as defined in section 213(d) of the Internal Revenue Code;

(2) qualified education expenses; and

(3) private sector health plan premiums, for persons who lose eligibility for or are no longer enrolled in MinnesotaCare CMF.

For purposes of this subdivision, "qualified educational expenses" means tuition and fees at postsecondary educational institutions. Money in the freedom account may be invested by the enrollee, using the procedures that apply to individual retirement accounts.

Subd. 4. **Administration.** Any organization qualified to administer individual retirement accounts may administer the medical benefit account, subject to any restrictions specified in the trust documents. Funds in the medical benefits account must be accessible through a debit card. Charges on the debit card must be limited to allowed expenditures.

Subd. 5. **Additional contributions.** Enrollees, employers, and other third parties may contribute additional funds to the medical benefit account. These funds are subject to the same spending restrictions as contributions by the enrollee and the state.

Subd. 6. **Continued access to account.** Individuals who become ineligible for or leave the MinnesotaCare CMF program shall continue to have access to money in the medical benefit account, if they had been enrolled in the MinnesotaCare CMF program for at least 12 consecutive months. Medical benefit account funds for persons enrolled in the MinnesotaCare CMF program for less than 12 consecutive months shall be forfeited by the person and deposited into the general fund.

Sec. 7. **[256L.32] PREMIUMS.**

Subdivision 1. **Requirement.** Families and children shall pay a premium based on the sliding scale specified in section 256L.15, as modified to include the percentage increase effective October 1, 2003, for higher income enrollees, except that the commissioner shall extend the sliding scale to require children and families with income greater than 275 percent but not exceeding 300 percent of the federal poverty guidelines to pay 10.8 percent of gross income. All other provisions of section 256L.15 shall apply to premium administration and collection under the MinnesotaCare CMF program, unless otherwise specified in this section. Families and children with incomes that exceed the income limit for the MinnesotaCare CMF program may remain on the program, but must pay the full cost of the high-deductible premium and must fully fund the deductible account without any state subsidy.

Subd. 2. **Premiums applied first to deductible account.** The commissioner shall fully fund each enrollee's deductible account at the time of initial enrollment and at the start of each plan year, and shall use the required premium contributions from the enrollee to pay back the cost of fully funding the deductible. The commissioner shall apply the premiums collected under this section to the cost of premium payments for the high-deductible health plan policy only if the enrollee still has a premium obligation after fully funding the deductible account.

Sec. 8. **[256L.34] WAIVERS AND FEDERAL APPROVAL.**

The commissioner shall seek all necessary federal waivers and approvals to implement the MinnesotaCare CMF program and to use federal medical assistance and state children's health insurance program dollars to pay for health care services covered under the MinnesotaCare CMF program."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 50 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Howes	Paulsen	Tingelstad
Anderson, B.	Demmer	Gottwalt	Kohls	Peppin	Urdahl
Anderson, S.	Dettmer	Gunther	Lanning	Peterson, N.	Wardlow
Beard	Drazkowski	Hackbarth	Magnus	Ruth	Westrom
Berns	Eastlund	Hamilton	McFarlane	Seifert	Zellers
Brod	Emmer	Haws	McNamara	Severson	
Buesgens	Erhardt	Heidgerken	Nornes	Shimanski	
Bunn	Erickson	Holberg	Olson	Simpson	
Cornish	Finstad	Hoppe	Ozment	Smith	

Those who voted in the negative were:

Atkins	Faust	Kahn	Mariani	Pelowski	Thao
Benson	Fritz	Kalin	Marquart	Peterson, A.	Thissen
Bigham	Gardner	Knuth	Masin	Peterson, S.	Tillberry
Bly	Greiling	Koenen	Moe	Poppe	Tschumper
Brown	Hansen	Kranz	Morgan	Rukavina	Wagenius
Brynaert	Hausman	Laine	Morrow	Ruud	Walker
Carlson	Hilty	Lenczewski	Mullery	Sailer	Ward
Clark	Hornstein	Lesch	Murphy, E.	Scalze	Welti
Davnie	Hortman	Liebling	Murphy, M.	Sertich	Winkler
Dill	Hosch	Lieder	Nelson	Simon	Wollschlager
Dittrich	Huntley	Lillie	Norton	Slawik	Spk. Kelliher
Dominguez	Jaros	Loeffler	Olin	Slocum	
Doty	Johnson	Madore	Otremba	Solberg	
Eken	Juhnke	Mahoney	Paymar	Swails	

The motion did not prevail and the amendment was not adopted.

The Speaker called Juhnke to the Chair.

Olson and Heidgerken moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 4, line 28, after the period, insert "A health care home must obtain a patient's written consent prior to making the patient's medical records available through the Internet."

A roll call was requested and properly seconded.

The question was taken on the Olson and Heidgerken amendment and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Slocum

The motion prevailed and the amendment was adopted.

Olson moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 24, line 1, before "The" insert "(a)"

Page 24, after line 34, insert:

"(b) Providers must obtain signed, written consent from patients prior to providing patient information that identifies the patient to the commission pursuant to paragraph (a), clause (1)."

The motion prevailed and the amendment was adopted.

Olson moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 6, after line 29, insert:

"(f) The commissioners shall adopt rules to implement the standards, thresholds, payment amounts, criteria, procedures, requirements, and methodology required under paragraphs (a) to (e)."

Page 24, line 1, before "The" insert "(a)"

Page 24, after line 34, insert:

"(c) The commission shall adopt rules to implement paragraph (a), clauses (1), (3), (5), and (9)."

The motion prevailed and the amendment was adopted.

Westrom, Nornes, Hamilton, Ruth, Demmer, Magnus, Simpson and Finstad moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 33, delete section 11

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Westrom et al amendment and the roll was called. There were 58 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Erickson	Hamilton	Lanning	Otremba
Anderson, S.	Demmer	Faust	Heidgerken	Liebling	Ozment
Beard	Dettmer	Finstad	Hilty	Magnus	Paulsen
Berns	Doty	Fritz	Holberg	Marquart	Peppin
Bly	Drazkowski	Garofalo	Hoppe	McFarlane	Peterson, N.
Brod	Eastlund	Gottwalt	Howes	McNamara	Ruth
Buesgens	Emmer	Gunther	Kohls	Nornes	Seifert
Cornish	Erhardt	Hackbarth	Laine	Olson	Severson

Shimanski	Smith	Tschumper	Ward	Westrom
Simpson	Tingelstad	Urdahl	Wardlow	Zellers

Those who voted in the negative were:

Abeler	Dominguez	Juhnke	Mahoney	Paymar	Slocum
Atkins	Eken	Kahn	Mariani	Pelowski	Solberg
Benson	Gardner	Kalin	Masin	Peterson, A.	Swails
Bigham	Greiling	Knuth	Moe	Peterson, S.	Thao
Brown	Hansen	Koenen	Morgan	Poppe	Thissen
Brynaert	Haws	Kranz	Morrow	Rukavina	Tillberry
Bunn	Hornstein	Lenczewski	Mullery	Ruud	Wagenius
Carlson	Hortman	Lesch	Murphy, E.	Sailer	Walker
Clark	Hosch	Lieder	Murphy, M.	Scalze	Welti
Davnie	Huntley	Lillie	Nelson	Sertich	Winkler
Dill	Jaros	Loeffler	Norton	Simon	Wollschlager
Dittrich	Johnson	Madore	Olin	Slawik	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Dean moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 37, after line 6, insert:

"Sec. 14. **[604.111] EMERGENCY HEALTH CARE AND OB/GYN ACTIONS; LIMITS ON DAMAGES.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in paragraphs (b) to (d) have the meanings given them.

(b) "Economic loss" means all harm for which damages are recoverable, other than noneconomic losses.

(c) "Health care provider" has the meaning given in section 541.076, paragraph (a), except that health care provider also includes a physician assistant registered under chapter 147A and ambulance services, medical directors, and personnel regulated under chapter 144E.

(d) "Noneconomic loss" means all nonpecuniary harm for which damages are recoverable, including, but not limited to, pain, disability, disfigurement, embarrassment, emotional distress, and loss of consortium.

Subd. 2. **Limitation.** (a) In an action for injury or death against a health care provider alleging malpractice, error, mistake, or failure to cure, whether based in contract or tort, in which the health care services at issue were provided for:

(1) pregnancy or labor and delivery, including the immediate postpartum period; or

(2) emergency care in the emergency room of a hospital; the amount of damages awarded for noneconomic losses must not exceed \$250,000, regardless of the number of parties against whom the action is brought or the number of separate claims or actions brought with respect to the same occurrence.

(b) The limitation imposed by this subdivision must not be disclosed to the trier of fact by any person at trial.

Subd. 3. **Findings.** (a) A court in an action tried without a jury shall make a finding as to noneconomic loss without regard to the limit under subdivision 2. If noneconomic loss in excess of the limit is found, the court shall make any reduction required under this section and shall award as damages for noneconomic loss the lesser of the reduced amount or the limit.

(b) If an action is before a jury, the jury shall make a finding as to noneconomic loss without regard to the limit under subdivision 2. If the jury finds that noneconomic loss exceeds the limit, the court shall make any reduction required under this section and shall award as damages for noneconomic loss the lesser of the reduced amount or the limit.

Subd. 4. **Punitive damages limited.** Punitive, exemplary, and similar damages recoverable against a health care provider in a cause of action described in subdivision 2 must not exceed \$250,000. The jury must not be informed of this limitation.

Subd. 5. **Excessive attorney fees prohibited.** (a) Attorney fees payable by a plaintiff in any cause of action referred to in subdivision 2 must not exceed the following percentage of damages:

(1) 40 percent of the first \$50,000;

(2) 33-1/3 percent of the next \$50,000;

(3) 25 percent of the next \$500,000; plus

(4) 15 percent of that portion of damages that exceeds \$600,000.

(b) This subdivision applies to the net damages actually recovered by that plaintiff under the cause of action, whether through settlement, alternative dispute resolution, court judgment, or otherwise. "Net damages actually recovered" means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of the claim, including all costs paid or advanced by any person. Costs of health care incurred by the plaintiff and the attorney's office overhead costs or charges for legal services are not deductible disbursements of costs for such purpose.

(c) A fee agreement that violates this subdivision is void and unenforceable, to the extent of the violation.

Subd. 6. **Intentional discriminatory denial of treatment.** Except for the purposes of subdivision 5, an action described in subdivision 2 shall not be construed to include any claim in a civil action that is based solely on intentional denial of medical treatment that a patient is otherwise qualified to receive, against the wishes of a patient, or, if the patient is incompetent, against the wishes of the patient's guardian, on the basis of the patient's present or predicted age, disability, degree of medical dependency, or quality of life.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to actions arising from incidents occurring on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dean amendment and the roll was called.

Pursuant to rule 2.05, Speaker pro tempore Juhnke excused Kalin from voting on the Dean amendment to H. F. No. 3391, the fourth engrossment, as amended.

There were 48 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Finstad	Hoppe	Olson	Shimanski
Anderson, S.	Dettmer	Garofalo	Howes	Ozment	Simpson
Beard	Drazkowski	Gottwalt	Kohls	Paulsen	Tingelstad
Berns	Eastlund	Gunther	Lanning	Peppin	Tschumper
Brod	Emmer	Hackbarth	Magnus	Peterson, N.	Urdahl
Buesgens	Erhardt	Hamilton	McFarlane	Ruth	Wardlow
Cornish	Erickson	Heidgerken	McNamara	Seifert	Westrom
Dean	Faust	Holberg	Nornes	Severson	Zellers

Those who voted in the negative were:

Abeler	Doty	Johnson	Mahoney	Paymar	Solberg
Atkins	Eken	Juhnke	Mariani	Pelowski	Swails
Benson	Fritz	Kahn	Marquart	Peterson, A.	Thao
Bigham	Gardner	Knuth	Masin	Peterson, S.	Thissen
Bly	Greiling	Koenen	Moe	Poppe	Tillberry
Brown	Hansen	Kranz	Morgan	Rukavina	Wagenius
Brynaert	Hausman	Laine	Morrow	Ruud	Walker
Bunn	Haws	Lenczewski	Mullery	Sailer	Ward
Carlson	Hilty	Lesch	Murphy, E.	Scalze	Welti
Clark	Hornstein	Liebling	Murphy, M.	Sertich	Winkler
Davnie	Hortman	Lieder	Nelson	Simon	Wollschlager
Dill	Hosch	Lillie	Norton	Slawik	Spk. Kelliher
Dittrich	Huntley	Loeffler	Olin	Slocum	
Dominguez	Jaros	Madore	Otremba	Smith	

The motion did not prevail and the amendment was not adopted.

Anderson, B.; Erickson; Dettmer; Gottwalt; Bunn; Hackbarth; Dean and Emmer offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

POINT OF ORDER

Solberg raised a point of order pursuant to rule 4.03 relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills that the Anderson, B., et al amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Anderson, B., et al amendment out of order.

Hamilton moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 33, delete section 11

Page 36, delete sections 12 and 13 and insert:

"Sec. 11. **RECOMMENDATIONS FOR PAYMENT RESTRUCTURING.**

The commissioner of health, in consultation with the Health Care Transformation Commission, shall present to the legislature, by December 15, 2009, recommendations and draft legislation for an innovative and comprehensive payment system that encourages provider innovation to reduce costs and improve quality. The system must: (1) include payments for necessary patient services, including but not limited to services to treat patients with coronary artery and heart disease, diabetes, asthma, chronic obstructive pulmonary disease, and depression; (2) include appropriate risk adjustment mechanisms; (3) allow providers to submit package prices for the cost of providing necessary services; and (4) pay providers for the cost of providing necessary services, with periodic adjustments to reflect their risk-adjusted cost relative to the package price."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Hamilton amendment and the roll was called. There were 58 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Fritz	Jaros	Ozment	Smith
Anderson, S.	Dittrich	Garofalo	Kohls	Paulsen	Tingelstad
Beard	Doty	Gottwalt	Kranz	Peppin	Tschumper
Berns	Drazkowski	Gunther	Lanning	Peterson, N.	Urdahl
Bly	Eastlund	Hackbarth	Magnus	Rukavina	Ward
Brod	Emmer	Hamilton	McFarlane	Ruth	Wardlow
Buesgens	Erhardt	Heidgerken	McNamara	Seifert	Westrom
Cornish	Erickson	Holberg	Nornes	Severson	Zellers
Dean	Faust	Hoppe	Olson	Shimanski	
Demmer	Finstad	Howes	Otremba	Simpson	

Those who voted in the negative were:

Abeler	Dill	Hortman	Lenczewski	Masin	Paymar
Atkins	Dominguez	Hosch	Lesch	Moe	Pelowski
Benson	Eken	Huntley	Liebling	Morgan	Peterson, A.
Bigham	Gardner	Johnson	Lieder	Morrow	Peterson, S.
Brown	Greiling	Juhnke	Lillie	Mullery	Poppe
Brynaert	Hansen	Kahn	Loeffler	Murphy, E.	Ruud
Bunn	Hausman	Kalin	Madore	Murphy, M.	Sailer
Carlson	Haws	Knuth	Mahoney	Nelson	Scalze
Clark	Hilty	Koenen	Mariani	Norton	Sertich
Davnie	Hornstein	Laine	Marquart	Olin	Simon

Slawik
Slocum
Solberg

Swails
Thao
Thissen

Tillberry
Wagenius
Walker

Walti
Winkler
Wollschlager

Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Anderson, S., offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

POINT OF ORDER

Solberg raised a point of order pursuant to rule 3.21 that the Anderson, S., amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Anderson, S., amendment out of order.

Erickson moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 37, after line 6, insert:

"Sec. 14. Minnesota Statutes 2006, section 144.6521, subdivision 1, is amended to read:

Subdivision 1. **Disclosure.** (a) No health care provider with a financial or economic interest in, or an employment or contractual arrangement that limits referral options with, a hospital, outpatient surgical center or diagnostic imaging facility, or an affiliate of one of these entities, shall refer a patient to that hospital, center, or facility, or an affiliate of one of these entities, unless the health care provider discloses in writing to the patient, in advance of the referral, the existence of such an interest, employment, or arrangement.

The written disclosure form must be printed in letters of at least 12-point boldface type and must read as follows: "Your health care provider is referring you to a facility or service in which your health care provider has a financial or economic interest."

Hospitals, outpatient surgical centers, and diagnostic imaging facilities shall promptly report to the commissioner of health any suspected violations of this section by a health care provider who has made a referral to such hospital, outpatient surgical center, or diagnostic imaging facility without providing the written notice.

(b) A health care provider must provide written disclosure to patients when patient care may be compromised because the provider is reimbursed according to the payment structure provided in chapter 62U. The written disclosure must be sufficient to make patients aware that the health care provider may stand to materially benefit from making treatment decisions that are in line with meeting targets specified pursuant to chapter 62U, and that the patient's care may be compromised due to these decisions. The written disclosure must be printed in letters of at least 12-point boldface type and must be provided to patients at the time services are provided."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Erickson amendment and the roll was called. There were 48 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Hoppe	Olson	Simpson
Anderson, B.	Demmer	Garofalo	Howes	Ozment	Slawik
Anderson, S.	Dettmer	Gottwalt	Kohls	Peppin	Smith
Beard	Drazkowski	Gunther	Lanning	Peterson, N.	Tingelstad
Berns	Eastlund	Hackbarth	Magnus	Ruth	Urdahl
Brod	Emmer	Hamilton	McFarlane	Seifert	Wardlow
Buesgens	Erhardt	Heidgerken	McNamara	Severson	Westrom
Cornish	Erickson	Holberg	Nornes	Shimanski	Zellers

Those who voted in the negative were:

Atkins	Eken	Jaros	Loeffler	Olin	Slocum
Benson	Faust	Johnson	Madore	Otremba	Solberg
Bigham	Fritz	Juhnke	Mahoney	Paulsen	Swails
Bly	Gardner	Kahn	Mariani	Paymar	Thao
Brown	Greiling	Kalin	Marquart	Pelowski	Thissen
Brynaert	Hansen	Knuth	Masin	Peterson, A.	Tillberry
Bunn	Hausman	Koenen	Moe	Peterson, S.	Tschumper
Carlson	Haws	Kranz	Morgan	Poppe	Wagenius
Clark	Hilstrom	Laine	Morrow	Rukavina	Walker
Davnie	Hilty	Lenczewski	Mullery	Ruud	Ward
Dill	Hornstein	Lesch	Murphy, E.	Sailer	Welti
Dittrich	Hortman	Liebling	Murphy, M.	Scalze	Winkler
Dominguez	Hosch	Lieder	Nelson	Sertich	Wollschlager
Doty	Huntley	Lillie	Norton	Simon	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Urdahl offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

POINT OF ORDER

Solberg raised a point of order pursuant to rule 3.21 that the Urdahl amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Urdahl amendment out of order.

Berns offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

POINT OF ORDER

Solberg raised a point of order pursuant to rule 3.21 that the Berns amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Berns amendment out of order.

Seifert appealed the decision of Speaker pro tempore Juhnke.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Juhnke stand as the judgment of the House?" and the roll was called. There were 80 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Atkins	Fritz	Juhnke	Mariani	Pelowski	Thissen
Benson	Gardner	Kahn	Marquart	Peterson, A.	Tillberry
Bigham	Greiling	Kalin	Masin	Peterson, S.	Tschumper
Bly	Hansen	Knuth	Moe	Rukavina	Wagenius
Brynaert	Hausman	Kranz	Morgan	Ruud	Walker
Bunn	Haws	Laine	Morrow	Sailer	Ward
Carlson	Hilstrom	Lenczewski	Mullery	Scalze	Welti
Clark	Hilty	Lesch	Murphy, E.	Sertich	Winkler
Davnie	Hornstein	Liebling	Murphy, M.	Simon	Wollschlager
Dill	Hortman	Lieder	Nelson	Slawik	Spk. Kelliher
Dittrich	Hosch	Lillie	Norton	Slocum	
Doty	Huntley	Loeffler	Olin	Solberg	
Eken	Jaros	Madore	Otremba	Swails	
Faust	Johnson	Mahoney	Paymar	Thao	

Those who voted in the negative were:

Abeler	Dean	Finstad	Howes	Ozment	Simpson
Anderson, B.	Demmer	Garofalo	Koenen	Paulsen	Smith
Anderson, S.	Dettmer	Gottwalt	Kohls	Peppin	Tingelstad
Beard	Dominguez	Gunther	Lanning	Peterson, N.	Urdahl
Berns	Drazkowski	Hackbarth	Magnus	Poppe	Wardlow
Brod	Eastlund	Hamilton	McFarlane	Ruth	Westrom
Brown	Emmer	Heidgerken	McNamara	Seifert	Zellers
Buesgens	Erhardt	Holberg	Nornes	Severson	
Cornish	Erickson	Hoppe	Olson	Shimanski	

So it was the judgment of the House that the decision of Speaker pro tempore Juhnke should stand.

Peppin moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 15, line 30, delete the new language and insert "the tenth day of"

The motion did not prevail and the amendment was not adopted.

Erickson moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 37, delete section 16

Page 38, delete section 17

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Erickson amendment and the roll was called. There were 44 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Gottwalt	Kohls	Peppin	Urdahl
Anderson, S.	Drazkowski	Gunther	Lanning	Ruth	Wardlow
Beard	Eastlund	Hackbarth	Magnus	Seifert	Westrom
Brod	Emmer	Hamilton	McFarlane	Severson	Zellers
Buesgens	Erickson	Heidgerken	McNamara	Shimanski	
Cornish	Faust	Holberg	Nornes	Simpson	
Dean	Finstad	Hoppe	Olson	Smith	
Demmer	Garofalo	Howes	Paulsen	Tingelstad	

Those who voted in the negative were:

Abeler	Doty	Jaros	Madore	Ozment	Solberg
Atkins	Eken	Johnson	Mahoney	Paymar	Swails
Benson	Erhardt	Juhnke	Mariani	Pelowski	Thao
Berns	Fritz	Kahn	Marquart	Peterson, A.	Thissen
Bigham	Gardner	Kalin	Masin	Peterson, N.	Tillberry
Bly	Greiling	Knuth	Moe	Peterson, S.	Tschumper
Brown	Hansen	Koenen	Morgan	Poppe	Wagenius
Brynaert	Hausman	Kranz	Morrow	Rukavina	Walker
Bunn	Haws	Laine	Mullery	Ruud	Ward
Carlson	Hilstrom	Lenczewski	Murphy, E.	Sailer	Walti
Clark	Hilty	Lesch	Murphy, M.	Scalze	Winkler
Davnie	Hornstein	Liebling	Nelson	Sertich	Wollschlager
Dill	Hortman	Lieder	Norton	Simon	Spk. Kelliher
Dittrich	Hosch	Lillie	Olin	Slawik	
Dominguez	Huntley	Loeffler	Otremba	Slocum	

The motion did not prevail and the amendment was not adopted.

Dettmer moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 10, delete section 10

Page 19, delete section 14

Page 20, line 31, delete "study" and insert "subsidize private sector"

Page 20, line 32, delete "under section 14"

Page 22, delete section 1

Page 23, delete section 2

Page 23, delete section 3

Page 30, delete section 8

Page 32, delete section 9

Page 33, delete sections 10 and 11

Page 36, delete sections 12 and 13

Page 37, delete section 14

Page 39, delete section 18

Page 39, delete article 5

A roll call was requested and properly seconded.

The question was taken on the Dettmer amendment and the roll was called. There were 46 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Gottwalt	Kohls	Paulsen	Smith
Anderson, S.	Drazkowski	Gunther	Lanning	Peppin	Tingelstad
Beard	Eastlund	Hackbarth	Magnus	Peterson, N.	Urdahl
Berns	Emmer	Hamilton	McFarlane	Ruth	Wardlow
Brod	Erhardt	Heidgerken	McNamara	Seifert	Westrom
Buesgens	Erickson	Holberg	Nornes	Severson	Zellers
Dean	Finstad	Hoppe	Olson	Shimanski	
Demmer	Garofalo	Howes	Ozment	Simpson	

Those who voted in the negative were:

Abeler	Davnie	Hausman	Kahn	Loeffler	Murphy, M.
Atkins	Dill	Haws	Kalin	Madore	Nelson
Benson	Dittrich	Hilstrom	Knuth	Mahoney	Norton
Bigham	Dominguez	Hilty	Koenen	Mariani	Olin
Bly	Doty	Hornstein	Kranz	Marquart	Otremba
Brown	Eken	Hortman	Laine	Masin	Paymar
Brynaert	Faust	Hosch	Lenczewski	Moe	Pelowski
Bunn	Fritz	Huntley	Lesch	Morgan	Peterson, A.
Carlson	Gardner	Jaros	Liebling	Morrow	Peterson, S.
Clark	Greiling	Johnson	Lieder	Mullery	Poppe
Cornish	Hansen	Juhnke	Lillie	Murphy, E.	Rukavina

Ruud	Simon	Swails	Tschumper	Welti
Sailer	Slawik	Thao	Wagenius	Winkler
Scalze	Slocum	Thissen	Walker	Wollschlager
Sertich	Solberg	Tillberry	Ward	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Finstad moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 39, after line 27, insert:

"Section 1. **[145.417] ULTRASOUND REQUIRED PRIOR TO ABORTION.**

Subdivision 1. **Ultrasound requirement.** (a) As used in this section, the term "abortion" means the use or prescription of any instrument, medicine, drug, or any other substance or device to terminate the pregnancy of a woman known to be pregnant, with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus.

(b) Before the performance of an abortion, the physician who is to perform the abortion, or a qualified person assisting the physician, shall:

(1) perform fetal ultrasound imaging and auscultation of fetal heart tone services on the patient undergoing the abortion;

(2) offer to provide the patient with an opportunity to view the active ultrasound image of the unborn child and hear the heartbeat of the unborn child if the heartbeat is audible;

(3) offer to provide the patient with a physical picture of the ultrasound image of the unborn child;

(4) obtain the patient's signature on a certification form stating that the patient has been given the opportunity to view the active ultrasound image and hear the heartbeat of the unborn child if the heartbeat is audible, and that she has been offered a physical picture of the ultrasound image; and

(5) retain a copy of the signed certification form in the patient's medical record.

(c) The Department of Health is the agency responsible for enforcing the requirements of this section.

(d) An ultrasound image must be of a quality consistent with standard medical practice in the community, must contain the dimensions of the unborn child, and shall accurately portray the presence of external members and internal organs, if present or viewable, of the unborn child.

Subd. 2. **Severability.** If any one or more provision, subdivision, paragraph, sentence, clause, phrase, or word of this section or the application thereof to any person or circumstance is found to be unconstitutional, the same is hereby declared to be severable and the balance of this section shall remain effective notwithstanding such unconstitutionality. The legislature hereby declares that it would have passed this section, and each provision, subdivision, paragraph, sentence, clause, phrase, or word thereof, irrespective of the fact that any one or more provision, subdivision, paragraph, sentence, clause, phrase, or word be declared unconstitutional.

Subd. 3. **Supreme Court jurisdiction.** The Minnesota Supreme Court has original jurisdiction over an action challenging the constitutionality of this section and shall expedite the resolution of the action."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Finstad amendment and the roll was called. There were 64 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Gunther	Kohls	Olson	Simpson
Anderson, B.	Doty	Hackbarth	Lanning	Otremba	Smith
Anderson, S.	Drazkowski	Hamilton	Lenczewski	Ozment	Solberg
Beard	Eastlund	Haws	Lieder	Paulsen	Tingelstad
Berns	Eken	Heidgerken	Magnus	Pelowski	Urdahl
Brod	Emmer	Holberg	Marquart	Peppin	Ward
Buesgens	Erickson	Hoppe	McFarlane	Peterson, N.	Wardlow
Cornish	Finstad	Hosch	McNamara	Ruth	Westrom
Dean	Fritz	Howes	Murphy, M.	Seifert	Zellers
Demmer	Garofalo	Juhnke	Nornes	Severson	
Dettmer	Gottwalt	Koenen	Olin	Shimanski	

Those who voted in the negative were:

Atkins	Erhardt	Johnson	Mariani	Poppe	Tillberry
Benson	Faust	Kahn	Masin	Rukavina	Tschumper
Bigham	Gardner	Kalin	Moe	Ruud	Wagenius
Bly	Greiling	Knuth	Morgan	Sailer	Walker
Brown	Hansen	Kranz	Morrow	Scalze	Walti
Brynaert	Hausman	Laine	Mullery	Sertich	Winkler
Bunn	Hilstrom	Lesch	Murphy, E.	Simon	Wollschlager
Carlson	Hilty	Liebling	Nelson	Slawik	Spk. Kelliher
Clark	Hornstein	Lillie	Norton	Slocum	
Davnie	Hortman	Loeffler	Paymar	Swails	
Dittrich	Huntley	Madore	Peterson, A.	Thao	
Dominguez	Jaros	Mahoney	Peterson, S.	Thissen	

The motion did not prevail and the amendment was not adopted.

Kohls moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Pages 28 and 29, delete sections 6 and 7

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Holberg moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 40, line 18, after the period, insert "The body mass index of individuals may not be measured or collected for a public health study unless the individual, or the parent or guardian if the individual is a minor, has received a Tennesen Warning and has signed a separate informed written consent."

A roll call was requested and properly seconded.

The question was taken on the Holberg amendment and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

Dean moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 10, after line 16, insert:

"Section 1. Minnesota Statutes 2006, section 256.01, subdivision 18, is amended to read:

Subd. 18. **Immigration status verifications.** (a) Notwithstanding any waiver of this requirement by the secretary of the United States Department of Health and Human Services, effective July 1, 2001, the commissioner shall utilize the Systematic Alien Verification for Entitlements (SAVE) program to conduct immigration status verifications:

(1) as required under United States Code, title 8, section 1642;

(2) for all applicants for food assistance benefits, whether under the federal food stamp program, the MFIP or work first program, or the Minnesota food assistance program;

(3) for all applicants for general assistance medical care, except assistance for an emergency medical condition, for immunization with respect to an immunizable disease, or for testing and treatment of symptoms of a communicable disease, and for nonfederally funded MinnesotaCare; and

(4) for all applicants for general assistance, Minnesota supplemental aid, medical assistance, federally funded MinnesotaCare, or group residential housing, when the benefits provided by these programs would fall under the definition of "federal public benefit" under United States Code, title 8, section 1642, if federal funds were used to pay for all or part of the benefits.

(b) The commissioner shall comply with the reporting requirements under United States Code, title 42, section 611a, and any federal regulation or guidance adopted under that law.

EFFECTIVE DATE. This section is effective July 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dean amendment and the roll was called. There were 82 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Gunther	Koenen	Olson	Severson
Anderson, B.	Dettmer	Hackbarth	Kohls	Otremba	Shimanski
Anderson, S.	Dittrich	Hamilton	Kranz	Ozment	Simpson
Beard	Doty	Hansen	Lanning	Paulsen	Smith
Benson	Drazkowski	Haws	Lieder	Pelowski	Swails
Berns	Eastlund	Heidgerken	Magnus	Peppin	Tingelstad
Bigham	Eken	Hilstrom	Marquart	Peterson, N.	Urdahl
Brod	Emmer	Holberg	McFarlane	Peterson, S.	Wardlow
Brown	Erhardt	Hoppe	McNamara	Poppe	Walti
Buesgens	Erickson	Hosch	Morgan	Ruth	Westrom
Bunn	Finstad	Howes	Morrow	Ruud	Wollschlager
Cornish	Fritz	Juhnke	Nornes	Sailer	Zellers
Dean	Garofalo	Kalin	Norton	Scalze	
DeLaForest	Gottwalt	Knuth	Olin	Seifert	

Those who voted in the negative were:

Atkins	Dill	Hilty	Kahn	Loeffler	Mullery
Bly	Dominguez	Hornstein	Laine	Madore	Murphy, E.
Brynaert	Faust	Hortman	Lenczewski	Mahoney	Murphy, M.
Carlson	Gardner	Huntley	Lesch	Mariani	Nelson
Clark	Greiling	Jaros	Liebling	Masin	Paymar
Davnie	Hausman	Johnson	Lillie	Moe	Peterson, A.

Rukavina	Slawik	Thao	Tschumper	Ward
Sertich	Slocum	Thissen	Wagenius	Winkler
Simon	Solberg	Tillberry	Walker	Spk. Kelliher

The motion prevailed and the amendment was adopted.

Emmer moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 39, after line 22, insert:

"Sec. 18. **CONSTITUTIONAL AMENDMENT PROPOSED.**

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

Sec. 13. Because all people should have the right to make decisions about their health care, no law shall be passed that restricts a person's freedom of choice of private health care systems or private plans of any type. No law shall interfere with a person's or entity's right to pay directly for lawful medical services, nor shall any law impose a penalty or fine, of any type, for choosing to obtain or decline health care coverage or for participation in any particular health care system or plan.

Sec. 19. **SUBMISSION TO VOTERS.**

The proposed amendment must be submitted to the people at the 2008 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to state that because all people should have the right to make decisions about their health care, no law shall be passed that restricts a person's freedom of choice of private health care systems or private plans of any type? No law shall interfere with a person's or entity's right to pay directly for lawful medical services, nor shall any law impose a penalty or fine, of any type, for choosing to obtain or decline health care coverage or for participation in any particular health care system or plan.

Yes.....

No....."

Sec. 20. **ACTION BY LEGISLATURE AND GOVERNOR.**

If the constitutional amendment proposed in section 18 is approved by the people at the 2008 general election, the legislature and the governor must enact legislation to implement the constitutional amendment by July 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Emmer amendment was not in order. The Speaker ruled the point of order not well taken and the Emmer amendment in order.

Sertich moved to amend the Emmer amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, line 15, delete "because"

Page 1, line 16, delete "make decisions about their" and delete "no law shall be passed that"

Page 1, delete lines 17 to 20

Page 1, line 21, delete "care system or plan"

Emmer withdrew his amendment to H. F. No. 3391, the fourth engrossment, as amended.

Westrom moved to amend H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 11, after line 4, insert:

"Sec. 2. Minnesota Statutes 2006, section 256B.056, is amended by adding a subdivision to read:

Subd. 12. **Eligibility; drug testing.** (a) To be eligible for medical assistance, an applicant who has been domiciled in the state 30 days or less must undergo drug and alcohol screening following, to the extent practicable, the established procedures and reliability safeguards provided for screening in sections 181.951, 181.953, and 181.954. A county agency may require a recipient of benefits to undergo random drug screening. An applicant must provide evidence of a negative test result to the appropriate county agency prior to being accepted for medical assistance benefits.

(b) A laboratory must report to the appropriate county agency any positive test results returned on an applicant or recipient of medical assistance benefits. Upon receipt of a positive test result, a county agency must deny or discontinue benefits until the person demonstrates a pattern of negative test results that satisfy the agency that the person is no longer a drug user.

EFFECTIVE DATE. This section is effective July 1, 2009, or upon federal approval, whichever is later."

Page 18, after line 19, insert:

"Sec. 12. Minnesota Statutes 2006, section 256L.07, is amended by adding a subdivision to read:

Subd. 8. **Eligibility; drug testing.** (a) To be eligible for MinnesotaCare, an applicant who has been domiciled in the state 30 days or less must undergo drug and alcohol screening following, to the extent practicable, the established procedures and reliability safeguards provided for screening in sections 181.951, 181.953, and 181.954. The commissioner or a county agency may require a recipient of benefits to undergo random drug screening. An applicant must provide evidence of a negative test result to the commissioner or the appropriate county agency prior to being accepted for MinnesotaCare benefits.

(b) A laboratory must report to the commissioner or the appropriate county agency any positive test results returned on an applicant or recipient of MinnesotaCare benefits. Upon receipt of a positive test result, the commissioner or a county agency must deny or discontinue benefits until the person demonstrates a pattern of negative test results that indicates that the person is no longer a drug user.

EFFECTIVE DATE. This section is effective July 1, 2009, or upon federal approval, whichever is later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Hosch moved to amend the Westrom amendment to H. F. No. 3391, the fourth engrossment, as amended, as follows:

Page 1, delete lines 6 to 16 and insert "applicant or participant who has been convicted of a drug offense committed after July 1, 1997, may receive medical assistance benefits unless:

(1) the convicted applicant tests positive for an illegal controlled substance in which case the applicant is subject to a one-time fee equal to \$150; and

(2) for a second positive test result for illegal controlled substance the participant is permanently disqualified from medical assistance."

Page 1, delete lines 23 to 26

Page 2, delete lines 1 to 8 and insert "applicant or participant who has been convicted of a drug offense committed after July 1, 1997, may receive MinnesotaCare benefits unless:

(1) the convicted applicant tests positive for an illegal controlled substance in which case the applicant is subject to a one-time fee equal to \$150; and

(2) for a second positive test result for illegal controlled substance the participant is permanently disqualified from MinnesotaCare."

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Westrom amendment, as amended, and the roll was called. There were 102 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Abeler	Benson	Brown	Cornish	Dettmer	Eastlund
Anderson, B.	Berns	Brynaert	Davnie	Dill	Eken
Anderson, S.	Bigham	Buesgens	Dean	Dittrich	Emmer
Atkins	Bly	Bunn	DeLaForest	Doty	Erhardt
Beard	Brod	Carlson	Demmer	Drazkowski	Erickson

Faust	Holberg	Lenczewski	Olin	Ruud	Swails
Finstad	Hoppe	Lieder	Olson	Sailer	Tillberry
Fritz	Hortman	Lillie	Otremba	Scalze	Tingelstad
Garofalo	Hosch	Madore	Ozment	Seifert	Tschumper
Gottwalt	Howes	Magnus	Paulsen	Sertich	Urdahl
Gunther	Juhnke	Marquart	Pelowski	Severson	Ward
Hackbarth	Kalin	Masin	Peppin	Shimanski	Wardlow
Hamilton	Knuth	McFarlane	Peterson, A.	Simon	Welti
Hansen	Koenen	McNamara	Peterson, N.	Simpson	Westrom
Haws	Kohls	Morgan	Peterson, S.	Slawik	Wollschlager
Heidgerken	Kranz	Morrow	Poppe	Smith	Zellers
Hilstrom	Lanning	Nornes	Ruth	Solberg	Spk. Kelliher

Those who voted in the negative were:

Clark	Hornstein	Laine	Mariani	Norton	Thissen
Dominguez	Huntley	Lesch	Moe	Paymar	Wagenius
Gardner	Jaros	Liebling	Mullery	Rukavina	Walker
Greiling	Johnson	Loeffler	Murphy, E.	Slocum	Winkler
Hausman	Kahn	Mahoney	Nelson	Thao	

The motion prevailed and the amendment, as amended, was adopted.

Seifert offered an amendment to H. F. No. 3391, the fourth engrossment, as amended.

POINT OF ORDER

Huntley raised a point of order pursuant to rule 3.21 that the Seifert amendment was not in order. The Speaker ruled the point of order well taken and the Seifert amendment out of order.

H. F. No. 3391, A bill for an act relating to health care reform; increasing affordability and continuity of care for state health care programs; modifying health care provisions; providing subsidies for employee share of employer-subsidized insurance in certain cases; establishing the Health Care Transformation Commission; creating an affordability standard; implementing a statewide health improvement program; requiring an evaluation of mandated health benefits; requiring a payment system to encourage provider innovation; requiring studies and reports; appropriating money; amending Minnesota Statutes 2006, sections 62Q.025, by adding a subdivision; 256.01, subdivision 18; 256B.056, by adding a subdivision; 256B.057, subdivision 8; 256B.69, by adding a subdivision; 256L.05, by adding a subdivision; 256L.06, subdivision 3; 256L.07, subdivision 3, by adding a subdivision; 256L.15, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 256.01, subdivision 2b; 256B.056, subdivision 10; 256L.03, subdivisions 3, 5; 256L.04, subdivisions 1, 7; 256L.05, subdivision 3a; 256L.07, subdivision 1; 256L.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 145; 256B; proposing coding for new law as Minnesota Statutes, chapter 62U; repealing Minnesota Statutes 2006, section 256L.15, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 83 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Jaros	Loeffler	Otremba	Solberg
Atkins	Eken	Johnson	Mahoney	Paymar	Swails
Benson	Fritz	Juhnke	Mariani	Pelowski	Thao
Bigham	Gardner	Kahn	Marquart	Peterson, A.	Thissen
Bly	Greiling	Kalin	Masin	Peterson, S.	Tillberry
Brown	Hansen	Knuth	Moe	Poppe	Tschumper
Brynaert	Hausman	Koenen	Morgan	Rukavina	Wagenius
Bunn	Haws	Kranz	Morrow	Ruud	Walker
Carlson	Hilstrom	Laine	Mullery	Sailer	Ward
Clark	Hilty	Lenczewski	Murphy, E.	Scalze	Welti
Davnie	Hornstein	Lesch	Murphy, M.	Sertich	Winkler
Dill	Hortman	Liebling	Nelson	Simon	Wollschlager
Dittrich	Hosch	Lieder	Norton	Slawik	Spk. Kelliher
Dominguez	Huntley	Lillie	Olin	Slocum	

Those who voted in the negative were:

Anderson, B.	Demmer	Garofalo	Kohls	Paulsen	Tingelstad
Anderson, S.	Dettmer	Gottwalt	Lanning	Peppin	Urdahl
Beard	Drazkowski	Gunther	Madore	Peterson, N.	Wardlow
Berns	Eastlund	Hackbarth	Magnus	Ruth	Westrom
Brod	Emmer	Hamilton	McFarlane	Seifert	Zellers
Buesgens	Erhardt	Heidgerken	McNamara	Severson	
Cornish	Erickson	Holberg	Nornes	Shimanski	
Dean	Faust	Hoppe	Olson	Simpson	
DeLaForest	Finstad	Howes	Ozment	Smith	

The bill was passed, as amended, and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3662, A bill for an act relating to local government; providing for a public hearing and public testimony before making an appointment to fill a vacancy on a county board; amending Minnesota Statutes 2006, section 375.101, by adding a subdivision.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Hilty moved that the House refuse to concur in the Senate amendments to H. F. No. 3662, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1298, A bill for an act relating to elections; changing certain voter registration procedures and requirements, filing requirements, voting procedures, election day prohibitions, and ballot preparation requirements; establishing a complaint and resolution process; requiring challengers to prove residence in this state; requiring certain notices; changing a petition requirement; imposing penalties; amending Minnesota Statutes 2006, sections 201.016, subdivision 1a; 201.056; 201.061, subdivisions 1, 3, by adding a subdivision; 201.071, subdivision 1; 201.171; 203B.07, subdivision 2; 203B.081; 203B.12, subdivision 4; 203B.13, subdivisions 1, 2; 204B.09, subdivisions 1, 1a, 3; 204B.11, subdivision 2; 204B.16, subdivision 1; 204B.45, subdivisions 1, 2; 204C.06, subdivisions 1, 8; 204C.07, subdivision 3a, by adding a subdivision; 204D.09, subdivision 2; 204D.16; 205.10, by adding a subdivision; 205.13, by adding a subdivision; 205.16, subdivisions 2, 3, 4; 205A.05, by adding a subdivision; 205A.07, subdivisions 3, 3a; 206.57, subdivision 5; 206.89, subdivisions 1, 5; 211A.02, subdivision 2; 211A.05, subdivision 1; 211B.11, subdivision 1; 410.12, subdivision 1; 447.32, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 204B; repealing Minnesota Statutes 2006, sections 200.04; 201.061, subdivision 7; 201.096; 203B.02, subdivision 1a; 203B.13, subdivision 3a.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Higgins, Rest and Larson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Hilty 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. 1298. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3516:

Davnie, Lesch and Peterson, N.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3662:

Hilty, Morgan and Howes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1298:

Hilty, Kalin and Peterson, N.

CONSENT CALENDAR

S. F. No. 2379 was reported to the House.

Dill moved to amend S. F. No. 2379 as follows:

Page 2, after line 7, insert:

"Sec. 3. **EXCEPTION.**

Sections 1 and 2 do not apply to projects described in Laws 2006, chapter 214, section 22, paragraph (b).

EFFECTIVE DATE. This section is effective retroactively from January 16, 2007."

The motion prevailed and the amendment was adopted.

S. F. No. 2379, A bill for an act relating to eminent domain; amending provisions concerning reestablishment costs limit; amending Minnesota Statutes 2006, sections 117.51; 117.52, subdivision 1a.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Davnie	Fritz	Hortman	Liebling	Murphy, M.
Anderson, B.	Dean	Gardner	Hosch	Lieder	Nelson
Anderson, S.	DeLaForest	Garofalo	Howes	Lillie	Nornes
Atkins	Demmer	Gottwalt	Huntley	Loeffler	Norton
Beard	Dettmer	Greiling	Jaros	Madore	Olin
Benson	Dill	Gunther	Johnson	Magnus	Olson
Berns	Dittrich	Hackbarth	Juhnke	Mahoney	Otremba
Bigham	Dominguez	Hamilton	Kahn	Mariani	Ozment
Bly	Doty	Hansen	Kalin	Marquart	Paulsen
Brod	Drazkowski	Hausman	Knuth	Masin	Paymar
Brown	Eastlund	Haws	Koenen	McFarlane	Pelowski
Brynaert	Eken	Heidgerken	Kohls	McNamara	Peppin
Buesgens	Emmer	Hilstrom	Kranz	Moe	Peterson, A.
Bunn	Erhardt	Hilty	Laine	Morgan	Peterson, N.
Carlson	Erickson	Holberg	Lanning	Morrow	Peterson, S.
Clark	Faust	Hoppe	Lenczewski	Mullery	Poppe
Cornish	Finstad	Hornstein	Lesch	Murphy, E.	Rukavina

Ruth	Severson	Smith	Tingelstad	Wardlow	Spk. Kelliher
Ruud	Shimanski	Solberg	Tschumper	Walti	
Sailer	Simon	Swails	Urdahl	Westrom	
Scalze	Simpson	Thao	Wagenius	Winkler	
Seifert	Slawik	Thissen	Walker	Wollschlager	
Sertich	Slocum	Tillberry	Ward	Zellers	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2402, A bill for an act relating to occupations and professions; modifying provisions governing the Board of Accountancy; amending Minnesota Statutes 2006, sections 13.411, by adding a subdivision; 326A.01, subdivisions 2, 12, 17, by adding a subdivision; 326A.02, subdivisions 1, 3, 4, 5, 6, by adding a subdivision; 326A.03; 326A.04; 326A.05, subdivisions 1, 2, 3, 4; 326A.06; 326A.07; 326A.08, subdivisions 2, 4, 5, 6, 7, 8, 9; 326A.10; 326A.12; 326A.13; 326A.14; repealing Minnesota Statutes 2006, section 326A.05, subdivision 9.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Drazkowski	Erickson	Peppin
Buesgens	Emmer	Olson	

The bill was passed and its title agreed to.

Sertich moved that the remaining bill on the Consent Calendar be continued. The motion prevailed.

CALENDAR FOR THE DAY

H. F. No. 2904, A bill for an act relating to state government operations; establishing procedures for state agencies to assist communities to recover from a natural disaster; proposing coding for new law as Minnesota Statutes, chapter 12A.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Buesgens	Emmer	Hackbarth	Olson	Peppin
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The bill was passed and its title agreed to.

Sertich moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Walker moved that the name of Hansen be added as an author on H. F. No. 601. The motion prevailed.

Fritz moved that the name of Hansen be added as an author on H. F. No. 1612. The motion prevailed.

Brod moved that the names of Zellers and Atkins be added as authors on H. F. No. 2172. The motion prevailed.

Morgan moved that the name of Koenen be added as an author on H. F. No. 3030. The motion prevailed.

Pelowski moved that the name of Poppe be added as an author on H. F. No. 3309. The motion prevailed.

Pelowski moved that the name of Poppe be added as an author on H. F. No. 3415. The motion prevailed.

Tingelstad moved that the name of Erhardt be added as an author on H. F. No. 3448. The motion prevailed.

Dill moved that the name of Juhnke be added as an author on H. F. No. 3547. The motion prevailed.

Shimanski moved that his name be stricken as an author on H. F. No. 3584. The motion prevailed.

DeLaForest moved that the name of Jaros be added as an author on H. F. No. 3632. The motion prevailed.

Winkler moved that the name of Tingelstad be added as an author on H. F. No. 3654. The motion prevailed.

Laine moved that the name of Davnie be added as an author on H. F. No. 4049. The motion prevailed.

Davnie moved that the name of Mahoney be added as an author on H. F. No. 4064. The motion prevailed.

Lenczewski moved that the name of Slocum be added as an author on H. F. No. 4169. The motion prevailed.

Hilty moved that S. F. No. 3337, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

**ANNOUNCEMENT FROM THE COMMITTEE ON
RULES AND LEGISLATIVE ADMINISTRATION**

Pursuant to rules 1.21 and 1.22, the Committee on Rules and Legislative Administration specified Friday, April 11, 2008, as the date after which the 5:00 p.m. deadline no longer applies to the designation of bills to be placed on the Calendar for the Day and to the announcement of the intention to request that bills be placed on the Fiscal Calendar.

Pursuant to rule 3.14, the Committee on Rules and Legislative Administration specified Friday, April 11, 2008, as the date after which a notice of intent to move to reconsider must not be made.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 12:30 p.m., Monday, April 14, 2008. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:30 p.m., Monday, April 14, 2008.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives