

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2010

SEVENTY-SECOND DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 9, 2010

The House of Representatives convened at 12:30 p.m. and was called to order by Tony Sertich, Speaker pro tempore.

Prayer was offered by the Reverend Dennis J. Johnson, House Chaplain.

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

Speaker pro tempore Sertich called Juhnke to the Chair.

The roll was called and the following members were present:

Abeler	Demmer	Hausman	Lanning	Nelson	Sertich
Anderson, B.	Dettmer	Haws	Lenczewski	Newton	Severson
Anderson, P.	Dill	Hayden	Lesch	Nornes	Shimanski
Anderson, S.	Dittrich	Hilstrom	Liebling	Norton	Simon
Anzelc	Doepke	Hilty	Lieder	Obermueller	Slawik
Atkins	Doty	Holberg	Lillie	Olin	Slocum
Beard	Downey	Hoppe	Loeffler	Otremba	Smith
Benson	Drazkowski	Hornstein	Loon	Paymar	Solberg
Bigham	Eastlund	Hortman	Mack	Pelowski	Sterner
Bly	Eken	Hosch	Magnus	Peppin	Swails
Brod	Emmer	Howes	Mahoney	Persell	Thao
Brown	Falk	Huntley	Mariani	Peterson	Thissen
Brynaert	Faust	Jackson	Marquart	Poppe	Tillberry
Buesgens	Fritz	Juhnke	Masin	Reinert	Torkelson
Bunn	Gardner	Kahn	McFarlane	Rosenthal	Urdahl
Carlson	Garofalo	Kalin	McNamara	Rukavina	Wagenius
Champion	Gottwalt	Kath	Morgan	Ruud	Ward
Clark	Greiling	Kelly	Morrow	Sailer	Welti
Cornish	Gunther	Kiffmeyer	Mullery	Sanders	Westrom
Davids	Hackbarth	Koenen	Murdock	Scalze	Winkler
Davnie	Hamilton	Kohls	Murphy, E.	Scott	Zellers
Dean	Hansen	Laine	Murphy, M.	Seifert	Spk. Kelliher

A quorum was present.

Johnson and Knuth were excused.

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

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson from the Committee on Finance to which was referred:

H. F. No. 2798, A bill for an act relating to public utilities; revising process and standard for approval of interim rates; requiring disclosure of public utility's travel, entertainment, and related expenses included in rate change request; amending Minnesota Statutes 2008, section 216B.16, subdivision 3, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete section 1

ReNUMBER the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete "rates;"

Correct the title numbers accordingly

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. 2801, A bill for an act relating to transportation; requiring the commissioner of transportation to implement complete streets policy; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 174.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

IMPLEMENTATION

Section 1. Minnesota Statutes 2008, section 162.02, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) Subject to section 174.75, subdivision 5, the commissioner may grant variations from the rules and from the engineering standards developed pursuant to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 2. Minnesota Statutes 2008, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) Subject to section 174.75, subdivision 5, the commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 3. **[174.75] COMPLETE STREETS.**

Subdivision 1. **Definition.** "Complete streets" is the planning, scoping, design, implementation, operation, and maintenance of roads in order to reasonably address the safety and accessibility needs of users of all ages and abilities. Complete streets considers the needs of motorists, pedestrians, transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along and across roads, intersections, and crossings in a manner that recognizes that the needs vary in urban, suburban, and rural settings.

Subd. 2. **Implementation.** The commissioner shall implement a complete streets policy after consultation with stakeholders, state and regional agencies, local governments, and road authorities. The commissioner, after such consultation, shall address relevant protocols, guidance, standards, requirements, and training, and shall integrate related principles of context-sensitive solutions.

Subd. 3. **Report.** Beginning in 2011, the commissioner shall report on the implementation of the complete streets policy in the agency's biennial budget submission under section 174.02.

Subd. 4. **Local road authorities.** Local road authorities are encouraged, but not required, to create and adopt complete streets policies for their roads that reflect local context and goals. Nothing in this section may be construed to prohibit a local road authority from adopting a complete streets policy that incorporates or exceeds statutory complete streets principles.

Subd. 5. **Variations from engineering standards.** (a) When evaluating a request for a variance from the engineering standards for state-aid projects under chapter 162 in which the variance request is related to complete streets, the commissioner shall consider the latest edition of (1) A Policy on Geometric Design of Highways and

Streets, from the American Association of State Highway and Transportation Officials; and (2) for projects in urban areas, the Context Sensitive Solutions in Designing Major Urban Thoroughfares for Walkable Communities, from the Institute of Transportation Engineers.

(b) If the commissioner denies a variance request related to complete streets, the commissioner shall provide a brief written reason for the denial to the political subdivision that submitted the request.

ARTICLE 2

REPORTS

Section 1. **COMPLETE STREETS REPORTS.**

The commissioner of transportation shall submit to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance reports that:

(1) by November 15, 2010, summarize the department's complete streets initiatives, summarize steps taken to expedite and improve the transparency of the state-aid variance process related to complete streets, outline plans to develop and implement a complete streets policy, and identify any statutory barriers to complete streets implementation;

(2) by November 15, 2011, summarize the results of the collaboration under Minnesota Statutes, section 174.75, subdivision 2; identify modifications made to or recommended for protocols, guidance, standards, or other requirements to facilitate complete streets implementation; report status of development of complete streets performance indicators; outline other work planned related to the complete streets policy; and identify statutory recommendations to facilitate complete streets policy implementation; and

(3) by November 15, 2013, overview the department's implementation of complete streets policy; note updates to protocols, guidance, standards, or requirements; identify any recommendations for supporting local complete streets implementation under the state-aid standards variance process; and identify statutory recommendations to facilitate complete streets policy implementation.

The reports in clauses (1), (2), and (3) must be made available electronically and made available in print only upon request."

Delete the title and insert:

"A bill for an act relating to establishing complete streets program and requiring reports; amending Minnesota Statutes 2008, sections 162.02, subdivision 3a; 162.09, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 174."

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. 2807, A bill for an act relating to transportation; modifying or adding provisions relating to transportation construction impacts on business, rest areas, highways, bridges, deputy registrars, vehicles, impounds, towing, intersection gridlock, bus operation, various traffic regulations, cargo tank vehicle weight exemptions, transportation department goals and mission, a Minnesota Council of Transportation Access, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers of railroad employees, airport authorities, property acquisition for highways, transit, and town road interest extinguishment nullification; requiring a report; making technical and clarifying changes; amending Minnesota Statutes 2008, sections 161.14, by adding subdivisions; 165.14, subdivisions 4, 5; 168.33, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5; 169.15; 169.306; 169.87, by adding a subdivision; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 160.165; 161.14, subdivision 62; 169.71, subdivision 1; 169.865, subdivision 1; Laws 2008, chapter 287, article 1, section 122; proposing coding for new law in Minnesota Statutes, chapters 160; 174; 221; repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 169.041, subdivisions 3, 4; 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 160.165, is amended to read:

160.165 MITIGATING TRANSPORTATION CONSTRUCTION IMPACTS ON BUSINESS.

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

(1) "project" means construction work to maintain, construct, reconstruct, or improve a street or highway or for a rail transit project;

(2) "substantial business impacts" means impairment of road access, parking, or visibility for one or more business establishments as a result of a project, for a minimum period of one month; and

(3) "transportation 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~~ statutory or home rule charter cities, as to city streets; the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.

Subd. 2. **Business liaison.** (a) Before beginning construction work on a project, a transportation authority shall identify whether the project is anticipated to include substantial business impacts. For such projects, the transportation authority shall designate an individual to serve as business liaison between the transportation authority and affected businesses.

(b) The business liaison shall consult with affected businesses before and during construction to investigate means of mitigating project impacts to businesses. The mitigation considered must include signage. The business liaison shall provide information to the identified businesses before and during construction, concerning project duration and timetables, lane and road closures, detours, access impacts, customer parking impacts, visibility, noise, dust, vibration, and public participation opportunities.

Subd. 3. **Exception.** This section does not apply to construction work in connection with the Central Corridor light rail transit line that will connect downtown Minneapolis and downtown St. Paul.

EFFECTIVE DATE. Subdivision 1 is effective July 1, 2012. Subdivision 3 is effective July 1, 2010.

Sec. 2. **[160.2755] PROHIBITED ACTIVITIES AT REST AREAS.**

Subdivision 1. **Prohibited activities.** It is unlawful at rest areas to:

(1) dispose of travel-related trash and rubbish, except if depositing it in a designated receptacle;

(2) dump household or commercial trash and rubbish into containers or anywhere else on site; or

(3) drain or dump refuse or waste from any trailer, recreational vehicle, or other vehicle except where receptacles are provided and designated to receive the refuse or waste.

Subd. 2. **Penalty.** Violation of this section is a petty misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to acts committed on or after that date.

Sec. 3. Minnesota Statutes 2009 Supplement, section 161.14, subdivision 62, is amended to read:

Subd. 62. **Clearwater County Veterans Memorial Highway.** (a) The following described route is designated the "Clearwater County Veterans Memorial Highway": that portion of Legislative Route No. 168, marked on August 1, 2009, as Trunk Highway 200, from its intersection with Clearwater County State-Aid Highway ~~37~~ 39 to its intersection with Legislative Route No. 169, marked on August 1, 2009, as Trunk Highway 92; and that portion of Route No. 169 to its intersection with Clearwater County State-Aid Highway 5.

(b) The commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 4. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 64. **Veterans Memorial Highway.** Legislative Route No. 31, signed as Trunk Highway 200 as of the effective date of this section, from the border with North Dakota to the city of Mahanomen, is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 5. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 65. **Becker County Veterans Memorial Highway.** Marked Trunk Highway 34, from its intersection with Washington Avenue in Detroit Lakes to its intersection with County State-Aid Highway 39; and marked Trunk Highway 87, from its intersection with County State-Aid Highway 33 to its intersection with County State-Aid Highway 39, is named and designated the "Becker County Veterans Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs.

Sec. 6. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 66. **Granite City Crossing.** The bridge over the Mississippi River on marked Trunk Highway 23 in St. Cloud is designated "Granite City Crossing." The commissioner of transportation shall adopt a suitable design to mark this bridge and erect appropriate signs, subject to section 161.139.

Sec. 7. Minnesota Statutes 2008, section 165.14, subdivision 4, is amended to read:

Subd. 4. **Prioritization of bridge projects.** (a) The commissioner shall classify all bridges in the program into tier 1, 2, or 3 bridges, where tier 1 is the highest tier. Unless the commissioner identifies a reason for proceeding otherwise, before commencing bridge projects in a lower tier, all bridge projects within a higher tier must to the extent feasible be selected and funded in the approved state transportation improvement program, at any stage in the project development process, solicited for bids, in contract negotiation, under construction, or completed.

(b) The classification of each tier is as follows:

(1) tier 1 consists of any bridge in the program that (i) has an average daily traffic count that is above 1,000 and has a sufficiency rating that is at or below 50, or (ii) is identified by the commissioner as a priority project;

(2) tier 2 consists of any bridge that is not a tier 1 bridge, and (i) is classified as fracture-critical, or (ii) has a sufficiency rating that is at or below 80; and

(3) tier 3 consists of any other bridge in the program that is not a tier 1 or tier 2 bridge.

(c) By June 30, 2018, all tier 1 and tier 2 bridges originally included in the program must be under contract for repair or replacement with a new bridge that contains a load-path-redundant design, except that a specific bridge may remain in continued service if the reasons are documented in the report required under subdivision 5.

(d) All bridge projects funded under this section in fiscal year 2012 or later must include bicycle and pedestrian accommodations if both sides of the bridge are located in a city or the bridge links a pedestrian way, shared-use path, trail, or scenic bikeway.

Bicycle and pedestrian accommodations would not be required if:

(1) a comprehensive assessment demonstrates that there is an absence of need for bicycle and pedestrian accommodations for the life of the bridge; or

(2) there is a reasonable alternative bicycle and pedestrian crossing within one-quarter mile of the bridge project.

All bicycle and pedestrian accommodations should enable a connection to any existing bicycle and pedestrian infrastructure in close proximity to the bridge. All pedestrian facilities must meet or exceed federal accessibility requirements as outlined in Title II of the Americans with Disabilities Act, codified in United States Code, title 42, chapter 126, subchapter II, and Section 504 of the Rehabilitation Act of 1973, codified in United States Code, title 29, section 794.

(e) The commissioner shall establish criteria for determining the priority of bridge projects within each tier, and must include safety considerations as a criterion.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 8. Minnesota Statutes 2008, section 165.14, subdivision 5, is amended to read:

Subd. 5. **Statewide transportation planning report.** In conjunction with each update to the Minnesota statewide transportation plan, or at least every six years, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation finance. The report must include:

- (1) an explanation of the criteria and decision-making processes used to prioritize bridge projects;
- (2) a historical and projected analysis of the extent to which all trunk highway bridges meet bridge performance targets and comply with the accessibility requirements of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336;
- (3) a summary of bridge projects (i) completed in the previous six years or since the last update to the Minnesota statewide transportation plan, and (ii) currently in progress under the program;
- (4) a summary of bridge projects scheduled in the next four fiscal years and included in the state transportation improvement program;
- (5) a projection of annual needs over the next 20 years;
- (6) a calculation of funding necessary to meet the completion date under subdivision 4, paragraph (c), compared to the total amount of bridge-related funding available; and
- (7) for any tier 1 fracture-critical bridge that is repaired but not replaced, an explanation of the reasons for repair instead of replacement.

Sec. 9. Minnesota Statutes 2008, section 168.33, subdivision 2, is amended to read:

Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau that issues motor vehicle licenses as provided in section 373.32.

(b) The commissioner may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau that issues motor vehicle licenses as provided in section 373.32. The individual appointed by the commissioner as a deputy registrar for any statutory or home rule charter city must be a resident of the county in which the city is situated.

(c) The commissioner may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar.

(d) Despite any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any statutory or home rule charter city, may continue to serve as deputy registrar and may be discontinued for cause only by the commissioner. The county auditor who appointed the deputy registrars is responsible for the acts of deputy registrars appointed by the auditor.

(e) Each deputy, before entering upon the discharge of duties, shall take and subscribe an oath to faithfully discharge the duties and to uphold the laws of the state.

(f) If a deputy registrar appointed under this subdivision is not an officer or employee of a county or statutory or home rule charter city, the deputy shall in addition give bond to the state in the sum of \$10,000, or a larger sum as may be required by the commissioner, conditioned upon the faithful discharge of duties as deputy registrar.

(g) ~~Until January 1, 2012,~~ A corporation governed by chapter 302A or 317A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in this subdivision, personally assured by the individual or another individual approved by the commissioner, a corporation named in an application then becomes the duly appointed and qualified successor to the deputy registrar. ~~The appointment of any corporation as a deputy registrar expires January 1, 2012. The commissioner shall appoint an individual as successor to the corporation as a deputy registrar. The commissioner shall appoint as the successor agent to a corporation whose appointment expires under this paragraph an officer of the corporation if the officer applies for appointment before July 1, 2012.~~

(h) Each deputy registrar appointed under this subdivision shall keep and maintain office locations approved by the commissioner for the registration of vehicles and the collection of taxes and fees on vehicles.

(i) The deputy registrar shall keep records and make reports to the commissioner as the commissioner requires. The records must be maintained at the offices of the deputy registrar. The records and offices of the deputy registrar must at all times be open to the inspection of the commissioner or the commissioner's agents. The deputy registrar shall report to the commissioner by the next working day following receipt all registrations made and taxes and fees collected by the deputy registrar.

(j) The filing fee imposed under subdivision 7 must be deposited in the treasury of the place for which appointed or, if not a public official, a deputy shall retain the filing fee, but the registration tax and any additional fees for delayed registration the deputy registrar has collected the deputy registrar shall deposit by the next working day following receipt in an approved state depository to the credit of the state through the commissioner of management and budget. The place for which the deputy registrar is appointed through its governing body must provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if the deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 10. Minnesota Statutes 2008, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. **Written notice 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 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;

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

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

(i) exercise their right to reclaim the vehicle within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, 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 a consent to the transfer of title to and disposal or sale of the vehicle 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, or 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. 11. Minnesota Statutes 2008, section 168B.07, subdivision 3, is amended 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-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, or 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.

Sec. 12. Minnesota Statutes 2008, section 169.041, subdivision 5, is amended to read:

Subd. 5. **Towing prohibited.** ~~Unless the vehicle is described in subdivision 4,~~ (a) A towing authority may not tow a motor vehicle because:

(1) the vehicle has expired registration tabs that have been expired for less than 90 days; or

(2) the vehicle is at a parking meter on which the time has expired and the vehicle has fewer than five unpaid parking tickets;

(b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:

(1) the vehicle is parked in violation of snow emergency regulations;

(2) the vehicle is parked in a rush-hour restricted parking area;

(3) the vehicle is blocking a driveway, alley, or fire hydrant;

(4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is prohibited;

(5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;

(6) the vehicle is parked in a disability transfer zone or disability parking space without a disability parking certificate or disability license plates;

(7) the vehicle is parked in an area that has been posted for temporary restricted parking (A) at least 12 hours in advance in a home rule charter or statutory city having a population under 50,000, or (B) at least 24 hours in advance in another political subdivision;

(8) the vehicle is parked within the right-of-way of a controlled-access highway or within the traveled portion of a public street when travel is allowed there;

(9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;

(10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International Airport owned by the Metropolitan Airports Commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping;

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses;

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs;

(15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;

(16) the vehicle is parked, on a school day during prohibited hours, in a school zone on a public street where official signs prohibit parking; or

(17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section 168B.011, and subject to immediate removal under chapter 168B.

Sec. 13. Minnesota Statutes 2008, section 169.15, is amended to read:

169.15 IMPEDING TRAFFIC; INTERSECTION GRIDLOCK.

Subdivision 1. **Impeding traffic; drive at slow speed.** No person shall drive a motor vehicle at such a slow speed as to impede or block the normal and reasonable movement of traffic except when reduced speed is necessary for safe operation or in compliance with law or except when the vehicle is temporarily unable to maintain a greater speed due to a combination of the weight of the vehicle and the grade of the highway.

Subd. 2. **Intersection gridlock; stop or block traffic.** (a) Except as provided in paragraph (b), a driver of a vehicle shall not enter an intersection controlled by a traffic-control signal until the driver is able to move the vehicle immediately, continuously, and completely through the intersection without impeding or blocking the subsequent movement of cross traffic.

(b) Paragraph (a) does not apply to movement of a vehicle made:

(1) at the direction of a city-authorized traffic-control agent or a peace officer;

(2) to facilitate passage of an authorized emergency vehicle with its emergency lights activated; or

(3) to make a turn, as permitted under section 169.19, that allows the vehicle to safely leave the intersection.

(c) A violation of this subdivision does not constitute grounds for suspension or revocation of the violator's driver's license.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to acts committed on or after that date.

Sec. 14. Minnesota Statutes 2008, section 169.306, is amended to read:

169.306 USE OF SHOULDERS BY BUSES.

(a) The commissioner of transportation ~~may~~ is authorized to permit the use by transit buses and Metro Mobility buses of a shoulder, as designated by the commissioner, of a freeway or expressway, as defined in section 160.02, ~~in the seven-county metropolitan area in Minnesota.~~

(b) If the commissioner permits the use of a freeway or expressway shoulder by transit buses, the commissioner shall ~~also~~ permit the use on that shoulder of a bus (1) with a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.012, subdivision 26, while operating in intrastate commerce or (2) providing regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract with the Metropolitan Council, a local transit authority, or a transit authority created by the legislature. Drivers of these buses must have adequate training in the requirements of paragraph (c), as determined by the commissioner.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main-line traffic speeds are less than 35 miles per hour. Drivers of buses being operated on the shoulder may not exceed the speed of main-line traffic by more than 15 miles per hour and may never exceed 35 miles per hour. Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "Metro Mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by ~~the Metropolitan Council, or operated by or under contract with~~ a public or private entity receiving financial assistance to provide transit services from the Metropolitan Council or the commissioner of transportation; and

(2) authorized by the ~~council~~ commissioner to use freeway or expressway shoulders.

(e) This section does not apply to the operation of buses on dynamic shoulder lanes.

Sec. 15. Minnesota Statutes 2009 Supplement, section 169.71, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions generally; exceptions.** (a) A person shall not drive or operate any motor vehicle with:

(1) a windshield cracked or discolored to an extent to limit or obstruct proper vision;

(2) any objects suspended between the driver and the windshield, other than:

(i) sun visors;

(ii) rearview mirrors;

(iii) driver feedback and safety-monitoring equipment when mounted immediately behind, slightly above, or slightly below the rearview mirror;

~~(iii)~~ (iv) global positioning systems or navigation systems when mounted or located near the bottommost portion of the windshield; and

~~(iv)~~ (v) electronic toll collection devices; or

(3) any sign, poster, or other nontransparent material upon the front windshield, sidewings, or side or rear windows of the vehicle, other than a certificate or other paper required to be so displayed by law or authorized by the state director of the Division of Emergency Management or the commissioner of public safety.

(b) Paragraph (a), clauses (2) and (3), do not apply to law enforcement vehicles.

(c) Paragraph (a), clause (2), does not apply to authorized emergency vehicles.

Sec. 16. Minnesota Statutes 2009 Supplement, section 169.865, subdivision 1, is amended to read:

Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit authorizing a vehicle or combination of vehicles with a total of six or more axles to haul raw or unprocessed agricultural products and be operated with a gross vehicle weight of up to:

(1) 90,000 pounds; and

(2) 99,000 pounds during the period set by the commissioner under section 169.826, subdivision 1.

(b) Notwithstanding subdivision 4.3, paragraph (a), clause (4), a vehicle or combination of vehicles operated under this subdivision and transporting only sealed intermodal containers may be operated on an interstate highway if allowed by the United States Department of Transportation.

(c) The fee for a permit issued under this subdivision is \$300.

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

Sec. 17. Minnesota Statutes 2008, section 169.87, is amended by adding a subdivision to read:

Subd. 7. Cargo tank vehicles. (a) Weight restrictions imposed by the commissioner under subdivisions 1 and 2 do not apply to cargo tank vehicles with two or three permanent axles when delivering propane for heating or dyed fuel oil on seasonally weight-restricted roads if the vehicle is loaded at no more than 50 percent capacity of the cargo tank.

(b) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for propane must have an operating gauge on the cargo tank that shows the amount of propane as a percent of capacity of the cargo tank. Documentation of the capacity of the cargo tank must be available on the cargo tank or in the cab of the vehicle. For purposes of this subdivision, propane weighs 4.2 pounds per gallon.

(c) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for dyed fuel oil must utilize the forward two tank compartments and must carry documentation of the empty weight of the cargo tank vehicle from a certified scale in the cab of the vehicle. For purposes of this subdivision, dyed fuel oil weighs seven pounds per gallon.

(d) To the extent practicable, cargo tank vehicles that are exempt from weight restrictions under paragraph (a) shall complete deliveries on seasonally weight restricted roads by 12:00 p.m. and before the last week of April.

Sec. 18. Minnesota Statutes 2008, section 174.01, subdivision 1, is amended to read:

Subdivision 1. **Department created.** In order to provide ~~a balanced~~ an integrated transportation system, ~~including~~ including of aeronautics, highways, motor carriers, ports, public transit, railroads, and pipelines, and including facilities for walking and bicycling, a Department of Transportation is created. The department is the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs.

Sec. 19. Minnesota Statutes 2008, section 174.01, subdivision 2, is amended to read:

Subd. 2. **Transportation goals.** The goals of the state transportation system are as follows:

- (1) to ~~provide safe transportation~~ minimize fatalities and injuries for transportation users throughout the state;
- (2) to provide multimodal and intermodal transportation ~~that enhances mobility and economic development and provides access to all persons and businesses in Minnesota while ensuring that there is no~~ facilities and services to increase access for all persons and businesses and to ensure economic well-being and quality of life without undue burden placed on any community;
- (3) to provide a reasonable travel time for commuters;
- (4) to enhance economic development and provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway;
- (5) to encourage tourism by providing appropriate transportation to Minnesota facilities designed to attract tourists and to enhance the appeal, through transportation investments, of tourist destinations across the state;
- (6) to provide transit services ~~throughout~~ to all counties in the state to meet the needs of transit users;
- (7) to promote ~~productivity~~ accountability through ~~system~~ systematic management of system performance and productivity through the utilization of technological advancements;
- (8) to maximize the long-term benefits received for each state transportation investment;
- (9) to provide ~~for and prioritize funding for~~ of transportation investments that, at a minimum, preserves the transportation infrastructure ensures that the state's transportation infrastructure is maintained in a state of good repair;
- (10) to ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state;
- (11) to promote and increase the use of high-occupancy vehicles and low-emission vehicles;

(12) to provide an air transportation system sufficient to encourage economic growth and allow all regions of the state the ability to participate in the global economy;

(13) to increase ~~transit~~ use of transit as a percentage of all trips statewide by giving highest priority to the transportation modes with the greatest people-moving capacity and lowest long-term economic and environmental cost;

(14) to promote and increase bicycling and walking as a percentage of all trips as ~~an~~ energy-efficient, nonpolluting, and ~~healthful form~~ healthy forms of transportation;

(15) to reduce greenhouse gas emissions from the state's transportation sector; and

(16) to accomplish these goals with minimal impact on the environment.

Sec. 20. Minnesota Statutes 2008, section 174.02, subdivision 1a, is amended to read:

Subd. 1a. **Mission; efficiency; legislative report, recommendations.** It is part of the department's mission that within the department's resources the commissioner shall endeavor to:

(1) prevent the waste or unnecessary spending of public money;

(2) use innovative fiscal and human resource practices to manage the state's resources and operate the department as efficiently as possible;

(3) minimize the degradation of air ~~and~~, water quality, and the climate, including reduction in greenhouse gas emissions;

(4) coordinate the department's activities wherever appropriate with the activities of other governmental agencies;

(5) use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government;

(6) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A;

(7) report to the legislature on the performance of agency operations and the accomplishment of agency goals in the agency's biennial budget according to section 16A.10, subdivision 1; and

(8) recommend to the legislature appropriate changes in law necessary to carry out the mission and improve the performance of the department.

Sec. 21. **[174.285] MINNESOTA COUNCIL ON TRANSPORTATION ACCESS.**

Subdivision 1. Council established. A Minnesota Council on Transportation Access is established to study, evaluate, oversee, and make recommendations to improve the coordination, availability, accessibility, efficiency, cost-effectiveness, and safety of transportation services provided to the transit public. "Transit public" means those persons who utilize public transit and those who, because of mental or physical disability, income status, or age are unable to transport themselves and are dependent upon others for transportation services.

Subd. 2. **Duties of council.** In order to accomplish the purposes in subdivision 1, the council shall adopt a biennial work plan that must incorporate the following activities:

(1) compile information on existing transportation alternatives for the transit public, and serve as a clearinghouse for information on services, funding sources, innovations, and coordination efforts;

(2) identify best practices and strategies that have been successful in Minnesota and in other states for coordination of local, regional, state, and federal funding and services;

(3) recommend statewide objectives for providing public transportation services for the transit public;

(4) identify barriers prohibiting coordination and accessibility of public transportation services and aggressively pursue the elimination of those barriers;

(5) recommend policies and procedures for coordinating local, regional, state, and federal funding and services for the transit public;

(6) identify stakeholders in providing services for the transit public, and seek input from them concerning barriers and appropriate strategies;

(7) recommend guidelines for developing transportation coordination plans throughout the state;

(8) encourage all state agencies participating in the council to purchase trips within the coordinated system;

(9) facilitate the creation and operation of transportation brokerages to match riders to the appropriate service, promote shared dispatching, compile and disseminate information on transportation options, and promote regional communication;

(10) encourage volunteer driver programs and recommend legislation to address liability and insurance issues;

(11) recommend minimum performance standards for delivery of services;

(12) identify methods to eliminate fraud and abuse in special transportation services;

(13) develop a standard method for addressing liability insurance requirements for transportation services purchased, provided, or coordinated;

(14) design and develop a contracting template for providing coordinated transportation services;

(15) recommend an interagency uniform contracting and billing and accounting system for providing coordinated transportation services;

(16) encourage the design and development of training programs for coordinated transportation services;

(17) encourage the use of public school transportation vehicles for the transit public;

(18) develop an allocation methodology that equitably distributes transportation funds to compensate units of government and all entities that provide coordinated transportation services;

(19) identify policies and necessary legislation to facilitate vehicle sharing; and

(20) advocate aggressively for eliminating barriers to coordination, implementing coordination strategies, enacting necessary legislation, and appropriating resources to achieve the council's objectives.

Subd. 3. **Membership.** (a) The council is comprised of the following 17 members:

(1) two members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration, one of whom must be a member of the minority;

(2) two members of the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader;

(3) one representative from the Office of the Governor;

(4) one representative from the Council on Disability;

(5) one representative from the Minnesota Public Transit Association;

(6) the commissioner of transportation or a designee;

(7) the commissioner of human services or a designee;

(8) the commissioner of health or a designee;

(9) the chair of the Metropolitan Council or a designee;

(10) the commissioner of education or a designee;

(11) the commissioner of veterans affairs or a designee;

(12) one representative from the Board on Aging;

(13) the commissioner of employment and economic development or a designee;

(14) the commissioner of commerce or a designee; and

(15) the commissioner of finance or a designee.

(b) All appointments required by paragraph (a) must be completed by August 1, 2010.

(c) The commissioner of transportation or a designee shall convene the first meeting of the council within two weeks after the members have been appointed to the council. The members shall elect a chairperson from their membership at the first meeting.

(d) The Department of Transportation and the Department of Human Services shall provide necessary staff support for the council.

Subd. 4. **Report.** By January 15 of each year, beginning in 2012, the council shall report its findings, recommendations, and activities to the governor's office and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation, health, and human services, and to the legislature as provided under section 3.195.

Subd. 5. **Reimbursement.** Members of the council shall receive reimbursement of expenses as provided in section 15.059, subdivision 3.

Subd. 6. **Expiration.** This section expires June 30, 2014.

Sec. 22. Minnesota Statutes 2008, section 174.86, subdivision 5, is amended to read:

Subd. 5. **Commuter Rail Corridor Coordinating Committee.** (a) A Commuter Rail Corridor Coordinating Committee ~~shall be~~ is established to advise the commissioner on issues relating to the alternatives analysis, environmental review, advanced corridor planning, preliminary engineering, final design, implementation method, construction of commuter rail, public involvement, land use, service, and safety. The Commuter Rail Corridor Coordinating Committee shall consist of:

- (1) one member representing each significant funding partner in whose jurisdiction the line or lines are located;
- (2) one member appointed by each county in which the corridors are located;
- (3) one member appointed by each city in which advanced corridor plans indicate that a station may be located;
- (4) two members appointed by the commissioner, one of whom shall be designated by the commissioner as the chair of the committee;
- (5) one member appointed by each metropolitan planning organization through which the commuter rail line may pass; ~~and~~
- (6) one member appointed by the president of the University of Minnesota, if a designated corridor provides direct service to the university; ~~and~~
- (7) two ex-officio members who are members of labor organizations operating in, and with authority for, trains or rail yards or stations junctioning with freight and commuter rail lines on corridors, with one member appointed by the speaker of the house and the other member appointed by the senate Rules and Administration Subcommittee on Committees.

(b) A joint powers board existing on April 1, 1999, consisting of local governments along a commuter rail corridor, shall perform the functions set forth in paragraph (a) in place of the committee.

(c) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

Sec. 23. Minnesota Statutes 2008, section 219.01, is amended to read:

219.01 TRACK SAFETY STANDARDS; SAFETY TECHNOLOGY GRANTS.

(a) The track safety standards of the United States Department of Transportation and Federal Railroad Administration apply to railroad trackage and are the standards for the determination of unsafe trackage within the state.

(b) The commissioner of transportation shall apply to the Federal Railroad Administration under Public Law 110-432, the Railroad Safety Enhancement Act of 2008 (the act), for (1) railroad safety technology grant funding available under section 105 of the act and (2) development and installation of rail safety technology, including provision for switch position indicator signals in nonsignalized main track territory, under section 406 of the act. The commissioner shall respond and make application to the Federal Railroad Administration notice of funds

availability under the Rail Safety Assurance Act in a timely manner and before the date of the program deadline to assure full consideration of the application. The commissioner shall (i) prioritize grant requests for the installation of switch indicator signals on all segments of nonsignalized track where posted speeds are in excess of 20 miles per hour and (ii) apply for grant funding in each year after 2010 until all nonsignalized track territory in the state has switch indicator signals installed and in operation.

(c) Prior to applying for funds under paragraph (b), the commissioner shall solicit grant requests from all eligible railroads. The commissioner shall submit written notice to the chairs of the legislative committees with jurisdiction over transportation policy and finance of an acceptance by a class I or class II railroad of federal grant program funding for switch point indicator monitor systems.

(d) Participating railroads shall provide the 20 percent nonfederal match. Railroads shall provide all technical documentation requested by the commissioner and required by the Federal Railroad Administration for the applications under paragraph (b). Railroads are responsible for developing, acquiring, and installing all rail safety technology obtained under this section in accordance with requirements established by the Federal Railroad Administration.

Sec. 24. Minnesota Statutes 2008, section 221.012, is amended by adding a subdivision to read:

Subd. 27a. **Motor carrier of railroad employees.** "Motor carrier of railroad employees" means a motor carrier engaged in the for-hire transportation of railroad employees of a class I or II common carrier, as defined in Code of Federal Regulations, title 49, part 1201, general instruction 1-1, under the terms of a contractual agreement with a common carrier, as defined in section 218.011, subdivision 10.

Sec. 25. Minnesota Statutes 2008, section 221.012, subdivision 38, is amended to read:

Subd. 38. **Small vehicle passenger service.** (a) "Small vehicle passenger service" means a service provided by a person engaged in the for-hire transportation of passengers in a vehicle designed to transport seven or fewer persons, including the driver.

(b) In the metropolitan area as defined in section 473.121, subdivision 2, "small vehicle passenger service" also includes for-hire transportation of persons who are certified by the Metropolitan Council to use special transportation service provided under section 473.386, in a vehicle designed to transport not more than 15 persons including the driver, that is equipped with a wheelchair lift and at least three wheelchair securement positions.

(c) Small vehicle passenger service does not include a motor carrier of railroad employees.

Sec. 26. **[221.0255] MOTOR CARRIER OF RAILROAD EMPLOYEES.**

(a) A motor carrier of railroad employees must meet the requirements specified in this section, is subject to section 221.291, and is otherwise exempt from the provisions of this chapter.

(b) A vehicle operator for a motor carrier of railroad employees who transports passengers must:

(1) have a valid driver's license under chapter 171; and

(2) submit to a physical examination.

(c) The carrier must implement a policy that provides for annual training and certification of the operator in:

(1) safe operation of the vehicle transporting railroad employees;

(2) knowing and understanding relevant laws, rules of the road, and safety policies;

(3) handling emergency situations;

(4) proper use of seat belts;

(5) performance of pretrip and posttrip vehicle inspections, and inspection record keeping; and

(6) proper maintenance of required records.

(d) The carrier must:

(1) perform a background check or background investigation of the operator;

(2) annually verify the operator's driver's license;

(3) document meeting the requirements in this subdivision, and maintain the file at the carrier's business location;

(4) maintain liability insurance in a minimum amount of \$5,000,000 regardless of the seating capacity of the vehicle; and

(5) maintain uninsured and underinsured coverage in a minimum amount of \$1,000,000.

If a party contracts with the motor carrier on behalf of the railroad to transport the railroad employees, then the insurance requirements may be satisfied by either that party or the motor carrier, so long as the motor carrier is a named insured or additional insured under any policy.

(e) A person who sustains a conviction 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, may not operate a vehicle under this subdivision for five years from the date of conviction. A person who sustains a conviction of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses may not operate a vehicle under this subdivision for one year from the date of the last conviction. 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 vehicle under this subdivision.

(f) An operator who sustains a conviction as described in paragraph (e) while employed by the carrier shall report the conviction to the carrier within ten days of the date of the conviction.

(g) A carrier must implement a mandatory alcohol and controlled substance testing program as provided under sections 181.950 to 181.957 that consists of preemployment testing, postaccident testing, random testing, reasonable suspicion testing, return-to-duty testing, and follow-up testing.

(h) A motor carrier of railroad employees shall not allow or require a driver to drive or remain on duty for more than: ten hours after eight consecutive hours off duty; 15 hours of combined on-duty time and drive time since last obtaining eight consecutive hours of off-duty time; or 70 hours of on-duty and drive time in any period of eight consecutive days. After 24 hours off duty, a driver begins a new seven consecutive day period and on-duty time is reset to zero.

(i) An operator who encounters an emergency and cannot, because of that emergency, safely complete a transportation assignment within the ten-hour maximum driving time permitted under paragraph (h), may drive for not more than two additional hours in order to complete that transportation assignment or to reach a place offering safety for the occupants of the vehicle and security for the transport motor vehicle, if the transportation assignment reasonably could have been completed within the ten-hour period absent the emergency.

(j) A carrier shall maintain and retain for a period of six months accurate time records that show the time the driver reports for duty each day; the total number of hours of on-duty time for each driver for each day; the time the driver is released from duty each day; and the total number of hours driven each day.

(k) For purposes of this subdivision, the following terms have the meanings given:

(1) "conviction" has the meaning given in section 609.02; and

(2) "on-duty time" means all time at a terminal, facility, or other property of a contract carrier or on any public property waiting to be dispatched. On-duty time includes time spent inspecting, servicing, or conditioning the vehicle.

EFFECTIVE DATE. Paragraph (d), clause (5), is effective July 1, 2011.

Sec. 27. Minnesota Statutes 2008, section 360.061, subdivision 3, is amended to read:

Subd. 3. **Municipality.** "Municipality" does not include a county unless the county owns or controls an airport, in which case such county may exercise all the powers granted by said sections to other municipalities. It specifically includes a town, an airport authority, the Metropolitan Airports Commission established and operated pursuant to chapter 473, and the state of Minnesota.

Sec. 28. Minnesota Statutes 2008, section 473.167, subdivision 2a, is amended to read:

Subd. 2a. **Hardship Loans for acquisition and relocation.** (a) The council may make ~~hardship~~ loans to acquiring authorities within the metropolitan area to purchase homestead property located in a proposed state trunk highway right-of-way or project, and to provide relocation assistance. Acquiring authorities are authorized to accept the loans and to acquire the property. Except as provided in this subdivision, the loans shall be made as provided in subdivision 2. Loans shall be in the amount of the fair market value of the homestead property plus relocation costs and less salvage value. Before construction of the highway begins, the acquiring authority shall convey the property to the commissioner of transportation at the same price it paid, plus relocation costs and less its salvage value. Acquisition and assistance under this subdivision must conform to sections 117.50 to 117.56.

(b) The council may make ~~hardship~~ loans only when:

(1) the owner of affected homestead property requests acquisition and relocation assistance from an acquiring authority;

(2) federal or state financial participation is not available;

(3) the owner is unable to sell the homestead property at its appraised market value because the property is located in a proposed state trunk highway right-of-way or project as indicated on an official map or plat adopted under section 160.085, 394.361, or 462.359; and

(4) the council agrees to and approves the fair market value of the homestead property, which approval shall not be unreasonably withheld; ~~and.~~

~~(5) the owner of the homestead property is burdened by circumstances that constitute a hardship, such as catastrophic medical expenses; a transfer of the homestead owner by the owner's employer to a distant site of employment; or inability of the owner to maintain the property due to physical or mental disability or the permanent departure of children from the homestead.~~

(c) For purposes of this subdivision, the following terms have the meanings given them.

(1) "Acquiring authority" means counties, towns, and statutory and home rule charter cities in the metropolitan area.

(2) "Homestead property" means (i) a single-family dwelling occupied by the owner, and the surrounding land, not exceeding a total of ten acres; or (ii) a manufactured home, as defined in section 327B.01, subdivision 13.

(3) "Salvage value" means the probable sale price of the dwelling and other property that is severable from the land if offered for sale on the condition that it be removed from the land at the buyer's expense, allowing a reasonable time to find a buyer with knowledge of the possible uses of the property, including separate use of serviceable components and scrap when there is no other reasonable prospect of sale.

Sec. 29. Minnesota Statutes 2008, section 473.411, subdivision 5, is amended to read:

Subd. 5. **Use of public roadways and appurtenances.** The council may use for the purposes of sections 473.405 to 473.449 upon the conditions stated in this subdivision any state highway or other public roadway, parkway, or lane, or any bridge or tunnel or other appurtenance of a roadway, without payment of any compensation, provided the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance. The provisions of this subdivision do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance is not required; except that if the council seeks to use a designated parkway for regular route service in the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by the ~~representatives of the council and the park~~ other members of the board. If the use is a designated Minneapolis parkway for regular route service adjacent to the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by other members of the board. The joint board must include a nonvoting member appointed by the council of the city in which the parkway is located.

The board of park commissioners and the council may designate persons to sit on the joint board. In considering a request by the council to use designated parkways for additional routes or trips, the joint board consisting of the council or their designees, the board of park commissioners or their designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board. The decision to grant or deny the request must be made within 45 days of the date of the request. The park board must be notified immediately by the council of any temporary route detours. If the park board objects to the temporary route detours within five days of being notified, the joint board must convene and decide whether to grant the request, otherwise the request is deemed granted. If the agency objects to the proposed use or claims reimbursement from the council for additional cost of maintenance, it may commence an action against the council in the district court of the county wherein the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in the action must conform to the Rules of Civil Procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin the use by the council. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of the

additional costs. Otherwise the court shall award judgment to the council. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The council may also use land within the right-of-way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 30. Minnesota Statutes 2008, section 514.18, subdivision 1a, is amended to read:

Subd. 1a. **Towed motor vehicles.** A person who tows and stores a motor vehicle at the request of a law enforcement officer shall have a lien on the motor vehicle for the value of the storage and towing and the right to retain possession of the motor vehicle until the lien is lawfully discharged. This section does not apply to tows ~~authorized in section 169.041, subdivision 4, clause (1) of vehicles parked in violation of snow emergency regulations.~~

Sec. 31. Laws 2008, chapter 287, article 1, section 122, is amended to read:

Sec. 122. **NULLIFICATION OF EXPEDITED TOWN ROAD EXTINGUISHMENT.**

(a) Any extinguishment of town interest in a town road under Minnesota Statutes, section 164.06, subdivision 2, is hereby nullified if:

(1) the interest was not recorded or filed with the county recorder but was recorded or filed with the county auditor prior to 1972;

(2) the state or a political subdivision has constructed or funded a road or bridge improvement on a right-of-way affected by the interest;

(3) the affected road was the only means of access to a property;

(4) the extinguishment took place within the last ten years; and

(5) a person whose only access to property was lost because of the extinguishment files a petition of a nullification with the town board stating that the person's property became landlocked because of the extinguishment and that the road satisfies all of the requirements of paragraph (a), clauses (1) to (4). A copy of the road order found filed or recorded with the county auditor must be attached to the petition. The town shall file the petition with the county auditor and record it with the county recorder.

(b) Notwithstanding Minnesota Statutes, sections 164.08, subdivision 1, and 541.023, for any nullification under paragraph (a), the affected road is hereby deemed to be a cartway. No additional damages or other payments may be required other than those paid at the time the fee interest was originally acquired and the order filed with the county auditor. A cartway created by this paragraph may be converted to a private driveway under Minnesota Statutes, section 164.08, subdivision 2.

(c) For purposes of this section, "affected road" means the road in which the town board extinguished its interest.

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

Sec. 32. **ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR CITY OF FARMINGTON.**

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar, the commissioner of public safety shall appoint a municipal deputy registrar of motor vehicles for the city of Farmington to operate a new full-service Office of Deputy Registrar, with full authority to function as a registration and motor vehicle tax collection bureau, at the city hall in the city of Farmington. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, apply to the office.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the governing body of the city of Farmington and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 33. **REPEALER.**

Minnesota Statutes 2008, section 169.041, subdivisions 3 and 4, are repealed."

Delete the title and insert:

"A bill for an act relating to transportation; modifying or adding provisions relating to transportation construction impacts on business, rest areas, highways, bridges, deputy registrars, vehicles, impounds, towing, intersection gridlock, bus operation, various traffic regulations, cargo tank vehicle weight exemptions, transportation department goals and mission, a Minnesota Council of Transportation Access, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers of railroad employees, airport authorities, property acquisition for highways, transit, and town road interest extinguishment nullification; requiring a report; making technical and clarifying changes; amending Minnesota Statutes 2008, sections 161.14, by adding subdivisions; 165.14, subdivisions 4, 5; 168.33, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5; 169.15; 169.306; 169.87, by adding a subdivision; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 160.165; 161.14, subdivision 62; 169.71, subdivision 1; 169.865, subdivision 1; Laws 2008, chapter 287, article 1, section 122; proposing coding for new law in Minnesota Statutes, chapters 160; 174; 221; repealing Minnesota Statutes 2008, section 169.041, subdivisions 3, 4."

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.

Hornstein from the Transportation and Transit Policy and Oversight Division to which was referred:

H. F. No. 2888, A bill for an act relating to crimes; providing penalty for careless driving resulting in death; amending Minnesota Statutes 2008, section 169.13, by adding a subdivision.

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

The report was adopted.

Hornstein from the Transportation and Transit Policy and Oversight Division to which was referred:

H. F. No. 2920, A bill for an act relating to motor vehicles; clarifying definition of motor vehicle; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 169.09, subdivision 5a.

Reported the same back with the following amendments:

Page 1, line 15, before "If" insert "(a)"

Page 1, after line 22, insert:

"(b) For purposes of this subdivision, "motor vehicle" has the meaning given in section 65B.43, subdivision 2."

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

The report was adopted.

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

H. F. No. 2942, A bill for an act relating to commerce; regulating various licensees and other entities; modifying informational requirements, continuing education requirements, and notice requirements; making various housekeeping, technical, and clarifying changes; reorganizing various provisions relating to real estate brokers, salespersons, and closing agents; modifying the membership requirements of, and appointment authority to, the real estate appraiser advisory board; amending Minnesota Statutes 2008, sections 45.0112; 60A.084; 60A.204; 60K.31, subdivision 10; 61A.092, subdivision 3; 62A.17, subdivision 5; 62A.65, subdivision 2; 62E.02, subdivision 15; 62E.14, subdivision 4c; 62L.05, subdivision 4; 62S.24, subdivision 8; 62S.266, subdivision 4; 62S.29, subdivision 1; 72A.20, subdivisions 36, 37; 72A.492, subdivision 2; 80A.41; 82.17, subdivision 15, by adding a subdivision; 82.19; 82.21, subdivision 2; 82.24, subdivision 3; 82.29, subdivisions 4, 5, 8; 82.31, subdivisions 1, 2; 82.33, subdivisions 1, 2, by adding a subdivision; 82.34, subdivisions 1, 2, 4, 5, 13; 82.39; 82.41, subdivisions 1, 2, by adding a subdivision; 82.45, subdivision 3, by adding subdivisions; 82.48, subdivisions 2, 3; 82B.05, as amended; Minnesota Statutes 2009 Supplement, sections 45.027, subdivision 1; 45.30, subdivision 4; 60A.9572, subdivision 6; 65A.29, subdivision 13; 82.31, subdivision 4; 82.32; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 2008, sections 82.19, subdivision 3; 82.22, subdivisions 1, 6, 7, 8, 9; 82.31, subdivision 6; 82.34, subdivision 16; 82.41, subdivisions 3, 7; 332.335; Minnesota Statutes 2009 Supplement, section 65B.133, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 45.0112, is amended to read:

45.0112 STREET AND E-MAIL ADDRESSES REQUIRED.

Licensees or applicants for licenses issued by the commissioner shall provide to the commissioner a residence telephone number, a street address where the licensee actually resides, ~~and~~ a street address where the licensee's business is physically located, and a current e-mail address for business use. A post office box address is not sufficient to satisfy this requirement. The individual shall notify the department of any change in street address, e-mail address for business use, or residence telephone number within ten days.

Sec. 2. Minnesota Statutes 2009 Supplement, section 45.027, subdivision 1, is amended to read:

Subdivision 1. **General powers.** In connection with the duties and responsibilities entrusted to the commissioner, and Laws 1993, chapter 361, section 2, the commissioner of commerce may:

(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate any law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the duties and responsibilities entrusted to the commissioner;

(4) conduct investigations and hold hearings for the purpose of compiling information related to the duties and responsibilities entrusted to the commissioner;

(5) examine the books, accounts, records, and files of every licensee, and of every person who is engaged in any activity regulated; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner;

(7) require any person subject to duties and responsibilities entrusted to the commissioner, to report all sales or transactions that are regulated. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction; and

(8) assess a ~~licensee~~ natural person or entity subject to the jurisdiction of the commissioner the necessary expenses of the investigation performed by the department when an investigation is made by order of the commissioner. The cost of the investigation shall be determined by the commissioner and is based on the salary cost of investigators or assistants and at an average rate per day or fraction thereof so as to provide for the total cost of the investigation. All money collected must be deposited into the general fund. A natural person licensed under chapter 60K or 82 shall not be charged costs of an investigation if the investigation results in no finding of a violation. This clause does not apply to a natural person or entity already subject to the assessment provisions of sections 60A.03 and 60A.031.

Sec. 3. Minnesota Statutes 2009 Supplement, section 45.30, subdivision 4, is amended to read:

Subd. 4. **Credit earned.** (a) Upon completion of approved courses, students must earn one hour of continuing education credit for each hour approved by the commissioner. Continuing education courses must be attended in their entirety in order to receive credit for the number of approved hours.

(b) Qualified instructors will earn three hours of continuing education credit for each classroom hour of approved instruction that they deliver (1) independently, or (2) as part of a team presentation in a course of two hours or less, if they attend the course in its entirety. For licensees other than appraisers, no more than half of the continuing education hours required for renewal of a license may be earned as a qualified instructor at the rate of three hours of continuing education credit for each classroom hour of approved instruction. For licensed appraisers, no more than one-half of the continuing education hours required for renewal of a license may be earned as a qualified instructor. No credit will be earned if the licensee has previously obtained credit for the same course as either a student or instructor during the same licensing period.

(c) A licensee must not receive credit for more than eight hours of continuing education in one day.

Sec. 4. Minnesota Statutes 2008, section 60A.084, is amended to read:

60A.084 NOTIFICATION ON GROUP POLICIES.

An employer providing life or health benefits may not change benefits, limit coverage, or otherwise restrict participation until the certificate holder or enrollee has been notified of any changes, limitations, or restrictions. Notice in a format which meets the requirements of the ~~Employee Retirement Income Security Act, United States Code Annotated, title 29, sections 1001 to 1461, United States Department of Labor~~ is satisfactory for compliance with this section.

Sec. 5. Minnesota Statutes 2008, section 60A.204, is amended to read:

60A.204 ~~ADDITIONAL CHARGES AND FEES AND COMMISSIONS.~~

~~Subdivision 1. **Placement fees.** A surplus lines licensee may charge, in addition to the premium charged by an eligible or ineligible surplus lines insurer, a fee to cover the cost incurred in the placement of the policy which exceeds \$25, but only to the extent that the actual additional cost incurred for services performed by persons or entities unrelated to the licensee exceeds that amount.~~

~~Subd. 2. **Regulation of fees.** A surplus lines licensee may charge a fee charged pursuant to subdivision 1 shall and commission, in addition to the premium, that is not be excessive or discriminatory. The licensee shall maintain complete documentation of all fees and commissions charged. Those fees shall not be included as part of the premium for purposes of the computation of the premium taxes.~~

~~Subd. 3. **Commission charges.** Notwithstanding the provisions of subdivision 1, a licensee may add a commission charge if the insurer quotes a rate net of commission and the commission is not excessive or discriminatory.~~

Sec. 6. Minnesota Statutes 2008, section 60A.36, is amended by adding a subdivision to read:

Subd. 2a. **Third-party notices.** An insurer shall provide notice to a third party if:

(1) the policyholder has notified the insurer of the identity of the third party; and

(2) the third party is a licensing authority authorized by statute to receive the notice or a state, city, or county governmental unit on whose behalf the insured is providing services.

Sec. 7. Minnesota Statutes 2009 Supplement, section 60A.39, subdivision 1, is amended to read:

Subdivision 1. **Issuance.** A licensed insurer or insurance producer may provide to a third party a certificate of insurance which documents insurance coverage. ~~The purpose of~~ For the purposes of this chapter, a certificate of insurance is ~~to provide a document that provides evidence of property or liability insurance coverage and the amount of insurance issued, and does not convey any contractual rights to the certificate holder.~~

Sec. 8. Minnesota Statutes 2009 Supplement, section 60A.39, subdivision 4, is amended to read:

Subd. 4. **Cancellation notice.** A certificate provided to a third party must not provide for notice of cancellation that exceeds the statutory notice of cancellation provided to the policyholder or a period of notice specified in the policy.

Sec. 9. Minnesota Statutes 2009 Supplement, section 60A.39, subdivision 5, is amended to read:

Subd. 5. **Filing.** An insurer not using the standard ACORD or ISO form "Certificate of Insurance" shall file with the commissioner, prior to its use, ~~the form of certificate or memorandum of insurance coverage that will be used~~ a similar alternative "Certificate of Insurance" covering the same information for use by the insurer. Filed forms may not be amended at the request of a third party.

EFFECTIVE DATE. This section is effective January 1, 2011.

Sec. 10. Minnesota Statutes 2009 Supplement, section 60A.9572, subdivision 6, is amended to read:

Subd. 6. **Disclosures.** The applicant shall provide information on forms required by the commissioner. The commissioner shall have authority, at any time, to require the applicant to fully disclose the identity of all stockholders who hold more than ten percent of the shares of the company, partners, officers, members, and employees, and the commissioner may, in the exercise of the commissioner's discretion, refuse to issue a license in the name of a legal entity if not satisfied that any officer, employee, stockholder, partner, or member of the legal entity who may materially influence the applicant's conduct meets the standards of sections 60A.957 to 60A.9585.

Sec. 11. Minnesota Statutes 2008, section 60K.31, subdivision 10, is amended to read:

Subd. 10. **Limited lines insurance.** "Limited lines insurance" means those lines of insurance defined in section 60K.38, subdivision 1, paragraph (c), or any other line of insurance that the commissioner considers necessary to recognize for the purposes of complying with section 60K.39, subdivision ~~5~~ 6.

Sec. 12. Minnesota Statutes 2008, section 61A.092, subdivision 3, is amended to read:

Subd. 3. **Notice of options.** Upon termination of or layoff from employment of a covered employee, the employer shall inform the employee within 14 days after termination or layoff of:

- (1) the employee's right to elect to continue the coverage;
- (2) the amount the employee must pay monthly to the employer to retain the coverage;
- (3) the manner in which and the office of the employer to which the payment to the employer must be made; and
- (4) the time by which the payments to the employer must be made to retain coverage.

The employee has 60 days within which to elect coverage. The 60-day period shall begin to run on the date coverage would otherwise terminate or on the date upon which notice of the right to coverage is received, whichever is later.

If the covered employee or covered dependent dies during the 60-day election period and before the covered employee makes an election to continue or reject continuation, then the covered employee will be considered to have elected continuation of coverage. The beneficiary previously selected by the former employee or covered dependent would then be entitled to a death benefit equal to the amount of insurance that could have been continued less any unpaid premium owing as of the date of death.

Notice must be in writing and sent by first class mail to the employee's last known address which the employee has provided to the employer.

A notice in substantially the following form is sufficient: "As a terminated or laid off employee, the law authorizes you to maintain your group insurance benefits, in an amount equal to the amount of insurance in effect on the date you terminated or were laid off from employment, for a period of up to 18 months. To do so, you must notify your former employer within 60 days of your receipt of this notice that you intend to retain this coverage and must make a monthly payment of \$..... at by the of each month."

Sec. 13. Minnesota Statutes 2008, section 62A.17, subdivision 5, is amended to read:

Subd. 5. **Notice of options.** Upon the termination of or lay off from employment of an eligible employee, the employee shall inform the employee within ~~ten~~ 14 days after termination or lay off of:

~~(a)~~ (1) the right to elect to continue the coverage;

~~(b)~~ (2) the amount the employee must pay monthly to the employer to retain the coverage;

~~(c)~~ (3) the manner in which and the office of the employer to which the payment to the employer must be made; and

~~(d)~~ (4) the time by which the payments to the employer must be made to retain coverage.

If the policy, contract, or health care plan is administered by a trust, the employer is relieved of the obligation imposed by clauses ~~(a)~~ (1) to ~~(d)~~ (4). The trust shall inform the employee of the information required by clauses ~~(a)~~ (1) to ~~(d)~~ (4).

The employee shall have 60 days within which to elect coverage. The 60-day period shall begin to run on the date plan coverage would otherwise terminate or on the date upon which notice of the right to coverage is received, whichever is later.

Notice must be in writing and sent by first class mail to the employee's last known address which the employee has provided the employer or trust.

A notice in substantially the following form shall be sufficient: "As a terminated or laid off employee, the law authorizes you to maintain your group medical insurance for a period of up to 18 months. To do so you must notify your former employer within 60 days of your receipt of this notice that you intend to retain this coverage and must make a monthly payment of \$..... to at by the of each month."

Sec. 14. Minnesota Statutes 2009 Supplement, section 62A.3099, subdivision 18, is amended to read:

Subd. 18. **Medicare supplement policy or certificate.** "Medicare supplement policy or certificate" means a group or individual policy of accident and sickness insurance or a subscriber contract of hospital and medical service associations or health maintenance organizations, other than those policies or certificates covered by section 1833 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., or an issued policy under a demonstration project specified under amendments to the federal Social Security Act, which is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare or as a supplement to Medicare Advantage plans established under Medicare Part C. "Medicare supplement policy" does not include Medicare Advantage plans established under Medicare Part C, outpatient prescription drug plans established under Medicare Part D, ~~or~~ any health care prepayment plan that provides benefits under an agreement under section 1833(a)(1)(A) of the Social Security Act, or any policy issued to an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage, or any policy issued to a labor union or similar employee organization.

Sec. 15. Minnesota Statutes 2008, section 62A.65, subdivision 2, is amended to read:

Subd. 2. **Guaranteed renewal.** No individual health plan may be offered, sold, issued, or renewed to a Minnesota resident unless the health plan provides that the plan is guaranteed renewable at a premium rate that does not take into account the claims experience or any change in the health status of any covered person that occurred after the initial issuance of the health plan to the person. The premium rate upon renewal must also otherwise comply with this section. A health carrier must not refuse to renew an individual health plan ~~prior to enrollment in Medicare Parts A and B~~, except for nonpayment of premiums, fraud, or misrepresentation.

Sec. 16. Minnesota Statutes 2008, section 62E.02, subdivision 15, is amended to read:

Subd. 15. **Medicare.** "Medicare" means ~~part A and part B of the United States Social Security Act, title XVIII, as amended, United States Code, title 42, sections 1394, et seq. the Health Insurance for the Aged Act, title XVIII of the Social Security Amendments of 1965, United States Code, title 42, sections 1395 to 1395hhh, as amended, or title I, part I, of Public Law 89-97, as amended.~~

Sec. 17. Minnesota Statutes 2008, section 62E.14, subdivision 4c, is amended to read:

Subd. 4c. **Waiver of preexisting conditions for persons whose coverage is terminated or who exceed the maximum lifetime benefit.** (a) A Minnesota resident may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3 if that persons's application for coverage is received by the writing carrier no later than 90 days after termination of prior coverage and if the termination is for reasons other than fraud or nonpayment of premiums.

For purposes of this paragraph, termination of prior coverage includes exceeding the maximum lifetime benefit of existing coverage.

Coverage in the comprehensive health plan is effective on the date of termination of prior coverage. The availability of conversion rights does not affect a person's rights under this paragraph.

This section does not apply to prior coverage provided under policies designed primarily to provide coverage payable on a per diem, fixed indemnity, or nonexpense incurred basis, or policies providing only accident coverage.

(b) An eligible individual, as defined under the Health Insurance Portability and Accountability Act (HIPAA), United States Code, chapter 42, section 300gg-41(b) may enroll in the comprehensive health insurance plan with a waiver of the preexisting condition limitation described in subdivision 3 and a waiver of the evidence of rejection or similar events described in subdivision 1, clause (c). The eligible individual must apply for enrollment under this paragraph by submitting a substantially complete application that is received by the writing carrier no later than 63 days after termination of prior coverage, and coverage under the comprehensive health insurance plan is effective as of the date of receipt of the complete application. The six-month durational residency requirement provided in section 62E.02, subdivision 13, does not apply with respect to eligibility for enrollment under this paragraph, but the applicant must be a Minnesota resident as of the date that the application was received by the writing carrier. A person's eligibility to enroll under this paragraph does not affect the person's eligibility to enroll under any other provision.

(c) A qualifying individual, as defined in the Internal Revenue Code of 1986, section 35(e)(2)(B), who is eligible under the Federal Trade Act of 2002 for the ~~credit~~ Health Coverage Tax Credit (HCTC) for health insurance costs under the Internal Revenue Code of 1986, section 35, may enroll in the comprehensive health insurance plan with a waiver of the preexisting condition limitation described in subdivision 3, and without presenting evidence of rejection or similar requirements described in subdivision 1, paragraph (c). The six-month durational residency requirement provided in section 62E.02, subdivision 13, does not apply with respect to eligibility for enrollment

under this paragraph, but the applicant must be a Minnesota resident as of the date of application. A person's eligibility to enroll under this paragraph does not affect the person's eligibility to enroll under any other provision. This paragraph is intended solely to meet the minimum requirements necessary to qualify the comprehensive health insurance plan as qualified health coverage under the Internal Revenue Code of 1986, section 35(e)(2).

Sec. 18. Minnesota Statutes 2008, section 62L.05, subdivision 4, is amended to read:

Subd. 4. **Benefits.** The medical services and supplies listed in this subdivision are the benefits that must be covered by the small employer plans described in subdivisions 2 and 3. Benefits under this subdivision may be provided through the managed care procedures practiced by health carriers:

(1) inpatient and outpatient hospital services, excluding services provided for the diagnosis, care, or treatment of chemical dependency or a mental illness or condition, other than those conditions specified in clauses (10); and (11); ~~and (12)~~. The health care services required to be covered under this clause must also be covered if rendered in a nonhospital environment, on the same basis as coverage provided for those same treatments or services if rendered in a hospital, provided, however, that this sentence must not be interpreted as expanding the types or extent of services covered;

(2) physician, chiropractor, and nurse practitioner services for the diagnosis or treatment of illnesses, injuries, or conditions;

(3) diagnostic x-rays and laboratory tests;

(4) ground transportation provided by a licensed ambulance service to the nearest facility qualified to treat the condition, or as otherwise required by the health carrier;

(5) services of a home health agency if the services qualify as reimbursable services under Medicare;

(6) services of a private duty registered nurse if medically necessary, as determined by the health carrier;

(7) the rental or purchase, as appropriate, of durable medical equipment, other than eyeglasses and hearing aids, unless coverage is required under section 62Q.675;

(8) child health supervision services up to age 18, as defined in section 62A.047;

(9) maternity and prenatal care services, as defined in sections 62A.041 and 62A.047;

(10) inpatient hospital and outpatient services for the diagnosis and treatment of certain mental illnesses or conditions, as defined by the International Classification of Diseases-Clinical Modification (ICD-9-CM), seventh edition (1990) and as classified as ICD-9 codes 295 to 299; and

~~(11) ten hours per year of outpatient mental health diagnosis or treatment for illnesses or conditions not described in clause (10);~~

~~(12) 60 hours per year of outpatient treatment of chemical dependency; and~~

~~(13)~~ (11) 50 percent of eligible charges for prescription drugs, up to a separate annual maximum out-of-pocket expense of \$1,000 per individual for prescription drugs, and 100 percent of eligible charges thereafter.

Sec. 19. Minnesota Statutes 2008, section 62S.24, subdivision 8, is amended to read:

Subd. 8. **Exchange for long-term care partnership policy; addition of policy rider.** (a) ~~If authorized by federal law or a federal waiver is granted~~ With respect to the long-term care partnership program referenced in section 256B.0571, issuers of long-term care policies may voluntarily exchange a current long-term care insurance policy for a long-term care partnership policy that meets the requirements of Public Law 109-171, section 6021, after the effective date of the state plan amendment implementing the partnership program in this state. The exchange may be in the form of: (1) an amendment or rider; or (2) a disclosure statement indicating that the coverage is now partnership qualified.

(b) ~~If authorized by federal law or a federal waiver is granted~~ With respect to the long-term care partnership program referenced in section 256B.0571, ~~allowing to allow~~ an existing long-term care insurance policy to qualify as a partnership policy by addition of a policy rider or amendment or disclosure statement, the issuer of the policy is authorized to add the rider or amendment or disclosure statement to the policy after the effective date of the state plan amendment implementing the partnership program in this state.

(c) The commissioner, in cooperation with the commissioner of human services, shall pursue any federal law changes or waivers necessary to allow the implementation of paragraphs (a) and (b).

Sec. 20. Minnesota Statutes 2008, section 62S.266, subdivision 4, is amended to read:

Subd. 4. **Contingent benefit upon lapse.** (a) After rejection of the offer required under subdivision 2, for individual and group policies without nonforfeiture benefits issued after July 1, 2001, the insurer shall provide a contingent benefit upon lapse.

(b) If a group policyholder elects to make the nonforfeiture benefit an option to the certificate holder, a certificate shall provide either the nonforfeiture benefit or the contingent benefit upon lapse.

(c) The contingent benefit on lapse must be triggered every time an insurer increases the premium rates to a level which results in a cumulative increase of the annual premium equal to or exceeding the percentage of the insured's initial annual premium based on the insured's issue age provided in this paragraph, and the policy or certificate lapses within 120 days of the due date of the premium increase. Unless otherwise required, policyholders shall be notified at least 30 days prior to the due date of the premium reflecting the rate increase.

Triggers for a Substantial Premium Increase

Issue Age	Percent Increase Over Initial Premium
29 and Under	200
30-34	190
35-39	170
40-44	150
45-49	130
50-54	110
55-59	90
60	70
61	66
62	62
63	58
64	54
65	50

66	48
67	46
68	44
69	42
70	40
71	38
72	36
73	34
74	32
75	30
76	28
77	26
78	24
79	22
80	20
81	19
82	18
83	17
84	16
85	15
86	14
87	13
88	12
89	11
90 and over	10

(d) A contingent benefit on lapse must also be triggered for policies with a fixed or limited premium paying period every time an insurer increases the premium rates to a level that results in a cumulative increase of the annual premium equal to or exceeding the percentage of the insured's initial annual premium set forth below based on the insured's issue age, the policy or certificate lapses within 120 days of the due date of the premium so increased, and the ratio in paragraph ~~(e)~~ (f), clause (2), is 40 percent or more. Unless otherwise required, policyholders shall be notified at least 30 days prior to the due date of the premium reflecting the rate increase.

Triggers for a Substantial Premium Increase

Issue Age	Percent Increase Over Initial Premium
Under 65	50%
65-80	30%
Over 80	10%

This provision shall be in addition to the contingent benefit provided by paragraph (c) and where both are triggered, the benefit provided must be at the option of the insured.

(e) On or before the effective date of a substantial premium increase as defined in paragraph (c), the insurer shall:

(1) offer to reduce policy benefits provided by the current coverage without the requirement of additional underwriting so that required premium payments are not increased;

(2) offer to convert the coverage to a paid-up status with a shortened benefit period according to the terms of subdivision 5. This option may be elected at any time during the 120-day period referenced in paragraph (c); and

(3) notify the policyholder or certificate holder that a default or lapse at any time during the 120-day period referenced in paragraph (c) is deemed to be the election of the offer to convert in clause (2).

(f) On or before the effective date of a substantial premium increase as defined in paragraph (d), the insurer shall:

(1) offer to reduce policy benefits provided by the current coverage without the requirement of additional underwriting so that required premium payments are not increased;

(2) offer to convert the coverage to a paid-up status where the amount payable for each benefit is 90 percent of the amount payable in effect immediately prior to lapse times the ratio of the number of completed months of paid premiums divided by the number of months in the premium paying period. This option may be elected at any time during the 120-day period referenced in paragraph (d); and

(3) notify the policyholder or certificate holder that a default or lapse at any time during the 120-day period referenced in paragraph (d) shall be deemed to be the election of the offer to convert in clause (2) if the ratio is 40 percent or more.

Sec. 21. Minnesota Statutes 2008, section 62S.29, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** An insurer or other entity marketing long-term care insurance coverage in this state, directly or through its producers, shall:

(1) establish marketing procedures and agent training requirements to assure that any marketing activities, including any comparison of policies by its agents or other producers, are fair and accurate;

(2) establish marketing procedures to assure excessive insurance is not sold or issued;

(3) display prominently by type, stamp, or other appropriate means, on the first page of the outline of coverage and policy, the following:

"Notice to buyer: This policy may not cover all of the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.";

(4) provide copies of the disclosure forms required in section 62S.081, subdivision 4, to the applicant;

(5) inquire and otherwise make every reasonable effort to identify whether a prospective applicant or enrollee for long-term care insurance already has long-term care insurance and the types and amounts of the insurance;

(6) establish auditable procedures for verifying compliance with this subdivision;

(7) if applicable, provide written notice to the prospective policyholder and certificate holder, at solicitation, that a senior insurance counseling program approved by the commissioner, the Senior LinkAge Line, is available and the name, address, and telephone number of the program;

(8) use the terms "noncancelable" or "level premium" only when the policy or certificate conforms to section 62S.14; and

(9) provide an explanation of contingent benefit upon lapse provided for in section 62S.266.

Sec. 22. Minnesota Statutes 2009 Supplement, section 65A.29, subdivision 13, is amended to read:

Subd. 13. **Notice of possible cancellation.** (a) A written notice must be provided to all applicants for homeowners' insurance, at the time the application is submitted, containing the following language in bold print: "THE INSURER MAY ELECT TO CANCEL COVERAGE AT ANY TIME DURING THE FIRST ~~60~~ 59 DAYS FOLLOWING ISSUANCE OF THE COVERAGE FOR ANY REASON WHICH IS NOT SPECIFICALLY PROHIBITED BY STATUTE."

(b) If the insurer provides the notice on the insurer's Web site, the insurer or agent may advise the applicant orally or in writing of its availability for review on the insurer's Web site in lieu of providing a written notice, if the insurer advises the applicant of the availability of a written notice upon the applicant's request. The insurer shall provide the notice in writing if requested by the applicant. An oral notice shall be presumed delivered if the agent or insurer makes a contemporaneous notation in the applicant's record of the notice having been delivered or if the insurer or agent retains an audio recording of the notification provided to the applicant.

Sec. 23. Minnesota Statutes 2008, section 72A.20, subdivision 36, is amended to read:

Subd. 36. **Limitations on the use of credit information.** (a) No insurer or group of affiliated insurers may reject, cancel, or nonrenew a policy of private passenger motor vehicle insurance as defined under section 65B.01 or a policy of homeowner's insurance as defined under section 65A.27, for any person in whole or in part on the basis of credit information, including a credit reporting product known as a "credit score" or "insurance score," without consideration and inclusion of any other applicable underwriting factor.

(b) If credit information, credit scoring, or insurance scoring is to be used in underwriting, the insurer must disclose to the consumer that credit information will be obtained and used as part of the insurance underwriting process.

(c) Insurance inquiries and non-consumer-initiated inquiries must not be used as part of the credit scoring or insurance scoring process.

(d) If a credit score, insurance score, or other credit information relating to a consumer, with respect to the types of insurance referred to in paragraph (a), is adversely impacted or cannot be generated because of the absence of a credit history, the insurer must exclude the use of credit as a factor in the decision to reject, cancel, or nonrenew.

(e) Insurers must upon the request of a policyholder reevaluate the policyholder's score. Any change in premium resulting from the reevaluation must be effective upon the renewal of the policy. An insurer is not required to reevaluate a policyholder's score pursuant to this paragraph more than twice in any given calendar year.

(f) Insurers must upon request of the applicant or policyholder provide reasonable underwriting exceptions based upon prior credit histories for persons whose credit information is unduly influenced by expenses related to a catastrophic injury or illness, temporary loss of employment, or the death of an immediate family member. The insurer may require reasonable documentation of these events prior to granting an exception.

(g) A credit scoring or insurance scoring methodology must not be used by an insurer if the credit scoring or insurance scoring methodology incorporates the gender, race, nationality, or religion of an insured or applicant.

(h) Insurers that employ a credit scoring or insurance scoring system in underwriting of coverage described in paragraph (a) must have on file with the commissioner:

(1) the insurer's credit scoring or insurance scoring methodology; and

(2) information that supports the insurer's use of a credit score or insurance score as an underwriting criterion.

(i) Insurers described in paragraph ~~(g)~~ (h) shall file the required information with the commissioner within 120 days of August 1, 2002, or prior to implementation of a credit scoring or insurance scoring system by the insurer, if that date is later.

(j) Information provided by, or on behalf of, an insurer to the commissioner under this subdivision is trade secret information under section 13.37.

Sec. 24. Minnesota Statutes 2008, section 72A.20, subdivision 37, is amended to read:

Subd. 37. **Electronic transmission of required information.** (a) A health carrier, as defined in section 62A.011, subdivision 2, is not in violation of this chapter for electronically transmitting or electronically making available information otherwise required to be delivered in writing under chapters 62A to 62Q and 72A to an enrollee as defined in section 62Q.01, subdivision 2a, or to a health plan as defined in paragraph (b), and with the requirements of those chapters if the following conditions are met:

(1) the health carrier informs the group policyholder or the enrollee or both that electronic transmission or access is available and, at the discretion of the health carrier, the enrollee is given one of the following options:

(i) electronic transmission or access will occur only if the group policyholder or the enrollee or both affirmatively requests to the health carrier that the required information be electronically transmitted or available and a record of that request is retained by the health carrier; or

(ii) electronic transmission or access will automatically occur if the group policyholder or the enrollee or both has not opted out of that manner of transmission by request to the health carrier and requested that the information be provided in writing. If the group policyholder or the enrollee or both opts out of electronic transmission, a record of that request must be retained by the health carrier;

(2) the group policyholder or the enrollee or both is allowed to withdraw the request at any time;

(3) if the information transmitted electronically contains individually identifiable data, it must be transmitted to a secured mailbox. If the information made available electronically contains individually identifiable data, it must be made available at a password-protected secured Web site;

(4) the group policyholder or the enrollee or both is provided a customer service number on the enrollee's member card that may be called to request a written copy of the document; and

(5) the electronic transmission or electronic availability meets all other requirements of this chapter including, but not limited to, size of the typeface and any required time frames for distribution.

(b) For the purpose of this section, "health plan" means a health plan as defined in section 62A.011 or a policy of accident and sickness insurance as defined in section 62A.01.

Sec. 25. Minnesota Statutes 2008, section 72A.492, subdivision 2, is amended to read:

Subd. 2. **Covered persons.** The rights granted by sections 72A.49 to 72A.505 extend to:

~~(1) a person who is a resident of this state and is the subject of information collected, received, or maintained in connection with an insurance transaction; and~~

~~(2) a person who is a resident of this state and engages in or seeks to engage in an insurance transaction.~~

Sec. 26. Minnesota Statutes 2008, section 72B.01, is amended to read:

72B.01 PURPOSE AND SCOPE.

It is the purpose of sections 72B.01 to 72B.14 to provide high quality service to insureds and insurance claimants in the state of Minnesota by providing for well trained adjusters and persons engaged in soliciting business for adjusters, who are qualified to deal with the public in the interest of a fair resolution of insurance claims. ~~Sections 72B.01 to 72B.14 shall apply to all adjusters, and adjusters' solicitors, except as specifically stated to the contrary; but nothing in sections 72B.01 to 72B.14 shall apply to:~~

~~(a) An attorney at law who is licensed or otherwise allowed to practice law in this state and who does not hold out to be an adjuster, or adjuster's solicitor.~~

~~(b) A licensed agent of an authorized insurer who adjusts losses for such insurer solely under policies issued by the agent or the agent's agency or on which the agent is the agent of record, provided the agent receives no extra compensation for such services.~~

~~(c) Personnel of township mutual companies.~~

~~(d) Adjusters for crop hail and farm windstorm damage claims who are on the staff of companies covering such risks.~~

~~(e) Persons who process life insurance annuity contract or accident and health insurance claims.~~

~~(f) Persons processing or adjusting wet marine or inland transportation claims or losses.~~

Sec. 27. Minnesota Statutes 2009 Supplement, section 72B.03, subdivision 2, is amended to read:

Subd. 2. **Classes of licenses.** (a) Unless denied licensure pursuant to section 72B.08, persons who have met the requirements of section ~~72B.04~~ 72B.041 must be issued an adjuster license. There shall be four classes of licenses, as follows:

- (1) independent adjuster's license;
- (2) public adjuster's license;
- (3) public adjuster solicitor's license; and
- (4) crop hail adjuster's license.

(b) An independent adjuster and a public adjuster may qualify for a license in one or more of the following lines of authority:

- (1) property and casualty; or
- (2) workers' compensation; or
- (3) crop.

(c) Any person holding a license pursuant to this section is not required to hold any other independent adjuster, public adjuster, insurance, or self-insurance administrator license in this state pursuant to section 60A.23, subdivision 8, or any other provision, provided that the person does not act as an adjuster with respect to life, health, or annuity insurance, other than disability insurance.

(d) An adjuster license remains in effect unless probated, suspended, revoked, or refused as long as the fee set forth in section ~~72B.04, subdivision 10~~ 72B.041, subdivision 9, is paid and all other requirements for license renewal are met by the due date, otherwise, the license expires.

(e) An adjuster whose license expires may, within 12 months of the renewal date, be reissued an adjuster license upon receipt of the renewal request, as prescribed by the commissioner; however, a penalty in the amount of double the unpaid renewal fee is required to reissue the expired license.

(f) An adjuster who is unable to comply with license renewal procedures and requirements due to military service, long-term medical disability, or some other extenuating circumstance may request a waiver of same and a waiver of any examination requirement, fine, or other sanction imposed for failure to comply with renewal procedures.

(g) An adjuster is subject to sections 72A.17 to 72A.32.

(h) The adjuster must inform the commissioner by any means acceptable of any change in resident or business addresses for the home state or in legal name within 30 days of the change.

(i) The license must contain the licensee's name, address, and personal identification number; the dates of issuance and expiration; and any other information the commissioner deems necessary.

(j) In order to assist in the performance of the commissioner's duties, the commissioner may contract with nongovernmental entities, including the National Association of Insurance Commissioners, its affiliates, or its subsidiaries, to perform any ministerial functions related to licensing that the commissioner may deem appropriate, including the collection of fees and data.

Sec. 28. Minnesota Statutes 2009 Supplement, section 72B.045, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** An individual who holds an independent or public adjuster license and who is not exempt under this section must satisfactorily complete a minimum of 24 hours of continuing education courses, of which three hours must be in ethics, reported to the commissioner on a biennial basis in conjunction with the individual's license renewal cycle.

Sec. 29. Minnesota Statutes 2008, section 72B.08, subdivision 8, is amended to read:

Subd. 8. **Bond.** In the case of any licensee or permit holder who has had a license or permit suspended or revoked or whose license renewal has been prohibited by a lawful order of the commissioner, the commissioner may condition the issuance of a new license on the filing of a surety bond in an amount not to exceed \$10,000, made and conditioned in accordance with the requirements of section ~~72B.04, subdivision 4~~ 72B.041, subdivision 3, relating to public adjusters' bonds. Nothing in this subdivision shall reduce or alter the bonding requirements for a public adjuster.

Sec. 30. Minnesota Statutes 2008, section 79A.06, subdivision 5, is amended to read:

Subd. 5. **Private employers who have ceased to be self-insured.** (a) Private employers who have ceased to be private self-insurers shall discharge their continuing obligations to secure the payment of compensation which is accrued during the period of self-insurance, for purposes of Laws 1988, chapter 674, sections 1 to 21, by compliance with all of the following obligations of current certificate holders:

(1) Filing reports with the commissioner to carry out the requirements of this chapter;

(2) Depositing and maintaining a security deposit for accrued liability for the payment of any compensation which may become due, pursuant to chapter 176. However, if a private employer who has ceased to be a private self-insurer purchases an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the entire period the employer was self-insured, whether or not reported during that period, the policy will:

(i) discharge the obligation of the employer to maintain a security deposit for the payment of the claims covered under the policy;

(ii) discharge any obligation which the self-insurers' security fund has or may have for payment of all claims for compensation arising out of injuries occurring during the period the employer was self-insured, whether or not reported during that period; and

(iii) discharge the obligations of the employer to pay any future assessments to the self-insurers' security fund; provided, however, that a member that terminates its self-insurance authority on or after August 1, 2010, shall be liable for an assessment under paragraph (b). The actuarial opinion shall not take into consideration any transfer of the member's liabilities to an insurance policy if the member obtains a replacement policy as described in this subdivision within one year of the date of terminating its self-insurance.

A private employer who has ceased to be a private self-insurer may instead buy an insurance policy described above, except that it covers only a portion of the period of time during which the private employer was self-insured; purchase of such a policy discharges any obligation that the self-insurers' security fund has or may have for payment of all claims for compensation arising out of injuries occurring during the period for which the policy provides coverage, whether or not reported during that period.

A policy described in this clause may not be issued by an insurer unless it has previously been approved as to form and substance by the commissioner; and

(3) Paying within 30 days all assessments of which notice is sent by the security fund, for a period of seven years from the last day its certificate of self-insurance was in effect. Thereafter, the private employer who has ceased to be a private self-insurer may either: (i) continue to pay within 30 days all assessments of which notice is sent by the security fund until it has no incurred liabilities for the payment of compensation arising out of injuries during the period of self-insurance; or (ii) pay the security fund a cash payment equal to four percent of the net present value of all remaining incurred liabilities for the payment of compensation under sections 176.101 and 176.111 as certified by a member of the casualty actuarial society. Assessments shall be based on the benefits paid by the employer during the calendar year immediately preceding the calendar year in which the employer's right to self-insure is terminated or withdrawn.

(b) With respect to a self-insurer who terminates its self-insurance authority after April 1, 1998, that member shall obtain and file with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society within 120 days of the date of its termination. If the actuarial opinion is not timely filed, the self-insurers' security fund may, at its discretion, engage the services of an actuary for this purpose. The expense of this actuarial opinion must be assessed against and be the obligation of the self-insurer. The commissioner may issue a certificate of default against the self-insurer for failure to pay this assessment to the self-insurers' security fund as provided by section 79A.04, subdivision 9. The opinion must separate liability for indemnity benefits from liability from medical benefits, and must may discount each liabilities up to four percent per annum to net present value. Within 30 60 days after notification of approval of the actuarial opinion by the commissioner, the exiting member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment before termination determined as follows: a percentage will be determined by dividing the security fund's deficit as determined by the most

recent audited financial statement of the security fund by the total actuarial liability of all members of the security fund as calculated by the commissioner within 30 days of the exit date of the member. This quotient will then be multiplied by that exiting member's total future liability as contained in the exiting member's actuarial opinion. If the payment is not made within 30 days of the notification, interest on it at the rate prescribed by section 549.09 must be paid by the former member to the security fund until the principal amount is paid in full.

(c) A former member who terminated its self-insurance authority before April 1, 1998, who has paid assessments to the self-insurers' security fund for seven years, and whose annualized assessment is \$15,000 or less, may buy out of its outstanding liabilities to the self-insurers' security fund by an amount calculated as follows: 1.35 multiplied by the indemnity case reserves at the time of the calculation, multiplied by the then current self-insurers' security fund annualized assessment rate.

(d) A former member who terminated its self-insurance authority before April 1, 1998, and who is paying assessments within the first seven years after ceasing to be self-insured under paragraph (a), clause (3), may elect to buy out its outstanding liabilities to the self-insurers' security fund by obtaining and filing with the commissioner an actuarial opinion of its outstanding liabilities as determined by an associate or fellow of the Casualty Actuarial Society. The opinion must separate liability for indemnity benefits from liability for medical benefits, and must discount each up to four percent per annum to net present value. Within 30 days after notification of approval of the actuarial opinion by the commissioner, the member shall pay to the security fund an amount equal to 120 percent of that discounted outstanding indemnity liability, multiplied by the greater of the average annualized assessment rate since inception of the security fund or the annual rate at the time of the most recent assessment.

(e) A former member who has paid the security fund according to paragraphs (b) to (d) and subsequently receives authority from the commissioner to again self-insure shall be assessed under section 79A.12, subdivision 2, only on indemnity benefits paid on injuries that occurred after the former member received authority to self-insure again; provided that the member furnishes verified data regarding those benefits to the security fund.

(f) In addition to proceedings to establish liabilities and penalties otherwise provided, a failure to comply may be the subject of a proceeding before the commissioner. An appeal from the commissioner's determination may be taken pursuant to the contested case procedures of chapter 14 within 30 days of the commissioner's written determination.

Any current or past member of the self-insurers' security fund is subject to service of process on any claim arising out of chapter 176 or this chapter in the manner provided by section 5.25, or as otherwise provided by law. The issuance of a certificate to self-insure to the private self-insured employer shall be deemed to be the agreement that any process which is served in accordance with this section shall be of the same legal force and effect as if served personally within this state.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to terminations of self-insurance authority that become effective on or after that date.

Sec. 31. Minnesota Statutes 2008, section 80A.41, is amended to read:

80A.41 SECTION 102; DEFINITIONS.

In this chapter, unless the context otherwise requires:

(1) "Accredited investor" means an accredited investor as the term is defined in Rule 501(a) of Regulation D adopted pursuant to the Securities Act of 1933.

(2) "Administrator" means the commissioner of commerce.

(3) "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. But a partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term. The term does not include an individual excluded by rule adopted or order issued under this chapter.

(4) "Bank" means:

(A) a banking institution organized under the laws of the United States;

(B) a member bank of the Federal Reserve System;

(C) any other banking institution, whether incorporated or not, doing business under the laws of a state or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to be exercised by national banks under the authority of the Comptroller of the Currency pursuant to Section 1 of Public Law 87-722 (12 U.S.C. Section 92a), and which is supervised and examined by a state or federal agency having supervision over banks, and which is not operated for the purpose of evading this chapter; and

(D) a receiver, conservator, or other liquidating agent of any institution or firm included in subparagraph (A), (B), or (C).

(5) "Broker-dealer" means a person engaged in the business of effecting transactions in securities for the account of others or for the person's own account. The term does not include:

(A) an agent;

(B) an issuer;

(C) a depository institution; provided such activities are conducted in accordance with such rules as may be adopted by the administrator;

(D) an international banking institution; or

(E) a person excluded by rule adopted or order issued under this chapter.

(6) "Depository institution" means:

(A) a bank; or

(B) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include:

(i) an insurance company or other organization primarily engaged in the business of insurance;

(ii) a Morris Plan bank; or

(iii) an industrial loan company that is not an "insured depository institution" as defined in section 3(c)(2) of the Federal Deposit Insurance Act, United States Code, title 12, section 1813(c)(2), or any successor federal statute.

(7) "Federal covered investment adviser" means a person registered under the Investment Advisers Act of 1940.

(8) "Federal covered security" means a security that is, or upon completion of a transaction will be, a covered security under Section 18(b) of the Securities Act of 1933 (15 U.S.C. Section 77r(b)) or rules or regulations adopted pursuant to that provision.

(9) "Filing" means the receipt under this chapter of a record by the administrator or a designee of the administrator.

(10) "Fraud," "deceit," and "defraud" are not limited to common law deceit.

(11) "Guaranteed" means guaranteed as to payment of all principal and all interest.

(12) "Institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity:

(A) a depository institution or international banking institution;

(B) an insurance company;

(C) a separate account of an insurance company;

(D) an investment company as defined in the Investment Company Act of 1940;

(E) a broker-dealer registered under the Securities Exchange Act of 1934;

(F) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company;

(G) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company;

(H) a trust, if it has total assets in excess of \$10,000,000, its trustee is a depository institution, and its participants are exclusively plans of the types identified in subparagraph (F) or (G), regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans;

(I) an organization described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Section 501(c)(3)), corporation, Massachusetts trust or similar business trust, limited liability company, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$10,000,000;

(J) a small business investment company licensed by the Small Business Administration under Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. Section 681(c)) with total assets in excess of \$10,000,000;

(K) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-2(a)(22)) with total assets in excess of \$10,000,000;

(L) a federal covered investment adviser acting for its own account;

(M) a "qualified institutional buyer" as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(i)(H), adopted under the Securities Act of 1933 (17 C.F.R. 230.144A);

(N) a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934 (17 C.F.R. 240.15a-6);

(O) any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading this chapter; or

(P) any other person specified by rule adopted or order issued under this chapter;

(13) "Insurance company" means a company organized as an insurance company whose primary business is writing insurance or reinsuring risks underwritten by insurance companies and which is subject to supervision by the insurance commissioner or a similar official or agency of a state.

(14) "Insured" means insured as to payment of all principal and all interest.

(15) "International banking institution" means an international financial institution of which the United States is a member and whose securities are exempt from registration under the Securities Act of 1933.

(16) "Investment adviser" means a person that, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or the advisability of investing in, purchasing, or selling securities or that, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. The term includes a financial planner or other person that, as an integral component of other financially related services, provides investment advice to others for compensation as part of a business or that holds itself out as providing investment advice to others for compensation. The term does not include:

(A) an investment adviser representative;

(B) a lawyer, accountant, engineer, or teacher whose performance of investment advice is solely incidental to the practice of the person's profession;

(C) a broker-dealer or its agents whose performance of investment advice is solely incidental to the conduct of business as a broker-dealer and that does not receive special compensation for the investment advice;

(D) a publisher of a bona fide newspaper, news magazine, or business or financial publication of general and regular circulation;

(E) a federal covered investment adviser;

(F) a bank or savings institution;

(G) any other person that is excluded by the Investment Advisers Act of 1940 from the definition of investment adviser; or

(H) any other person excluded by rule adopted or order issued under this chapter.

(17) "Investment adviser representative" means an individual employed by or associated with an investment adviser or federal covered investment adviser and who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendation or advice regarding securities should be given, provides investment advice or holds herself or himself out as providing investment advice, receives compensation to solicit, offer, or negotiate for the sale of or for selling investment advice, or supervises employees who perform any of the foregoing. The term does not include an individual who:

(A) performs only clerical or ministerial acts;

(B) is an agent whose performance of investment advice is solely incidental to the individual acting as an agent and who does not receive special compensation for investment advisory services;

(C) is employed by or associated with a federal covered investment adviser, unless the individual has a "place of business" in this state as that term is defined by rule adopted under Section 203A of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-3a) and is

(i) an "investment adviser representative" as that term is defined by rule adopted under Section 203A of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-3a); or

(ii) not a "supervised person" as that term is defined in Section 202(a)(25) of the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-2(a)(25)); or

(D) is excluded by rule adopted or order issued under this chapter.

(18) "Issuer" means a person that issues or proposes to issue a security, subject to the following:

(A) The issuer of a voting trust certificate, collateral trust certificate, certificate of deposit for a security, or share in an investment company without a board of directors or individuals performing similar functions is the person performing the acts and assuming the duties of depositor or manager pursuant to the trust or other agreement or instrument under which the security is issued.

(B) The issuer of an equipment trust certificate or similar security serving the same purpose is the person by which the property is or will be used or to which the property or equipment is or will be leased or conditionally sold or that is otherwise contractually responsible for assuring payment of the certificate.

(C) The issuer of a fractional undivided interest in an oil, gas, or other mineral lease or in payments out of production under a lease, right, or royalty is the owner of an interest in the lease or in payments out of production under a lease, right, or royalty, whether whole or fractional, that creates fractional interests for the purpose of sale.

(19) "Nonissuer transaction" or "nonissuer distribution" means a transaction or distribution not directly or indirectly for the benefit of the issuer.

(20) "Offer to purchase" includes an attempt or offer to obtain, or solicitation of an offer to sell, a security or interest in a security for value. The term does not include a tender offer that is subject to Section 14(d) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78n(d)).

(21) "Person" means an individual; corporation; business trust; estate; trust; partnership; limited liability company; association; joint venture; government; governmental subdivision, agency, or instrumentality; public corporation; or any other legal or commercial entity.

(22) "Place of business" of a broker-dealer, an investment adviser, or a federal covered investment adviser means:

(A) an office at which the broker-dealer, investment adviser, or federal covered investment adviser regularly provides brokerage or investment advice or solicits, meets with, or otherwise communicates with customers or clients; or

(B) any other location that is held out to the general public as a location at which the broker-dealer, investment adviser, or federal covered investment adviser provides brokerage or investment advice or solicits, meets with, or otherwise communicates with customers or clients.

(23) "Predecessor Act" means Minnesota Statutes 2002, sections 80A.01 to 80A.31.

(24) "Price amendment" means the amendment to a registration statement filed under the Securities Act of 1933 or, if an amendment is not filed, the prospectus or prospectus supplement filed under the Securities Act of 1933 that includes a statement of the offering price, underwriting and selling discounts or commissions, amount of proceeds, conversion rates, call prices, and other matters dependent upon the offering price.

(25) "Principal place of business" of a broker-dealer or an investment adviser means the executive office of the broker-dealer or investment adviser from which the officers, partners, or managers of the broker-dealer or investment adviser direct, control, and coordinate the activities of the broker-dealer or investment adviser.

(26) Only for purposes of calculating the number of purchasers under section 80A.46(1) and 80A.46(14), "purchaser" does not include:

(A) any relative, spouse, or relative of the spouse of a purchaser who has the same principal residence as the purchaser;

(B) any trust or estate in which a purchaser and any of the persons related to him as specified in Regulation D, Rule 501(e)(1)(i) or (e)(1)(ii) collectively have more than 50 percent of the beneficial interest (excluding contingent interests);

(C) any corporation or other organization of which a purchaser and any of the persons related to the purchaser as specified in Regulation D, Rule 501(e)(1)(i) or (e)(1)(ii) collectively are beneficial owners of more than 50 percent of the equity securities (excluding directors' qualifying shares) or equity interests; and

(D) any accredited investor.

A corporation, partnership, or other entity must be counted as one purchaser. If, however, that entity is organized for the specific purpose of acquiring the securities offered and is not an accredited investor, then each beneficial owner of equity securities or equity interests in the entity shall count as a separate purchaser for all provisions of Regulation D, except to the extent provided in Regulation D, Rule 501(e)(1).

A noncontributory employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 shall be counted as one purchaser where the trustee makes all investment decisions for the plan.

(27) "Record," except in the phrases "of record," "official record," and "public record," means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(28) "Sale" includes every contract of sale, contract to sell, or disposition of, a security or interest in a security for value, and "offer to sell" includes every attempt or offer to dispose of, or solicitation of an offer to purchase, a security or interest in a security for value.

(A) A security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value.

(B) A gift of assessable stock is considered to involve an offer and sale.

(C) A sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer and a sale or offer of a security that gives the holder a present or future right or privilege to convert the security into another security of the same or another issuer, are each considered to include an offer of the other security.

(29) "Securities and Exchange Commission" means the United States Securities and Exchange Commission.

(30) "Security" means a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a "security"; or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. The term:

(A) includes both a certificated and an uncertificated security;

(B) does not include an insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed or variable sum of money either in a lump sum or periodically for life or other specified period;

(C) does not include an interest in a contributory or noncontributory pension or welfare plan subject to the Employee Retirement Income Security Act of 1974;

(D) includes as an "investment contract," among other contracts, an interest in a limited partnership and a limited liability company and an investment in a viatical settlement or similar agreement; and

(E) does not include any equity interest of a closely held corporation or other entity with not more than 35 holders of the equity interest of such entity offered or sold pursuant to a transaction in which 100 percent of the equity interest of such entity is sold as a means to effect the sale of the business of the entity if the transaction has been negotiated on behalf of all purchasers and if all purchasers have access to inside information regarding the entity before consummating the transaction.

(31) "Self-regulatory organization" means a national securities exchange registered under the Securities Exchange Act of 1934, a national securities association of broker-dealers registered under the Securities Exchange Act of 1934, a clearing agency registered under the Securities Exchange Act of 1934, or the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934.

(32) "Sign" means, with present intent to authenticate or adopt a record:

(A) to execute or adopt a tangible symbol; or

(B) to attach or logically associate with the record an electronic symbol, sound, or process.

(33) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(34) "Associated with" with respect to a person means any partner, officer, director, or manager of such person or any person occupying a similar status or performing similar functions or any person directly or indirectly controlling, controlled by, or in common control with, such person, but does not include a person whose primary duties are ministerial or clerical.

Sec. 32. Minnesota Statutes 2008, section 80A.46, is amended to read:

80A.46 SECTION 202; EXEMPT TRANSACTIONS.

The following transactions are exempt from the requirements of sections 80A.49 through 80A.54 and 80A.71:

(1) isolated nonissuer transactions, consisting of sale to not more than ten purchasers in Minnesota during any period of 12 consecutive months, whether effected by or through a broker-dealer or not;

(2) a nonissuer transaction by or through a broker-dealer registered, or exempt from registration under this chapter, and a resale transaction by a sponsor of a unit investment trust registered under the Investment Company Act of 1940, in a security of a class that has been outstanding in the hands of the public for at least 90 days, if, at the date of the transaction:

(A) the issuer of the security is engaged in business, the issuer is not in the organizational stage or in bankruptcy or receivership, and the issuer is not a blank check, blind pool, or shell company that has no specific business plan or purpose or has indicated that its primary business plan is to engage in a merger or combination of the business with, or an acquisition of, an unidentified person;

(B) the security is sold at a price reasonably related to its current market price;

(C) the security does not constitute the whole or part of an unsold allotment to, or a subscription or participation by, the broker-dealer as an underwriter of the security or a redistribution;

(D) a nationally recognized securities manual or its electronic equivalent designated by rule adopted or order issued under this chapter or a record filed with the Securities and Exchange Commission that is publicly available contains:

(i) a description of the business and operations of the issuer;

(ii) the names of the issuer's executive officers and the names of the issuer's directors, if any;

(iii) an audited balance sheet of the issuer as of a date within 18 months before the date of the transaction or, in the case of a reorganization or merger when the parties to the reorganization or merger each had an audited balance sheet, a pro forma balance sheet for the combined organization; and

(iv) an audited income statement for each of the issuer's two immediately previous fiscal years or for the period of existence of the issuer, whichever is shorter, or, in the case of a reorganization or merger when each party to the reorganization or merger had audited income statements, a pro forma income statement; and

(E) any one of the following requirements is met:

(i) the issuer of the security has a class of equity securities listed on a national securities exchange registered under Section 6 of the Securities Exchange Act of 1934 or designated for trading on the National Association of Securities Dealers Automated Quotation System;

(ii) the issuer of the security is a unit investment trust registered under the Investment Company Act of 1940;

(iii) the issuer of the security, including its predecessors, has been engaged in continuous business for at least three years; or

(iv) the issuer of the security has total assets of at least \$2,000,000 based on an audited balance sheet as of a date within 18 months before the date of the transaction or, in the case of a reorganization or merger when the parties to the reorganization or merger each had such an audited balance sheet, a pro forma balance sheet for the combined organization;

(3) a nonissuer transaction by or through a broker-dealer registered or exempt from registration under this chapter in a security of a foreign issuer that is a margin security defined in regulations or rules adopted by the Board of Governors of the Federal Reserve System;

(4) a nonissuer transaction by or through a broker-dealer registered or exempt from registration under this chapter in an outstanding security if the guarantor of the security files reports with the Securities and Exchange Commission under the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Sections 78m or 78o(d));

(5) a nonissuer transaction by or through a broker-dealer registered or exempt from registration under this chapter in a security that:

(A) is rated at the time of the transaction by a nationally recognized statistical rating organization in one of its four highest rating categories; or

(B) has a fixed maturity or a fixed interest or dividend, if:

(i) a default has not occurred during the current fiscal year or within the three previous fiscal years or during the existence of the issuer and any predecessor if less than three fiscal years, in the payment of principal, interest, or dividends on the security; and

(ii) the issuer is engaged in business, is not in the organizational stage or in bankruptcy or receivership, and is not and has not been within the previous 12 months a blank check, blind pool, or shell company that has no specific business plan or purpose or has indicated that its primary business plan is to engage in a merger or combination of the business with, or an acquisition of, an unidentified person;

(6) a nonissuer transaction by or through a broker-dealer registered or exempt from registration under this chapter effecting an unsolicited order or offer to purchase;

(7) a nonissuer transaction executed by a bona fide pledgee without the purpose of evading this chapter;

(8) a nonissuer transaction by a federal covered investment adviser with investments under management in excess of \$100,000,000 acting in the exercise of discretionary authority in a signed record for the account of others;

(9) a transaction in a security, whether or not the security or transaction is otherwise exempt, in exchange for one or more bona fide outstanding securities, claims, or property interests, or partly in such exchange and partly for cash, if the terms and conditions of the issuance and exchange or the delivery and exchange and the fairness of the terms and conditions have been approved by the administrator after a hearing;

(10) a transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or among underwriters;

(11) a transaction in a note, bond, debenture, or other evidence of indebtedness secured by a mortgage or other security agreement if:

(A) the note, bond, debenture, or other evidence of indebtedness is offered and sold with the mortgage or other security agreement as a unit;

(B) a general solicitation or general advertisement of the transaction is not made; and

(C) a commission or other remuneration is not paid or given, directly or indirectly, to a person not registered under this chapter as a broker-dealer or as an agent;

(12) a transaction by an executor, administrator of an estate, sheriff, marshal, receiver, trustee in bankruptcy, guardian, or conservator;

(13) a sale or offer to sell to:

(A) an institutional investor;

(B) an accredited investor;

(C) a federal covered investment adviser; or

(D) any other person exempted by rule adopted or order issued under this chapter;

(14) a sale or an offer to sell securities by an issuer, if the transaction is part of a single issue in which:

(A) not more than 35 purchasers are present in this state during any 12 consecutive months, other than those designated in paragraph (13);

(B) a general solicitation or general advertising is not made in connection with the offer to sell or sale of the securities;

(C) a commission or other remuneration is not paid or given, directly or indirectly, to a person other than a broker-dealer registered under this chapter or an agent registered under this chapter for soliciting a prospective purchaser in this state; and

(D) the issuer reasonably believes that all the purchasers in this state, other than those designated in paragraph (13), are purchasing for investment.

Any issuer selling to purchasers in this state in reliance on this clause (14) exemption must provide to the administrator notice of the transaction by filing a statement of issuer form as adopted by rule. Notice must be filed at least ten days in advance of any sale or such shorter period as permitted by the administrator. However, an issuer who makes sales to ten or fewer purchasers in Minnesota during any period of 12 consecutive months is not required to provide this notice;

(15) a transaction under an offer to existing security holders of the issuer, including persons that at the date of the transaction are holders of convertible securities, options, or warrants, if a commission or other remuneration, other than a standby commission, is not paid or given, directly or indirectly, for soliciting a security holder in this state. The person making the offer and effecting the transaction must provide to the administrator notice of the transaction by filing a written description of the transaction. Notice must be filed at least ten days in advance of any transaction or such shorter period as permitted by the administrator;

(16) an offer to sell, but not a sale, of a security not exempt from registration under the Securities Act of 1933 if:

(A) a registration or offering statement or similar record as required under the Securities Act of 1933 has been filed, but is not effective, or the offer is made in compliance with Rule 165 adopted under the Securities Act of 1933 (17 C.F.R. 230.165); and

(B) a stop order of which the offeror is aware has not been issued against the offeror by the administrator or the Securities and Exchange Commission, and an audit, inspection, or proceeding that is public and that may culminate in a stop order is not known by the offeror to be pending;

(17) an offer to sell, but not a sale, of a security exempt from registration under the Securities Act of 1933 if:

(A) a registration statement has been filed under this chapter, but is not effective;

(B) a solicitation of interest is provided in a record to offerees in compliance with a rule adopted by the administrator under this chapter; and

(C) a stop order of which the offeror is aware has not been issued by the administrator under this chapter and an audit, inspection, or proceeding that may culminate in a stop order is not known by the offeror to be pending;

(18) a transaction involving the distribution of the securities of an issuer to the security holders of another person in connection with a merger, consolidation, exchange of securities, sale of assets, or other reorganization to which the issuer, or its parent or subsidiary and the other person, or its parent or subsidiary, are parties. The person distributing the issuer's securities must provide to the administrator notice of the transaction by filing a written description of the transaction along with a consent to service of process complying with section 80A.88. Notice must be filed at least ten days in advance of any transaction or such shorter period as permitted by the administrator;

(19) a rescission offer, sale, or purchase under section 80A.77; The person making the rescission offer must provide to the administrator notice of the transaction by filing a written description of the transaction and a copy of the record that must be delivered to the offeree under section 80A.77. Notice must be filed at least ten days in advance of any rescission offer under section 80A.77 or a shorter period as permitted by the administrator;

(20) an offer or sale of a security to a person not a resident of this state and not present in this state if the offer or sale does not constitute a violation of the laws of the state or foreign jurisdiction in which the offeree or purchaser is present and is not part of an unlawful plan or scheme to evade this chapter;

(21) employees' stock purchase, savings, option, profit-sharing, pension, or similar employees' benefit plan, including any securities, plan interests, and guarantees issued under a compensatory benefit plan or compensation contract, contained in a record, established by the issuer, its parents, its majority-owned subsidiaries, or the majority-owned subsidiaries of the issuer's parent for the participation of their employees including offers or sales of such securities to:

(A) directors; general partners; trustees, if the issuer is a business trust; officers; consultants; and advisors;

(B) family members who acquire such securities from those persons through gifts or domestic relations orders;

(C) former employees, directors, general partners, trustees, officers, consultants, and advisors if those individuals were employed by or providing services to the issuer when the securities were offered; and

(D) insurance agents who are exclusive insurance agents of the issuer, or the issuer's subsidiaries or parents, or who derive more than 50 percent of their annual income from those organizations.

A person establishing an employee benefit plan under the exemption in this clause (21) must provide to the administrator notice of the transaction by filing a written description of the transaction along with a consent to service of process complying with section 80A.88. Notice must be filed at least ten days in advance of any transaction or such shorter period as permitted by the administrator;

(22) a transaction involving:

(A) a stock dividend or equivalent equity distribution, whether the corporation or other business organization distributing the dividend or equivalent equity distribution is the issuer or not, if nothing of value is given by stockholders or other equity holders for the dividend or equivalent equity distribution other than the surrender of a right to a cash or property dividend if each stockholder or other equity holder may elect to take the dividend or equivalent equity distribution in cash, property, or stock;

(B) an act incident to a judicially approved reorganization in which a security is issued in exchange for one or more outstanding securities, claims, or property interests, or partly in such exchange and partly for cash; or

(C) the solicitation of tenders of securities by an offeror in a tender offer in compliance with Rule 162 adopted under the Securities Act of 1933 (17 C.F.R. 230.162);

(23) a nonissuer transaction in an outstanding security by or through a broker-dealer registered or exempt from registration under this chapter, if the issuer is a reporting issuer in a foreign jurisdiction designated by this paragraph or by rule adopted or order issued under this chapter; has been subject to continuous reporting requirements in the foreign jurisdiction for not less than 180 days before the transaction; and the security is listed on the foreign jurisdiction's securities exchange that has been designated by this paragraph or by rule adopted or order issued under this chapter, or is a security of the same issuer that is of senior or substantially equal rank to the listed security or is a warrant or right to purchase or subscribe to any of the foregoing. For purposes of this paragraph, Canada, together with its provinces and territories, is a designated foreign jurisdiction and The Toronto Stock Exchange, Inc., is a designated securities exchange. After an administrative hearing in compliance with chapter 14, the administrator, by rule adopted or order issued under this chapter, may revoke the designation of a securities exchange under this paragraph, if the administrator finds that revocation is necessary or appropriate in the public interest and for the protection of investors;

(24) any transaction effected by or through a Canadian broker-dealer exempted from broker-dealer registration pursuant to section 80A.56(b)(3); or

(25)(A) the offer and sale by a cooperative organized under chapter 308A, or under the laws of another state, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in the cooperative, or when the securities are issued as patronage dividends. This paragraph applies to a cooperative organized under chapter 308A, or under the laws of another state, only if the cooperative has filed with the administrator a consent to service of process under section 80A.88 and has, not less than ten days before the issuance or delivery, furnished the administrator with a written general description of the transaction and any other information that the administrator requires by rule or otherwise;

(B) the offer and sale by a cooperative organized under chapter 308B of its securities when the securities are offered and sold to its existing members or when the purchase of the securities is necessary or incidental to establishing patron membership in the cooperative, or when such securities are issued as patronage dividends. The administrator has the power to define "patron membership" for purposes of this paragraph. This paragraph applies to securities, other than securities issued as patronage dividends, only when:

(i) the issuer, before the completion of the sale of the securities, provides each offeree or purchaser disclosure materials that, to the extent material to an understanding of the issuer, its business, and the securities being offered, substantially meet the disclosure conditions and limitations found in rule 502(b) of Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, section 230.502; and

(ii) within 15 days after the completion of the first sale in each offering completed in reliance upon this exemption, the cooperative has filed with the administrator a consent to service of process under section 80A.88 (or has previously filed such a consent), and has furnished the administrator with a written general description of the transaction and any other information that the administrator requires by rule or otherwise; and

(C) a cooperative may, at or about the same time as offers or sales are being completed in reliance upon the exemptions from registration found in this subpart and as part of a common plan of financing, offer or sell its securities in reliance upon any other exemption from registration available under this chapter. The offer or sale of securities in reliance upon the exemptions found in this subpart will not be considered or deemed a part of or be integrated with any offer or sale of securities conducted by the cooperative in reliance upon any other exemption from registration available under this chapter, nor will offers or sales of securities by the cooperative in reliance upon any other exemption from registration available under this chapter be considered or deemed a part of or be integrated with any offer or sale conducted by the cooperative in reliance upon this paragraph.

Sec. 33. Minnesota Statutes 2008, section 80A.65, subdivision 6, is amended to read:

Subd. 6. **Rescission offer filing fee.** The filing of a rescission offer under section ~~80A.77~~ 80A.46(19), shall be accompanied by the fees as calculated in subdivision 1.

Sec. 34. Minnesota Statutes 2008, section 82.17, is amended by adding a subdivision to read:

Subd. 1a. **Brokerage; business entity.** "Brokerage" or "business entity" means a corporation, partnership, limited liability company, limited liability partnership, or other business structure that holds a real estate broker license.

Sec. 35. Minnesota Statutes 2008, section 82.17, subdivision 15, is amended to read:

Subd. 15. **Protective list.** "Protective list" means the written list of names and addresses of prospective ~~purchasers~~ buyers with whom a licensee has negotiated the sale or rental of the property or to whom a licensee has exhibited the property before the expiration of the listing agreement. For the purposes of this subdivision, "property" means the property that is the subject of the listing agreement in question.

Sec. 36. Minnesota Statutes 2008, section 82.17, is amended by adding a subdivision to read:

Subd. 20a. **Responsible person.** "Responsible person" means a natural person that is an officer of a corporation, a partner of a partnership, a general partner of a limited liability partnership, or a manager of a limited liability company.

Sec. 37. Minnesota Statutes 2008, section 82.19, is amended to read:

82.19 COMPENSATION.

Subdivision 1. **Licensee to receive only from broker.** A licensee shall not accept a commission, compensation, referral fee, or other valuable consideration for the performance of any acts requiring a real estate license from any person except the real estate broker to whom the licensee is licensed or to whom the licensee was licensed at the time of the transaction.

Subd. 1a. **Commission-splitting, rebates, referral fee, and fees.** (a) In connection with a real estate or business opportunity transaction, a real estate broker or real estate salesperson shall not offer, pay, or give, and a person shall not accept, any compensation or other thing of value from a real estate broker or real estate salesperson by way of commission-splitting, rebate, referral fees, finder's fees, or otherwise.

(b) This subdivision does not apply to transactions:

(1) between a licensed real estate broker or salesperson and the parties to the transaction;

(2) among persons licensed as provided in this chapter;

(3) between a licensed real estate broker or salesperson and persons from other jurisdictions similarly licensed in that jurisdiction;

(4) involving timeshare or other recreational lands where the amount offered or paid does not exceed \$150, and payment is not conditioned upon any sale but is made merely for providing the referral and the person paying the fee is bound by any representations made by the person receiving the fee; and

(5) involving a person who receives a referral fee from a person or an agent of a person licensed under this section, provided that in any 12-month period, no recipient may earn more than the value of one month's rent, that the recipient is a resident of the property or has lived there within 60 days of the payment of the fee, and that the person paying the fee is bound by any representations made by the recipient of the fee.

Subd. 2. **Undisclosed compensation.** A licensee shall not accept, give, or charge any undisclosed compensation or realize any direct or indirect remuneration that inures to the benefit of the licensee on an expenditure made for a principal.

Subd. 2a. **Sharing of compensation with other brokers.** The seller may, in the listing agreement, authorize the seller's broker to disburse part of the broker's compensation to other brokers, including the buyer's brokers solely representing the buyer.

Subd. 3. **Limitation on broker when transaction not completed.** When the owner fails or is unable to consummate a real estate transaction, through no fault of the purchaser, the listing broker may not claim any portion of any trust funds deposited with the broker by the purchaser, absent a separate agreement with the purchaser.

Subd. 3a. **Directing payment of compensation.** A licensed real estate broker or salesperson may assign or direct that commissions or other compensation earned in connection with a real estate or business opportunity transaction be paid to a corporation, limited liability company, or sole proprietorship of which the licensed real estate broker or salesperson is the sole owner.

Subd. 3b. **Closing agent fee.** A real estate closing agent may not charge a fee for closing services to a borrower, and a borrower may not be required to pay such a fee at settlement, if the fee was not previously disclosed in writing at least one business day before the settlement. This disclosure requirement is satisfied if a disclosure is made or an estimate given under section 507.45.

Sec. 38. Minnesota Statutes 2008, section 82.21, subdivision 2, is amended to read:

Subd. 2. **Listing agreements.** (a) **Requirement.** Licensees shall obtain a signed listing agreement or other signed written authorization from the owner of real property or from another person authorized to offer the property for sale or lease before advertising to the general public that the real property is available for sale or lease.

For the purposes of this section "advertising" includes placing a sign on the owner's property that indicates that the property is being offered for sale or lease.

(b) **Contents.** All listing agreements must be in writing and must include:

- (1) a definite expiration date;
- (2) a description of the real property involved;
- (3) the list price and any terms required by the seller;
- (4) the amount of any compensation or commission or the basis for computing the commission;
- (5) a clear statement explaining the events or conditions that will entitle a broker to a commission;

(6) a clear statement explaining if the agreement may be canceled and the terms under which the agreement may be canceled;

~~(7)~~ (7) information regarding an override clause, if applicable, including a statement to the effect that the override clause will not be effective unless the licensee supplies the seller with a protective list within 72 hours after the expiration of the listing agreement;

~~(7)~~ (8) the following notice in not less than ten point boldface type immediately preceding any provision of the listing agreement relating to compensation of the licensee:

"NOTICE: THE COMPENSATION FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S CLIENT.";

~~(8)~~ (9) for residential property listings, the following "dual agency" disclosure statement:

If a buyer represented by broker wishes to buy the seller's property, a dual agency will be created. This means that broker will represent both the seller(s) and the buyer(s), and owe the same duties to the buyer(s) that broker owes to the seller(s). This conflict of interest will prohibit broker from advocating exclusively on the seller's behalf. Dual agency will limit the level of representation broker can provide. If a dual agency should arise, the seller(s) will

need to agree that confidential information about price, terms, and motivation will still be kept confidential unless the seller(s) instruct broker in writing to disclose specific information about the seller(s). All other information will be shared. Broker cannot act as a dual agent unless both the seller(s) and the buyer(s) agree to it. By agreeing to a possible dual agency, the seller(s) will be giving up the right to exclusive representation in an in-house transaction. However, if the seller(s) should decide not to agree to a possible dual agency, and the seller(s) want broker to represent the seller(s), the seller(s) may give up the opportunity to sell the property to buyers represented by broker.

Seller's Instructions to Broker

Having read and understood this information about dual agency, seller(s) now instructs broker as follows:

..... Seller(s) will agree to a dual agency representation and will consider offers made by buyers represented by broker.

..... Seller(s) will not agree to a dual agency representation and will not consider offers made by buyers represented by broker.

.....
Seller

.....
Real Estate Company Name

.....
Seller

By:
Salesperson

Date :

~~(9)~~ (10) a notice requiring the seller to indicate in writing whether it is acceptable to the seller to have the licensee arrange for closing services or whether the seller wishes to arrange for others to conduct the closing; and

~~(40)~~ (11) for residential listings, a notice stating that after the expiration of the listing agreement, the seller will not be obligated to pay the licensee a fee or commission if the seller has executed another valid listing agreement pursuant to which the seller is obligated to pay a fee or commission to another licensee for the sale, lease, or exchange of the real property in question. This notice may be used in the listing agreement for any other type of real estate.

(c) **Prohibited provisions.** Except as otherwise provided in paragraph (d), clause (2), licensees shall not include in a listing agreement a holdover clause, automatic extension, or any similar provision, or an override clause the length of which is more than six months after the expiration of the listing agreement.

(d) **Override clauses.** (1) Licensees shall not seek to enforce an override clause unless a protective list has been furnished to the seller within 72 hours after the expiration of the listing agreement.

(2) A listing agreement may contain an override clause of up to two years in length when used in conjunction with the purchase or sale of a business. The length of the override clause must be negotiable between the licensee and the seller of the business. The protective list provided in connection with the override clause must include the written acknowledgment of each party named on the protective list, that the business which is the subject of the listing agreement was presented to that party by the licensee.

(e) **Protective lists.** A broker or salesperson has the burden of demonstrating that each person on the protective list has, during the period of the listing agreement, either made an affirmative showing of interest in the property by responding to an advertisement or by contacting the broker or salesperson involved or has been physically shown the property by the broker or salesperson. For the purpose of this section, the mere mailing or other distribution by a licensee of literature setting forth information about the property in question does not, of itself, constitute an affirmative showing of interest in the property on the part of a subsequent purchaser.

For listings of nonresidential real property which do not contain the notice described in paragraph (b), clause ~~(10)~~ (11), the protective list must contain the following notice in boldface type:

"IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN SELL YOUR PROPERTY TO ANYONE WHOSE NAME APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE."

Sec. 39. Minnesota Statutes 2008, section 82.24, subdivision 3, is amended to read:

Subd. 3. **Broker payment consolidation.** For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.43, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single ~~check~~ payment.

Sec. 40. Minnesota Statutes 2008, section 82.29, subdivision 4, is amended to read:

Subd. 4. **Broker's examination.** (a) The examination for a real estate broker's license shall be more exacting than that for a real estate salesperson, and shall require a higher degree of knowledge of the fundamentals of real estate practice and law.

(b) Every application for a broker's examination shall be accompanied by proof that the applicant has had a minimum of two years of actual experience within the previous five-year period prior to application as a licensed real estate salesperson in this or in another state having comparable requirements or is, in the opinion of the commissioner, otherwise or similarly qualified by reason of education or practical experience. The applicant shall have completed educational requirements in accordance with subdivision 8.

~~(c) An applicant for a limited broker's license pursuant to section 82.34, subdivision 13, shall not be required to have a minimum of two years of actual experience as a real estate person in order to obtain a limited broker's license to act as principal only.~~

Sec. 41. Minnesota Statutes 2008, section 82.29, subdivision 5, is amended to read:

Subd. 5. **Waivers.** The commissioner may ~~waive~~ grant a waiver of the real estate licensing experience requirement for the broker's examination to a qualified applicant for a waiver.

(a) ~~An~~ A qualified applicant for a waiver shall provide evidence of is an individual who:

~~(1) successful completion of a minimum of 90 quarter credits or 270 classroom hours of real estate related studies~~ has a degree in real estate from an accredited college or university;

~~(2) a minimum of five consecutive years of practical experience in real estate related areas~~ is a licensed practicing attorney whose practice involves real estate law; or

~~(3) successful completion of 30 credits or 90 classroom hours and three consecutive years of practical experience in real estate related areas~~ is a public officer whose official duties involve real estate law or real estate transactions.

(b) A request for a waiver shall be submitted to the commissioner in writing on a form prescribed by the commissioner and be accompanied by documents necessary to evidence qualification as set forth in paragraph (a).

(c) The waiver will lapse if the applicant fails to successfully complete the broker's examination within one year from the date of the granting of the waiver.

Sec. 42. Minnesota Statutes 2008, section 82.29, subdivision 8, is amended to read:

Subd. 8. **Instruction; new licenses.** (a) ~~Every~~ An applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. ~~Every~~ An applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules, and of which two hours must consist of training in laws and regulations on agency representation and disclosure, before filing an application for the license. This subdivision does not apply to salespeople licensed in Minnesota before July 1, 1969.

(b) An applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules. The course must have been completed within 12 months prior to the date of application for the broker's license.

~~(c) An applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.~~

Sec. 43. Minnesota Statutes 2008, section 82.31, subdivision 1, is amended to read:

Subdivision 1. **Qualification of applicants.** ~~Every~~ An applicant for a real estate broker, or real estate salesperson, ~~or real estate closing agent~~ license shall be at least 18 years of age at the time of making application for said license.

Sec. 44. Minnesota Statutes 2008, section 82.31, subdivision 2, is amended to read:

Subd. 2. **Application for license; contents.** (a) ~~Every~~ An applicant for a license as a real estate broker, or real estate salesperson, ~~or closing agent~~ shall make an application in ~~writing upon forms prepared and furnished the~~ format prescribed by the commissioner. ~~Each~~ The application shall be ~~signed and sworn to by the applicant and~~ shall be accompanied by the license fee required by this chapter.

(b) Each application for a real estate broker license, or real estate salesperson license, ~~or real estate closing agent license~~ shall contain such information as required by the commissioner consistent with the administration of the provisions and purposes of this chapter.

(c) ~~Each~~ The application for a real estate salesperson license shall give the applicant's legal name, age, residence address, and the name and place of business of the real estate broker on whose behalf the salesperson is to be acting.

~~(d) Each application for a real estate closing agent license shall give the applicant's name, age, residence address, and the name and place of business of the closing agent.~~

~~(e)~~ (d) The commissioner may require such further information as the commissioner deems appropriate to administer the provisions and further the purposes of this chapter.

~~(f) Applicants~~ (e) An applicant for a real estate salesperson license shall submit to the commissioner, along with the application for licensure, a copy of the course completion certificate for courses I, II, and III and passing examination results.

Sec. 45. Minnesota Statutes 2009 Supplement, section 82.31, subdivision 4, is amended to read:

Subd. 4. **Corporate and partnership Business entity; brokerage licenses.** (a) A ~~corporation~~ business entity applying for a license shall have at least one ~~officer~~ responsible person individually licensed to act as broker for the ~~corporation~~ brokerage. The ~~corporation~~ business entity broker's license shall extend no authority to act as broker to any person other than the ~~corporation~~ business entity. Each ~~officer~~ responsible person who intends to act as a broker shall obtain a license.

(b) A ~~partnership~~ business entity applying for a license shall have at least one ~~partner~~ responsible person individually licensed to act as broker for the ~~partnership~~ business entity. Each ~~partner~~ responsible person who intends to act as a broker shall obtain a license.

(c) ~~Applications~~ An application for a business entity license ~~made by a corporation shall be verified by the president and one other officer.~~ Applications made by a partnership shall be verified by at least two partners responsible persons for the business entity.

(d) ~~Any partner or officer~~ A responsible person who ceases to act as broker for a ~~partnership or corporation~~ business entity shall notify the commissioner upon said termination. The individual licenses of all salespersons acting on behalf of a ~~corporation or partnership~~ brokerage are automatically ineffective upon the revocation or suspension of the license of the ~~partnership or corporation~~ brokerage. The commissioner may suspend or revoke the license of an ~~officer or partner~~ responsible person licensee without suspending or revoking the license of the ~~corporation or partnership~~ business entity.

(e) The application of all ~~officers~~ responsible persons of a ~~corporation or partners in a partnership~~ business entity who intend to act as a ~~broker~~ brokers on behalf of a ~~corporation or partnership~~ business entity shall accompany the initial license application of the ~~corporation or partnership~~ business entity. ~~Officers or partners~~ Responsible persons intending to act as brokers subsequent to the licensing of the ~~corporation or partnership~~ business entity shall procure an individual real estate broker's license prior to acting in the capacity of a broker. No ~~corporate officer, or partner,~~ responsible person who maintains a salesperson's license may exercise any authority over any trust account administered by the broker nor may they be vested with any supervisory authority over the broker.

(f) The ~~corporation or partnership~~ business entity applicant shall make available upon request, such records and data required by the commissioner for enforcement of this chapter.

(g) The commissioner may require further information, as the commissioner deems appropriate, to administer the provisions and further the purposes of this chapter.

Sec. 46. Minnesota Statutes 2009 Supplement, section 82.32, is amended to read:

82.32 LICENSING: CONTINUING EDUCATION AND INSTRUCTION.

(a) All real estate salespersons and all real estate brokers shall be required to successfully complete 30 hours of real estate continuing education, either as a student or a lecturer, in courses of study approved by the commissioner, during the initial license period and during each succeeding 24-month license period. At least 15 of the 30 credit hours must be completed during the first 12 months of the 24-month licensing period. Licensees may not claim credit for continuing education not actually completed as of the date their report of continuing education compliance is filed.

(b) The commissioner may adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of prelicense instruction as required under section 82.29, subdivision 8, and continuing education as required under this section and sections 82.29; 82.31, ~~subdivisions~~ subdivision 5 and 6;

82.33, subdivisions 1 and 4 to 6; and 82.44. The commissioner may not approve a course which can be completed by the student at home or outside the classroom without the supervision of an instructor except accredited courses using new delivery technology, including interactive technology, and the Internet. The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the National Association of Realtors, its affiliates, or private real estate schools. Courses in motivation, salesmanship, psychology, or time management shall not be approved by the commissioner for continuing education credit. The commissioner may approve courses in any other subjects, including, but not limited to, communication, marketing, negotiation, and technology for continuing education credit.

(c) As part of the continuing education requirements of this section and sections 82.29; 82.31, subdivisions 5 and 6; 82.33, subdivisions 1 and 4 to 6; and 82.44, the commissioner shall require that all real estate brokers and salespersons receive:

(1) at least one hour of training during each license period in courses in laws or regulations on agency representation and disclosure; and

(2) at least one hour of training during each license period in courses in state and federal fair housing laws, regulations, and rules, other antidiscrimination laws, or courses designed to help licensees to meet the housing needs of immigrant and other underserved populations.

Clauses (1) and (2) do not apply to real estate salespersons and real estate brokers engaged solely in the commercial real estate business who file with the commissioner a verification of this status along with the continuing education report required under paragraph (a).

(d) The commissioner is authorized to establish a procedure for renewal of course accreditation.

(e) Approved continuing education courses may be sponsored or offered by a broker of a real estate company and may be held on the premises of a company licensed under this chapter. All continuing education course offerings must be open to any interested individuals. Access may be restricted by the education provider based on class size only. Courses must not be approved if attendance is restricted to any particular group of people. A broker must comply with all continuing education rules prescribed by the commissioner. The commissioner shall not approve any prelicense instruction courses offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business.

(f) Credit may not be earned if the licensee has previously obtained credit for the same course as either a student or instructor during the same licensing period.

(g) The real estate education course completion certificate must be in the form set forth by the commissioner. Students are responsible for maintaining copies of course completion certificates.

(h) An approved prelicense 30-hour broker course may be used for continuing education credit by a real estate salesperson or broker if the course is completed during the appropriate licensing period.

Sec. 47. Minnesota Statutes 2008, section 82.33, subdivision 1, is amended to read:

Subdivision 1. **Duration.** ~~No~~ The renewal of a salesperson's license ~~shall be~~ is not effective beyond a date two years after the granting of ~~such~~ the salesperson's license unless the salesperson has furnished evidence of compliance with section 82.29, subdivision 8. The commissioner shall cancel the license of ~~any~~ a salesperson who fails to comply with section 82.29, subdivision 8. ~~This subdivision shall not apply to salespeople licensed in Minnesota prior to July 1, 1969.~~

Sec. 48. Minnesota Statutes 2008, section 82.33, is amended by adding a subdivision to read:

Subd. 1a. **Broker's responsibility.** (a) A broker shall renew the license of each eligible salesperson who is and will continue to be associated with the broker. For the purposes of this subdivision, an eligible salesperson is one who has demonstrated compliance with all renewal requirements before June 15 of the renewal year.

(b) When a broker does not intend to renew the license of an eligible salesperson who is associated with the broker, the broker must notify the salesperson in writing 30 days before June 15 of the renewal year.

(c) When the broker responsible for the salesperson's license renewal does not renew an eligible salesperson's license before the renewal deadline, the broker shall pay on the salesperson's behalf any additional higher license fees that result.

Sec. 49. Minnesota Statutes 2008, section 82.33, subdivision 2, is amended to read:

Subd. 2. **Timely renewals.** Persons ~~A person whose applications have~~ application for a license renewal has not been properly and timely filed and who have ~~has~~ not received notice of ~~denial~~ approval of renewal ~~are deemed to have been approved for renewal and~~ may not continue to transact business either as a real estate broker, salesperson, or closing agent ~~whether or not the renewed license has been received on or before July 1 after June 30 of the renewal year until approval of renewal is received.~~ Application for renewal of a license ~~shall be deemed to have been~~ is timely filed if ~~received by the commissioner by, or mailed with proper postage and postmarked by,;~~

(1) all requirements for renewal, including continuing education requirements, have been completed by June 15 of the renewal year. ~~Applications for renewal shall be deemed properly filed if made; and~~

(2) the application is submitted before the renewal deadline in the manner prescribed by the commissioner upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter, and ~~contain~~ containing any information which the commissioner may require requires.

Sec. 50. Minnesota Statutes 2008, section 82.34, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) The commissioner shall issue a license as a real estate broker, ~~or~~ real estate salesperson, ~~or closing agent~~ to any person who qualifies for ~~such the~~ license under the terms of this chapter.

(b) The commissioner is authorized to establish by rule a special license for real estate brokers and real estate salespeople engaged solely in the rental or management of an interest or estate in real estate, to prescribe qualifications for the license, and to issue the license consistent with the terms of this chapter. This clause shall not be construed to require those owners or managers or their agents or employees who are excluded by section 82.23, clause (d), from the definition of real estate broker, to obtain the special license.

Sec. 51. Minnesota Statutes 2008, section 82.34, subdivision 2, is amended to read:

Subd. 2. **Additional broker's license.** An individual who holds a broker's license in ~~his or her~~ the broker's own name or for or on behalf of a ~~corporation or partnership~~ business entity must be issued an additional broker's license only upon demonstrating:

(1) that the additional license is necessary in order to serve a legitimate business purpose;

(2) that the broker will be capable of supervising all salespersons over whom ~~he or she~~ the broker will have supervisory responsibility or, in the alternative, that the broker will have no supervisory responsibilities under the additional license; and

(3) that the broker:

(i) ~~has a substantial~~ at least 51 percent ownership interest in each corporation or partnership business entity for or on whose behalf he or she the broker holds or will hold a broker's license; or

(ii) is an elected or appointed officer, signing partner, or managing member of both the business entity for which or on whose behalf the broker already holds a license, and an affiliated business entity for which or on whose behalf the broker is applying for an additional license.

~~The requirement of a substantial ownership interest does not apply where the broker seeking the additional license or licenses is an officer of a corporation for or on whose behalf the broker already holds a license and the broker is applying for the additional license or licenses for or on behalf of an affiliated corporation or corporations of which he or she is also an officer. For the purpose of this section and sections 82.31, subdivisions 1 to 4; 82.33, subdivisions 1 to 3; 82.35, subdivision 2; and 82.39, "affiliated corporation business entity" means a corporation which is directly or indirectly controlled business entity that is majority-owned by the same persons as the corporation business entity for which or on whose behalf the broker is already licensed to act.~~

For the purposes of this section and sections 82.31, subdivisions 1 to 4; 82.33, subdivisions 1 to 3; 82.35, subdivision 2; and 82.39, a legitimate business purpose includes engaging in a different and specialized area of real estate or maintaining an existing business name.

Sec. 52. Minnesota Statutes 2008, section 82.34, subdivision 4, is amended to read:

Subd. 4. **Issuance of license; salesperson.** A salesperson must be licensed to act on behalf of a licensed broker and may not be licensed to act on behalf of more than one broker in this state during the same period of time. ~~The license of each real estate salesperson shall be mailed to and remain in the possession of the licensed broker with whom the salesperson is or is to be associated until canceled or until such licensee leaves such broker.~~

Sec. 53. Minnesota Statutes 2008, section 82.34, subdivision 5, is amended to read:

Subd. 5. **Effective date of license.** ~~Licenses~~ A license renewed pursuant to this chapter are is valid for a period of 24 months. ~~New licenses~~ A new license issued during a 24-month licensing period will expire on June 30 of the expiration year assigned to the license. Implementation of the 24-month licensing program must be staggered so that approximately one-half of the licenses will expire on June 30 of each even-numbered year and the other one-half on June 30 of each odd-numbered year. Those licensees who will receive a 12-month license on July 1, 1995, because of the staggered implementation schedule will pay for the license a fee reduced by an amount equal to one-half the fee for renewal of the license.

Sec. 54. Minnesota Statutes 2008, section 82.34, subdivision 13, is amended to read:

Subd. 13. **Limited broker's license.** ~~(a) The commissioner shall have the authority to issue a limited real estate broker's license authorizing the licensee to engage in transactions as principal only. Such license shall be issued only after receipt of the application described in section 82.31, subdivision 2, and payment of the fee prescribed by section 82.24, subdivision 1. No salesperson may be licensed to act on behalf of an individual holding a limited broker's license. An officer of a corporation or partner of a partnership licensed as a limited broker may act on behalf of that corporation or partnership without being subject to the licensing requirements, following limited activities:~~

~~(b) A limited broker's license shall also authorize the licensee to engage in negotiation of mortgage loans, other than residential mortgage loans, as described in section 82.17, subdivision 18, clause (b).~~

(1) the licensee to engage in transactions as principal only; or

(2) the licensee to engage in negotiations of mortgage loans, other than residential mortgage loans, as described in section 82.17, subdivision 18, clause (b).

The license may be issued only after receipt of the application described in section 82.31, subdivision 2, and payment of the fee prescribed by section 82.24, subdivision 1. A salesperson may not be licensed to act on behalf of an individual holding a limited broker's license. A responsible person of a business entity licensed as a limited broker may act on behalf of that business entity without being subject to the licensing requirements.

Sec. 55. Minnesota Statutes 2008, section 82.39, is amended to read:

82.39 NOTICE TO COMMISSIONER.

Subdivision 1. **Notice Change of application information.** Notice in writing or in the format prescribed by the commissioner shall be given to the commissioner by ~~each~~ a licensee of any change ~~in~~ of information contained in the license application on file with the commissioner, including but not limited to personal name, trade name, address or business location not later than ten days after such the change. ~~The commissioner shall issue a new license if required for the unexpired period.~~

Subd. 2. **Mandatory.** ~~Licensees~~ The licensee shall notify the commissioner in writing or in the format prescribed by the commissioner within ten days of the facts in subdivisions 3 to 5.

Subd. 3. **Civil judgment.** ~~Licensees~~ The licensee must notify the commissioner in writing ~~within ten days~~ of a final adverse decision or order of a court, whether or not the decision or order is appealed, regarding any proceeding in which the licensee was named as a defendant, and which alleged fraud, misrepresentation, or the conversion of funds, if the final adverse decision relates to the allegations of fraud, misrepresentation, or the conversion of funds.

Subd. 4. **Disciplinary action.** The licensee must notify the commissioner in writing ~~within ten days~~ of the suspension or revocation of the licensee's real estate or other occupational license issued by this state or another jurisdiction.

Subd. 5. **Criminal offense.** The licensee must notify the commissioner in writing ~~within ten days~~ if the licensee is charged with, adjudged guilty of, or enters a plea of guilty or nolo contendere to a charge of any felony, or of any gross misdemeanor alleging fraud, misrepresentation, conversion of funds, or a similar violation of any real estate licensing law.

Sec. 56. Minnesota Statutes 2008, section 82.41, subdivision 1, is amended to read:

Subdivision 1. **License required.** No person shall act as a real estate broker, ~~or real estate salesperson, or real estate closing agent~~ unless licensed as ~~herein~~ provided in this section.

Sec. 57. Minnesota Statutes 2008, section 82.41, subdivision 2, is amended to read:

Subd. 2. **Misrepresenting status as licensee.** No persons shall advertise or represent themselves to be real estate brokers, ~~salespeople, or closing agents~~ or real estate salespersons unless licensed as ~~herein~~ provided in this section.

Sec. 58. Minnesota Statutes 2008, section 82.41, is amended by adding a subdivision to read:

Subd. 3a. **Limitation on broker when transaction not completed.** When the owner fails or is unable to consummate a real estate transaction, through no fault of the purchaser, the listing broker may not claim any portion of any trust funds deposited with the broker by the purchaser, absent a separate agreement with the purchaser.

Sec. 59. Minnesota Statutes 2008, section 82.45, subdivision 3, is amended to read:

Subd. 3. **Retention.** A licensed real estate broker shall retain for ~~three~~ six years copies of all listings, buyer representation and facilitator services contracts, deposit receipts, purchase money contracts, canceled checks, trust account records, and such other documents as may reasonably be related to carrying on a real estate brokerage business. The retention period shall run from the date of the closing of the transaction, or from the date of the document if the document is not consummated. The following documents need not be retained:

(1) agency disclosure forms provided to prospective buyers or sellers, where no contractual relationship is subsequently created and no services are provided by the licensee; and

(2) facilitator services contracts or buyer representation contracts entered into with prospective buyers, where the prospective buyer abandons the contractual relationship before any services have been provided by the licensee.

Sec. 60. Minnesota Statutes 2008, section 82.45, is amended by adding a subdivision to read:

Subd. 4. **Storage.** Storage of documents identified in subdivision 3 may be stored by electronic means.

Sec. 61. Minnesota Statutes 2008, section 82.45, is amended by adding a subdivision to read:

Subd. 5. **Destruction.** After the retention period specified in subdivision 3 has elapsed and the broker no longer wishes to retain the documents, the broker must ensure that the documents are disposed of according to the confidential record destruction procedures of the Fair and Accurate Credit Transaction Act of 2003, Public Law 108-159.

Sec. 62. Minnesota Statutes 2008, section 82.48, subdivision 2, is amended to read:

Subd. 2. **Penalty for noncompliance.** The methods, acts, or practices set forth in subdivisions 1 and 3 and sections 82.19; 82.22; 82.27; ~~82.31, subdivision 6;~~ 82.37; and 82.41, subdivision 11, are standards of conduct governing the activities of real estate brokers and salespersons. Failure to comply with these standards shall constitute grounds for license denial, suspension, or revocation, or for censure of the licensee.

Sec. 63. Minnesota Statutes 2008, section 82.48, subdivision 3, is amended to read:

Subd. 3. **Responsibilities of brokers.** (a) **Supervision of personnel.** ~~Brokers~~ A broker shall adequately supervise the activities of ~~their~~ the broker's salespersons and employees. Supervision includes the ongoing monitoring of listing agreements, purchase agreements, other real estate-related documents which are prepared or drafted by the broker's salespersons or employees or which are otherwise received by the broker's office, and the review of all trust account books and records. If an individual broker maintains more than one place of business, each place of business shall be under the broker's direction and supervision. If a ~~partnership or corporate broker~~ brokerage maintains more than one place of business, each place of business shall be under the direction and supervision of an individual broker licensed to act on behalf of the ~~partnership or corporation~~ brokerage.

The primary broker shall maintain records specifying the name of each broker responsible for the direction and supervision of each place of business. If an individual broker, who may be the primary broker, is responsible for supervising more than one place of business, the primary broker shall, upon written request of the commissioner, file a written statement specifying the procedures which have been established to ensure that all salespersons and employees are adequately supervised. Designation of another broker to supervise a place of business does not relieve the primary broker of the ultimate responsibility for the actions of licensees.

(b) **Preparation and safekeeping of documents.** ~~Brokers shall be~~ A broker is responsible for the preparation, custody, safety, and accuracy of all real estate contracts, documents, and records, even though another person may be assigned these duties by the broker.

(c) **Documentation and resolution of complaints.** ~~Brokers~~ A broker shall investigate and attempt to resolve complaints made regarding the practices of any individual licensed to ~~them~~ the broker and shall maintain, with respect to each individual licensed to ~~them~~ the broker, a complaint file containing all material relating to any complaints received in writing for a period of three years.

(d) **Disclosure of listed property information.** A broker may allow any unlicensed person, who is authorized by the broker, to disclose any factual information pertaining to the properties listed with the broker, if the factual information is provided to the unlicensed person in written form by the broker representing or assisting the seller(s).

Sec. 64. **[82.52] ADVERTISING REQUIREMENTS.**

A licensee shall identify himself or herself as either a broker or an agent salesperson in any advertising for the purchase, sale, lease, exchange, mortgaging, transfer, or other disposition of real property, whether the advertising pertains to the licensee's own property or the property of others.

If a salesperson or broker is part of a team or group within the brokerage, the licensee may include the team or group name in the advertising only under the following conditions:

(1) the inclusion of the team or group name is authorized by the primary broker of the brokerage to which the salesperson or broker is licensed; and

(2) the real estate brokerage name is included and more prominently displayed than the team or group name in the advertising.

Sec. 65. **[82.53] REAL ESTATE CLOSING AGENT LICENSING.**

Subdivision 1. **Generally.** The commissioner shall issue a license as a closing agent to a person who qualifies for the license under the terms of this chapter.

Subd. 2. **Qualification of applicants.** An applicant for a real estate closing agent license must be at least 18 years of age at the time of making application for the license.

Subd. 3. **Application for license; contents.** (a) An applicant for a real estate closing agent license shall make an application in the format prescribed by the commissioner. The application must be accompanied by the license fee required by this chapter.

(b) An application for a real estate closing agent license must contain the information required by the commissioner consistent with this chapter.

(c) An application for a real estate closing agent license shall give the applicant's legal name, age, residence address, and the name and place of business of the closing agent.

(d) The commissioner may require further information the commissioner considers appropriate to administer this chapter.

Subd. 4. **Instruction.** An applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.

Subd. 5. **Change of application information.** The commissioner must be notified in the format prescribed by the commissioner of a change of information contained in the license application on file with the commissioner within ten days of the change.

Subd. 6. **Exemption.** The following persons, when acting as closing agents, are exempt from the requirements of sections 82.41 and 82.50 unless otherwise required in this chapter:

(1) a direct employee of a title insurance company authorized to do business in this state, or a direct employee of a title company, or a person who has an agency agreement with a title insurance company or a title company in which the agent agrees to perform closing services on the title insurance company's or title company's behalf and the title insurance company or title company assumes responsibility for the actions of the agent as if the agent were a direct employee of the title insurance company or title company;

(2) a licensed attorney or a direct employee of a licensed attorney;

(3) a licensed real estate broker or salesperson;

(4) a direct employee of a licensed real estate broker if the broker maintains all funds received in connection with the closing services in the broker's trust account;

(5) a bank, trust company, savings association, credit union, industrial loan and thrift company, regulated lender under chapter 56, public utility, or land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of businesses within the scope of its corporate powers as provided by law;

(6) a title insurance company authorized to do business in this state; and

(7) a title company that has a contractual agency relationship with a title insurance company authorized to do business in this state, where the title insurance company assumes responsibility for the actions of the title company and its employees or agents as if they were employees or agents of the title insurance company.

Sec. 66. **[82.54] OTHER DISCLOSURE REQUIREMENTS.**

Subdivision 1. **Agent of broker disclosure.** A salesperson shall only conduct business under the licensed name of and on behalf of the broker to whom the salesperson is licensed. An individual broker shall only conduct business under the brokerage's licensed name. A broker licensed to a business entity shall only conduct business under the licensed business entity name. A licensee shall affirmatively disclose, before the negotiation or consummation of any transaction, the licensed name of the brokerage under whom the licensee is authorized to conduct business according to this section.

Subd. 2. **Financial interests or relative or business associate disclosure; licensee.** (a) Before the negotiation or consummation of any transaction, a licensee shall affirmatively disclose to the owner of real property that the licensee is a real estate broker or agent salesperson, and in what capacity the licensee is acting, if the licensee directly, or indirectly through a third party, purchases for himself or herself or acquires, or intends to acquire, any interest in, or any option to purchase, the owner's property.

(b) When a principal in the transaction is a licensee or a relative or business associate of the licensee, that fact must be disclosed in writing.

Subd. 3. **Material facts.** (a) A licensee shall disclose to a prospective purchaser all material facts of which the licensee is aware, which could adversely and significantly affect an ordinary purchaser's use or enjoyment of the property, or any intended use of the property of which the licensee is aware.

(b) It is not a material fact relating to real property offered for sale the fact or suspicion that the property:

(1) is or was occupied by an owner or occupant who is or was suspected to be infected with human immunodeficiency virus or diagnosed with acquired immunodeficiency syndrome;

(2) was the site of a suicide, accidental death, natural death, or perceived paranormal activity; or

(3) is located in a neighborhood containing any adult family home, community-based residential facility, or nursing home.

(c) A licensee or employee of the licensee has no duty to disclose information regarding an offender who is required to register under section 243.166, or about whom notification is made under that section, if the broker or salesperson, in a timely manner, provides a written notice that information about the predatory offender registry and persons registered with the registry may be obtained by contacting local law enforcement where the property is located or the Department of Corrections.

(d) A licensee or employee of the licensee has no duty to disclose information regarding airport zoning regulations if the broker or salesperson, in a timely manner, provides a written notice that a copy of the airport zoning regulations as adopted can be reviewed or obtained at the office of the county recorder where the zoned area is located.

(e) A licensee is not required to disclose, except as otherwise provided in paragraph (f), information relating to the physical condition of the property or any other information relating to the real estate transaction, if a written report that discloses the information has been prepared by a qualified third party and provided to the person. For the purposes of this paragraph, "qualified third party" means a federal, state, or local governmental agency, or any person whom the broker, salesperson, or a party to the real estate transaction reasonably believes has the expertise necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to prepare the written report and who is acceptable to the person to whom the disclosure is being made.

(f) A licensee shall disclose to the parties to a real estate transaction any facts known by the broker or salesperson that contradict any information included in a written report described in paragraph (e), if a copy of the report is provided to the licensee.

(g) The limitation on disclosures in paragraphs (b) and (c) shall modify any common law duties with respect to disclosure of material facts.

Subd. 4. **Nonperformance of party.** If a licensee is put on notice by a party to a real estate transaction that the party will not perform according to the terms of a purchase agreement or other similar written agreement to convey real estate, the licensee shall immediately disclose the fact of that party's intent not to perform to the other party or parties to the transaction. The licensee shall, if reasonably possible, inform the party who will not perform of the licensee's obligation to disclose this fact to the other party or parties to the transaction before making the disclosure. The obligation required by this section does not apply to notice of a party's inability to keep or fulfill any contingency to which the real estate transaction has been made subject.

Sec. 67. Minnesota Statutes 2008, section 82B.05, as amended by Laws 2009, chapter 63, section 62, is amended to read:

82B.05 REAL ESTATE APPRAISER ADVISORY BOARD.

Subdivision 1. **Members.** The Real Estate Appraiser Advisory Board consists of ~~15~~ nine members appointed by the commissioner of commerce. Three of the members must be ~~public members, four must be~~ consumers of appraisal services, ~~of whom one member must be employed in the financial lending industry, and eight six~~ must be real estate appraisers ~~who are currently licensed in good standing, of whom not less than two three~~ members must be ~~trainee real property appraisers, licensed real property appraisers, or certified residential real property appraisers, not less than two and three~~ members must be certified general real property appraisers, ~~and not less than.~~ At least one member of the board must be certified by the Appraisal Qualification Board of the Appraisal Foundation to teach the Uniform Standards of Professional Appraisal Practice. The board is governed by section 15.0575.

Subd. 3. **Terms.** The term of office for members is three years.

Upon expiration of their terms, members of the board shall continue to hold office until the appointment and qualification of their successors. No person may serve as a member of the board for more than two consecutive terms. The commissioner may remove a member for cause.

~~Subd. 4. **Practice of public members prohibited.** The public members of the board may not be engaged in the practice of real estate appraising.~~

Subd. 5. **Conduct of meetings.** Places of regular board meetings must be decided by the vote of members. Written notice must be given to each member of the time and place of each meeting of the board at least ten days before the scheduled date of regular board meetings. The board shall establish procedures for emergency board meetings and other operational procedures, subject to the approval of the commissioner.

The members of the board shall elect a chair to preside at board meetings, a vice-chair, and a secretary from among the members ~~to preside at board meetings.~~

A quorum of the board is ~~eight~~ five members.

The board shall meet at least once every ~~six~~ three months as determined by a majority vote of the members or a call of the commissioner.

Subd. 6. **Compensation.** Each member of the board is entitled to a per diem allowance of \$35 for each meeting of the board at which the member is present and for each day or substantial part of a day actually spent in the conduct of the business of the board, plus all appropriate expenses unless a greater amount is authorized by section 15.0575.

EFFECTIVE DATE. This section is effective January 1, 2011.

Sec. 68. Minnesota Statutes 2008, section 326.3382, subdivision 3, is amended to read:

Subd. 3. **Proof of insurance.** (a) No license may be issued to a private detective or protective agent applicant until the applicant has complied with the requirements in this subdivision.

(b) The applicant shall execute a surety bond to the state of Minnesota in the penal sum of \$10,000 and file it with the board. The surety bond must be executed by a company authorized to do business in the state of Minnesota, must name the applicant as principal, and must state that the applicant and each of the applicant's employees shall faithfully observe all of the laws of Minnesota and of the United States and shall pay all damages suffered by any person by reason of a violation of law by the applicant or by the commission of any willful and malicious wrong by the applicant in the course of business.

(c) The applicant shall furnish proof, acceptable to the board, of the applicant's ability to respond in damages for liability on account of accidents or wrongdoings arising out of the ownership and operation of a private detective or protective agent business. Compliance with paragraph (d), (e), or (f) is satisfactory proof of financial responsibility for purposes of this paragraph.

(d) The applicant may file with the board a certificate of insurance demonstrating coverage for general liability, completed operations, and personal injury. Personal injury insurance must include coverage for:

- (1) false arrest, detention, imprisonment, and malicious prosecution;
- (2) libel, slander, defamation, and violation of rights of privacy; and
- (3) wrongful entry, eviction, and other invasion of rights of private occupancy.

~~The certificate must provide that the insurance may not be modified or canceled unless 30 days prior notice is given to the board. In the event of a policy cancellation, the insurer will send notice to the board at the same time that a cancellation request is received from or a notice is sent to the insured.~~

(e) The applicant may file with the board an annual net worth statement, signed by a licensed certified public accountant, evidencing that the applicant has a net worth of at least the following:

- (1) for an applicant with no employees, \$10,000;
- (2) for an applicant with one to ten employees, \$15,000;
- (3) for an applicant with 11 to 25 employees, \$25,000;
- (4) for an applicant with 26 to 50 employees, \$50,000; or
- (5) for an applicant with 51 or more employees, \$100,000.

Data indicating with which of the above requirements an applicant must comply is public data. The contents of the net worth statement are private data on individuals or nonpublic data, as defined in section 13.02.

(f) The applicant may file with the board an irrevocable letter of credit from a financial institution acceptable to the board in the amount listed in the appropriate category in paragraph (e).

Sec. 69. Minnesota Statutes 2008, section 326B.33, subdivision 16, is amended to read:

Subd. 16. **Insurance required.** Each contractor shall have and maintain in effect general liability insurance, which includes premises and operations insurance and products and completed operations insurance, with limits of at least \$100,000 per occurrence, \$300,000 aggregate limit for bodily injury, and property damage insurance with limits of at least \$50,000 or a policy with a single limit for bodily injury and property damage of \$300,000 per occurrence and \$300,000 aggregate limits. Such insurance shall be written by an insurer licensed to do business in the state of Minnesota and each contractor shall maintain on file with the commissioner a certificate evidencing such insurance ~~which provides that such insurance shall not be canceled without the insurer first giving 15 days written notice to the commissioner of such cancellation.~~ In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured.

Sec. 70. Minnesota Statutes 2009 Supplement, section 326B.46, subdivision 2, is amended to read:

Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give bond to the state in the amount of at least \$25,000 for (1) all plumbing work entered into within the state or (2) all plumbing work and subsurface sewage treatment work entered into within the state. If the bond is for both plumbing work and subsurface sewage treatment work, the bond must comply with the requirements of this section and section 115.56, subdivision 2, paragraph (e). The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure to comply with the requirements of the State Plumbing Code and, if the bond is for both plumbing work and subsurface sewage treatment work, financial loss by reason of failure to comply with the requirements of sections 115.55 and 115.56. The bond shall be filed with the commissioner and shall be written by a corporate surety licensed to do business in the state.

In addition, each applicant for a master plumber license or restricted master plumber license, or renewal thereof, shall provide evidence of public liability insurance, including products liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state of Minnesota and each licensed master plumber shall maintain on file with the commissioner a certificate evidencing the insurance ~~providing that the insurance shall not be canceled without the insurer first giving 15 days written notice to the commissioner. The term of the insurance shall be concurrent with the term of the license.~~ In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured.

Sec. 71. Minnesota Statutes 2008, section 326B.56, subdivision 2, is amended to read:

Subd. 2. **Insurance.** (a) Each applicant for a water conditioning contractor or installer license or renewal thereof who is required by any political subdivision to maintain insurance to obtain or maintain the license may comply with any political subdivision's insurance requirement by maintaining the insurance described in paragraph (b). No applicant for a water conditioning contractor or installer license who maintains the insurance described in paragraph (b) shall be otherwise required to meet the insurance requirements of any political subdivision.

(b) The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in this state and a certificate evidencing the insurance shall be filed with the commissioner. The insurance must remain in effect at all times while the application is pending and while the license is in effect. ~~The insurance shall not be canceled without the insurer first giving 15 days' written notice to the commissioner.~~ In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured.

Sec. 72. Minnesota Statutes 2008, section 326B.86, subdivision 2, is amended to read:

Subd. 2. **Insurance.** Each licensee shall have and maintain in effect commercial general liability insurance, which includes premises and operations insurance and products and completed operations insurance, with limits of at least \$100,000 per occurrence, \$300,000 aggregate limit for bodily injury, and property damage insurance with limits of at least \$25,000 or a policy with a single limit for bodily injury and property damage of \$300,000 per occurrence and \$300,000 aggregate limits. The insurance must be written by an insurer licensed to do business in this state. Each licensee shall maintain on file with the commissioner a certificate evidencing the insurance ~~which provides that the insurance shall not be canceled without the insurer first giving 15 days' written notice of cancellation to the commissioner.~~ In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured. The commissioner may increase the minimum amount of insurance required for any licensee or class of licensees if the commissioner considers it to be in the public interest and necessary to protect the interests of Minnesota consumers.

Sec. 73. Minnesota Statutes 2008, section 326B.921, subdivision 6, is amended to read:

Subd. 6. **Insurance.** In addition to the bond described in subdivision 5, each applicant for a high pressure pipefitting business license or renewal shall have in force public liability insurance, including products liability insurance, with limits of at least \$100,000 per person and \$300,000 per occurrence and property damage insurance with limits of at least \$50,000.

The insurance must be kept in force for the entire term of the high pressure pipefitting business license, and the license shall be suspended by the department if at any time the insurance is not in force.

The insurance must be written by an insurer licensed to do business in the state and shall be in lieu of any other insurance required by any subdivision of government for high pressure pipefitting. Each person holding a high pressure pipefitting business license shall maintain on file with the department a certificate evidencing the insurance. ~~Any purported cancellation of insurance shall not be effective without the insurer first giving 30 days' written notice to the department.~~ In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured.

Sec. 74. Minnesota Statutes 2008, section 327B.04, subdivision 4, is amended to read:

Subd. 4. **License prerequisites.** No application shall be granted nor license issued until the applicant proves to the commissioner that:

(a) the applicant has a permanent, established place of business at each licensed location. An "established place of business" means a permanent enclosed building other than a residence, or a commercial office space, either owned by the applicant or leased by the applicant for a term of at least one year, located in an area where zoning regulations allow commercial activity, and where the books, records and files necessary to conduct the business are kept and maintained. The owner of a licensed manufactured home park who resides in or adjacent to the park may use the residence as the established place of business required by this subdivision, unless prohibited by local zoning ordinance.

If a license is granted, the licensee may use unimproved lots and premises for sale, storage, and display of manufactured homes, if the licensee first notifies the commissioner in writing;

(b) if the applicant desires to sell, solicit or advertise the sale of new manufactured homes, it has a bona fide contract or franchise in effect with a manufacturer or distributor of the new manufactured home it proposes to deal in;

(c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for each agency and each subagency location that bears the applicant's name and the name under which the applicant will be licensed and do business in this state. Each bond is for the protection of consumer customers, and must be executed by the applicant as principal and issued by a surety company admitted to do business in this state. Each bond shall be exclusively for the purpose of reimbursing consumer customers and shall be conditioned upon the faithful compliance by the applicant with all of the laws and rules of this state pertaining to the applicant's business as a dealer or manufacturer, including sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its legal obligations to consumer customers; and (2) a certificate of liability insurance in the amount of \$1,000,000 that provides aggregate coverage for the agency and each subagency location. In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured;

(d) the applicant has established a trust account as required by section 327B.08, subdivision 3, unless the applicant states in writing its intention to limit its business to selling, offering for sale, soliciting or advertising the sale of new manufactured homes; and

(e) the applicant has provided evidence of having had at least two years' prior experience in the sale of manufactured homes, working for a licensed dealer.

Sec. 75. Minnesota Statutes 2008, section 340A.409, subdivision 1, is amended to read:

Subdivision 1. **Insurance required.** (a) No retail license may be issued, maintained or renewed unless the applicant demonstrates proof of financial responsibility with regard to liability imposed by section 340A.801. The issuing authority must submit to the commissioner the applicant's proof of financial responsibility. This subdivision does not prohibit a local unit of government from requiring higher insurance or bond coverages, or a larger deposit of cash or securities. The minimum requirement for proof of financial responsibility may be given by filing:

(1) a certificate that there is in effect for the license period an insurance policy issued by an insurer required to be licensed under section 60A.07, subdivision 4, or by an insurer recognized as an eligible surplus lines carrier pursuant to section 60A.206 or pool providing at least \$50,000 of coverage because of bodily injury to any one person in any one occurrence, \$100,000 because of bodily injury to two or more persons in any one occurrence, \$10,000 because of injury to or destruction of property of others in any one occurrence, \$50,000 for loss of means of support of any one person in any one occurrence, and \$100,000 for loss of means of support of two or more persons in any one occurrence;

(2) a bond of a surety company with minimum coverages as provided in clause (1); or

(3) a certificate of the commissioner of management and budget that the licensee has deposited with the commissioner of management and budget \$100,000 in cash or securities which may legally be purchased by savings banks or for trust funds having a market value of \$100,000.

(b) This subdivision does not prohibit an insurer from providing the coverage required by this subdivision in combination with other insurance coverage.

(c) An annual aggregate policy limit for dram shop insurance of not less than \$300,000 per policy year may be included in the policy provisions.

(d) A liability insurance policy required by this section must provide that it may not be canceled for:

(1) any cause, except for nonpayment of premium, by either the insured or the insurer unless the canceling party has first given ~~30~~ 60 days' notice in writing to the ~~issuing authority~~ insured of intent to cancel the policy; ~~and~~

(2) nonpayment of premium unless the canceling party has first given ten days' notice in writing to the ~~issuing authority~~ insured of intent to cancel the policy; ~~and~~

(3) in the event of a policy cancellation, the insurer will send notice to the issuing authority at the same time that a cancellation request is received from or a notice is sent to the insured.

Sec. 76. **2011 APPOINTMENTS TO REAL ESTATE APPRAISER ADVISORY BOARD.**

The terms of all members of the Real Estate Appraiser Advisory Board expire the effective date of this section. The commissioner of commerce shall, as soon as practicable after this date, appoint members to an initial term of office as follows: three years for one consumer of appraisal services member, one certified residential real property appraiser member, and one certified general real property appraiser member; two years for one consumer of appraisal services member, one certified residential real property appraiser member, and one certified general real property appraiser member; and one year for one consumer of appraisal services member, one certified residential real property appraiser member, and one certified general real property appraiser member.

Upon the expiration of the term of office established in this section, the successor must be appointed pursuant to Minnesota Statutes, section 82B.05.

All provisions of Minnesota Statutes, section 82B.05, not inconsistent with this section apply to the initial board appointed pursuant to this section.

EFFECTIVE DATE. This section is effective January 1, 2011.

Sec. 77. **REPEALER.**

Minnesota Statutes 2008, sections 82.19, subdivision 3; 82.22, subdivisions 1, 6, 7, 8, and 9; 82.31, subdivision 6; 82.34, subdivision 16; 82.41, subdivisions 3 and 7; and 332.335, are repealed.

Minnesota Statutes 2009 Supplement, section 65B.133, subdivision 3, is repealed.

Minnesota Statutes 2008, section 72B.04, is repealed effective July 1, 2010."

Delete the title and insert:

"A bill for an act relating to commerce; regulating various licensees and other entities; modifying definitions, informational requirements, continuing education requirements, information reporting requirements, and notice requirements; making various housekeeping, technical, and clarifying changes; regulating securities; reorganizing and modifying various provisions relating to real estate brokers, salespersons, and closing agents; modifying the membership requirements of, and appointment authority to, the real estate appraiser advisory board; regulating certain workers' compensation self-insurers; amending Minnesota Statutes 2008, sections 45.0112; 60A.084; 60A.204; 60A.36, by adding a subdivision; 60K.31, subdivision 10; 61A.092, subdivision 3; 62A.17, subdivision 5; 62A.65, subdivision 2; 62E.02, subdivision 15; 62E.14, subdivision 4c; 62L.05, subdivision 4; 62S.24, subdivision 8; 62S.266, subdivision 4; 62S.29, subdivision 1; 72A.20, subdivisions 36, 37; 72A.492, subdivision 2; 72B.01; 72B.08, subdivision 8; 79A.06, subdivision 5; 80A.41; 80A.46; 80A.65, subdivision 6; 82.17, subdivision 15, by adding subdivisions; 82.19; 82.21, subdivision 2; 82.24, subdivision 3; 82.29, subdivisions 4, 5, 8; 82.31, subdivisions 1, 2; 82.33, subdivisions 1, 2, by adding a subdivision; 82.34, subdivisions 1, 2, 4, 5, 13; 82.39; 82.41, subdivisions 1, 2, by adding a subdivision; 82.45, subdivision 3, by adding subdivisions; 82.48, subdivisions 2, 3; 82B.05, as amended; 326.3382, subdivision 3; 326B.33, subdivision 16; 326B.56, subdivision 2; 326B.86, subdivision 2; 326B.921, subdivision 6; 327B.04, subdivision 4; 340A.409, subdivision 1; Minnesota Statutes 2009 Supplement, sections 45.027, subdivision 1; 45.30, subdivision 4; 60A.39, subdivisions 1, 4, 5; 60A.9572,

subdivision 6; 62A.3099, subdivision 18; 65A.29, subdivision 13; 72B.03, subdivision 2; 72B.045, subdivision 1; 82.31, subdivision 4; 82.32; 326B.46, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 2008, sections 72B.04; 82.19, subdivision 3; 82.22, subdivisions 1, 6, 7, 8, 9; 82.31, subdivision 6; 82.34, subdivision 16; 82.41, subdivisions 3, 7; 332.335; Minnesota Statutes 2009 Supplement, section 65B.133, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Hornstein from the Transportation and Transit Policy and Oversight Division to which was referred:

H. F. No. 2956, A bill for an act relating to transportation; authorizing conveyance by commissioner of transportation to Indian tribal government of land no longer needed for trunk highway purposes; amending Minnesota Statutes 2008, section 161.44, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 16, insert:

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

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3048, A bill for an act relating to labor and industry; modifying construction codes and licensing provisions; modifying certain notice provisions; amending Minnesota Statutes 2008, sections 178.01; 178.03, subdivisions 3, 4; 178.06; 178.08; 178.11; 326.02, subdivision 5; 326B.04, subdivision 2; 326B.127, subdivision 3; 326B.13, subdivisions 3, 4, 5, 6; 326B.133, subdivision 5; 326B.139; 326B.142; 326B.148, subdivisions 2, 3; 326B.191; 326B.31, subdivision 28; 326B.33, subdivision 17; 326B.42, subdivisions 2, 6; 326B.435, subdivision 2; 326B.47; 326B.84; 326B.89, subdivisions 1, 5, 6, 7, 8, 10, 13, by adding subdivisions; 326B.921, subdivision 3; Minnesota Statutes 2009 Supplement, sections 14.14, subdivision 1a; 326B.145; repealing Minnesota Statutes 2008, sections 299G.11; 299G.13, subdivisions 1, 6, 9, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28; 299G.14; 299G.15; 299G.16; 299G.17; 299G.18; 326B.115; 326B.37, subdivision 13; Minnesota Rules, parts 5200.0020; 5200.0050; 5200.0080, subparts 2, 3, 4, 4a, 4b, 6, 7, 8.

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

The report was adopted.

Hornstein from the Transportation and Transit Policy and Oversight Division to which was referred:

H. F. No. 3072, A bill for an act relating to traffic regulations; specifying lane into which left turns must be made; making clarifying changes; amending Minnesota Statutes 2008, section 169.19, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 15, before "lane" insert "through"

Page 2, line 1, before "lane" insert "through"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3127, A bill for an act relating to unemployment insurance; modifying administrative, benefit, and tax provisions; amending Minnesota Statutes 2008, sections 268.051, subdivisions 2, 5, 7; 268.07, as amended; 268.085, subdivision 9; Minnesota Statutes 2009 Supplement, sections 268.052, subdivision 2; 268.053, subdivision 1; 268.085, subdivision 1; 268.136, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 2008, section 268.046, subdivision 1, is amended to read:

Subdivision 1. **Tax accounts assigned.** (a) Any person that contracts with a taxpaying employer to have that person obtain the taxpaying employer's workforce and provide workers to the taxpaying employer for a fee is, as of the effective date of the contract, assigned for the duration of the contract the taxpaying employer's account under section 268.045. That tax account must be maintained by the person separate and distinct from every other tax account held by the person and identified in a manner prescribed by the commissioner. The tax account is, for the duration of the contract, considered that person's account for all purposes of this chapter. The workers obtained from the taxpaying employer and any other workers provided by that person to the taxpaying employer, including officers of the taxpaying employer as defined in section 268.035, subdivision 20, clause (28), whose wages paid by the person are considered paid in covered employment under section 268.035, subdivision 24, for the duration of the contract between the taxpaying employer and the person, must, under section 268.044, be reported on the wage detail report under that tax account, and that person must pay any taxes due at the tax rate computed for that account under section 268.051, subdivision 2.

(b) Any workers of the taxpaying employer who are not covered by the contract under paragraph (a) must be reported by the taxpaying employer as a separate unit on the wage detail report under the tax account assigned under paragraph (a). Taxes and any other amounts due on the wages reported by the taxpaying employer under this paragraph may be paid directly by the taxpaying employer.

(c) If the taxpaying employer that contracts with a person under paragraph (a) does not have a tax account at the time of the execution of the contract, an account must be registered for the taxpaying employer under section 268.042 and the new employer tax rate under section 268.051, subdivision 5, must be assigned. The tax account is then assigned to the person as provided for in paragraph (a).

(d) A person that contracts with a taxpaying employer under paragraph (a) must, within 30 calendar days of the execution or termination of a contract, notify the commissioner by electronic transmission, in a format prescribed by the commissioner, of that execution or termination. The taxpaying employer's name, the account number assigned, and any other information required by the commissioner must be provided by that person.

(e) Any contract subject to paragraph (a) must specifically inform the taxpaying employer of the assignment of the tax account under this section and the taxpaying employer's obligation under paragraph (b). If there is a termination of the contract, the tax account is, as of the date of termination, immediately assigned to the taxpaying employer.

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

Page 7, line 9, delete everything after the period

Page 7, delete line 10

Page 10, line 1, before "Wage" insert "(a)"

Page 10, after line 11, insert:

"(b) An officer of a taxpaying employer referred to in section 268.046, subdivision 1, is subject to the limitations of this subdivision."

Page 11, delete subdivision 1

Page 12, after line 5, insert:

"Sec. 11. **SPECIAL STATE EMERGENCY UNEMPLOYMENT COMPENSATION.**

Notwithstanding the June 30, 2010, expiration date of Laws 2009, chapter 1, section 2, subdivision 4, if an applicant has received special state emergency unemployment compensation for a week beginning prior to June 30, 2010, but has not exhausted the maximum amount available to the applicant, the applicant may continue to receive special state emergency unemployment compensation up to the applicant's determined maximum. This section expires March 26, 2011, and no benefits may be paid for a week beginning after that date."

Renumber the subdivisions in sequence

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2798, 2888, 2942, 2956, 3072 and 3127 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

McFarlane introduced:

H. F. No. 3522, A bill for an act relating to public officials; changing a definition in the campaign finance and public disclosure law; amending Minnesota Statutes 2009 Supplement, section 10A.01, subdivision 35.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Masin introduced:

H. F. No. 3523, A bill for an act relating to public safety; modifying the definition of sex trafficking and defining commercial sex act; amending Minnesota Statutes 2008, section 609.321, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 609.321, subdivision 7a.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Lieder introduced:

H. F. No. 3524, A bill for an act relating to transportation; amending provisions governing authorization and discontinuance of special plates; amending Minnesota Statutes 2008, sections 168.002, by adding a subdivision; 168.1293.

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

Otremba introduced:

H. F. No. 3525, A bill for an act relating to transportation; establishing a named highway; identifying segments of trunk highways in Todd County as the Veterans Memorial Scenic Loop; amending Minnesota Statutes 2008, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Paymar introduced:

H. F. No. 3526, A bill for an act relating to corrections; establishing a parole board; prescribing its membership, duties, and powers; prescribing when an individual is eligible to be considered for parole; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 244A.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Simon and Atkins introduced:

H. F. No. 3527, A bill for an act relating to human rights; providing for jury trials; modifying procedures for removal of cases to district court; amending Minnesota Statutes 2008, section 363A.33, subdivisions 1, 6.

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

McFarlane introduced:

H. F. No. 3528, A bill for an act relating to higher education; regulating certain higher education data; amending Minnesota Statutes 2009 Supplement, section 136A.01, subdivision 2.

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

Abeler and Solberg introduced:

H. F. No. 3529, A bill for an act relating to the legislature; modifying information provided in fiscal notes and revenue estimates; amending Minnesota Statutes 2008, sections 3.98, subdivision 2; 270C.11, subdivision 5.

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

Davids introduced:

H. F. No. 3530, A bill for an act relating to insurance; prohibiting annuity contracts from penalizing death as forfeiture or surrender of the contract; amending Minnesota Statutes 2008, section 61A.245, subdivision 3.

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

Haws introduced:

H. F. No. 3531, A bill for an act relating to public health; establishing the Minnesota Silver Alert System for adults living with dementia or other cognitive impairment; appropriating money; amending Minnesota Statutes 2008, section 604A.35; proposing coding for new law in Minnesota Statutes, chapter 299A.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Peterson; Greiling; Carlson; Slawik; Ruud; Rosenthal; Nelson; Anderson, S., and Tillberry introduced:

H. F. No. 3532, A bill for an act relating to education finance; clarifying that a school district is not required to provide educational services to students without disabilities from other states; amending Minnesota Statutes 2008, section 125A.515.

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

Rukavina introduced:

H. F. No. 3533, A bill for an act relating to employment; providing that certain joint powers agreements may not circumvent or impinge upon the rights of employees covered by certain collective bargaining agreements; amending Minnesota Statutes 2008, section 471.59, subdivision 10.

The bill was read for the first time and referred to the Higher Education and Workforce Development Finance and Policy Division.

Laine introduced:

H. F. No. 3534, A bill for an act relating to health insurance; requiring the commissioner of commerce to hold a public hearing before approval of certain rate increases; amending Minnesota Statutes 2008, section 62A.02, by adding a subdivision.

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

Hornstein introduced:

H. F. No. 3535, A bill for an act relating to state government; establishing statewide telework requirements; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Champion introduced:

H. F. No. 3536, A bill for an act relating to redistricting; requiring the exclusion of persons incarcerated in state or federal correctional facilities from population counts used for state and local redistricting; proposing coding for new law in Minnesota Statutes, chapter 2.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Mullery introduced:

H. F. No. 3537, A bill for an act relating to taxation; extending the research credit to individual income tax; amending Minnesota Statutes 2008, section 290.068, subdivisions 1, 3, 4.

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

Scalze introduced:

H. F. No. 3538, A bill for an act relating to health; extending the effective date for electronic prescribing requirements for certain providers; amending Minnesota Statutes 2009 Supplement, section 62J.497, subdivision 2.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Benson introduced:

H. F. No. 3539, A bill for an act relating to education finance; postponing revised evaluation requirements and changes in sponsorship fees for certain charter schools until June 30, 2011, or when the charter school contract expires.

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

Morrow introduced:

H. F. No. 3540, A bill for an act relating to state lands; authorizing conveyance of certain surplus state land; authorizing acquisition of certain land.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Mariani introduced:

H. F. No. 3541, A bill for an act relating to education; requiring legislative authority for developing shared common assessments; amending Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1.

The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight.

Mariani introduced:

H. F. No. 3542, A bill for an act relating to education; including open-ended items on statewide high school assessments; amending Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1.

The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight.

Scalze introduced:

H. F. No. 3543, A bill for an act relating to insurance; replacing the Minnesota Comprehensive Health Association assessment with health care provider tax revenues; increasing the provider tax accordingly; appropriating money; amending Minnesota Statutes 2008, sections 62A.02, by adding a subdivision; 62E.02, subdivision 23; 62E.091; 62E.10, subdivisions 1, 2, 3, 6; 62E.11, subdivisions 9, 10; 62E.13, subdivisions 2, 3a, by adding a subdivision; 62E.14, subdivisions 1, 6; 295.52; 295.581; repealing Minnesota Statutes 2008, sections 62E.02, subdivision 23; 62E.11, subdivisions 5, 6, 13; 62E.13, subdivision 1.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Huntley introduced:

H. F. No. 3544, A bill for an act relating to human services; reducing state health care program payment rates to managed care plans; increasing state health care program fee-for-service payment rates; amending Minnesota Statutes 2008, section 256B.69, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Anderson, B., introduced:

H. F. No. 3545, A bill for an act relating to energy; sunsetting prohibition on issuing certificate of need for new nuclear power plant; amending Minnesota Statutes 2008, section 216B.243, subdivision 3b.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Beard introduced:

H. F. No. 3546, A bill for an act relating to energy; requiring a report on impact of certain energy-related requirements.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Anderson, B., introduced:

H. F. No. 3547, A bill for an act relating to the environment; exempting smaller facilities from requirement to report greenhouse gas emissions; amending Minnesota Statutes 2008, section 216H.02, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Beard and Dill introduced:

H. F. No. 3548, A bill for an act relating to taxation; property; airflight property levy; amending Minnesota Statutes 2008, section 270.075, subdivision 1.

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

Eken introduced:

H. F. No. 3549, A bill for an act relating to game and fish; requiring landowner notification of traps and snares in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Atkins, Holberg, Olin and Mahoney introduced:

H. F. No. 3550, A bill for an act relating to civil actions; exempting the state and political subdivisions from increased interest rates on certain judgments and awards; amending Minnesota Statutes 2009 Supplement, section 549.09, subdivision 1.

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

Falk introduced:

H. F. No. 3551, A bill for an act relating to energy; modifying provisions relating to wind easements; amending Minnesota Statutes 2008, section 500.30, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapter 216F.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Hosch introduced:

H. F. No. 3552, A bill for an act relating to liquor; amending license fees for manufacturers; amending Minnesota Statutes 2008, section 340A.301, subdivision 6.

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

Haws introduced:

H. F. No. 3553, A bill for an act relating to local government; providing for a charter commission to report on a form of county government for the counties of Stearns, Benton, and Sherburne.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Simon introduced:

H. F. No. 3554, A bill for an act relating to gambling; clarifying the definitions of gambling device and video game of chance; amending Minnesota Statutes 2008, section 609.75, by adding a subdivision.

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

Drazkowski, Dettmer, Davids and Eastlund introduced:

H. F. No. 3555, A bill for an act relating to taxation; providing for continuation of Green Acres treatment after certain transfers; amending Minnesota Statutes 2009 Supplement, section 273.111, subdivision 3a.

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

Hortman introduced:

H. F. No. 3556, A bill for an act relating to environment; modifying information requirements for fluorescent and high-intensity discharge lamps; amending Minnesota Statutes 2008, section 116.92, subdivision 7a.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Loon and Swails introduced:

H. F. No. 3557, A bill for an act relating to labor and employment; repealing certain equipment and apparel requirements; repealing Minnesota Statutes 2009 Supplement, section 181.986.

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

Downey; Zellers; Kohls; Holberg; Peppin; Demmer; Anderson, B.; Shimanski; Dettmer; Drazkowski; Kelly; Mack; Dean; Gottwalt and Brod introduced:

H. F. No. 3558, A bill for an act relating to state government; requiring a reduction in the state workforce; creating an early retirement program; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Kohls introduced:

H. F. No. 3559, A bill for an act relating to elections; allowing corporations to make independent expenditures; amending Minnesota Statutes 2008, sections 10A.12, subdivision 5; 10A.27, subdivision 13; 211B.01, subdivision 3; 211B.15, subdivisions 2, 3, 17; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2008, section 72A.12, subdivision 5.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Kohls introduced:

H. F. No. 3560, A bill for an act relating to civil actions; limiting private remedies for violations of certain unlawful business practices statutes; amending Minnesota Statutes 2008, section 8.31, subdivision 3a, by adding a subdivision.

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

Drazkowski and Davids introduced:

H. F. No. 3561, A bill for an act relating to individual income taxation; modifying the credit for taxes paid to another state; modifying the permitted terms of income tax reciprocity with the state of Wisconsin; appropriating money; amending Minnesota Statutes 2008, sections 290.06, subdivision 22; 290.081.

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

Welti and Kalin introduced:

H. F. No. 3562, A bill for an act relating to energy; modifying definition of energy efficiency to include ways to decrease consumption of delivered fuels; amending Minnesota Statutes 2008, section 216B.241, subdivision 1.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Hackbarth, Magnus, Torkelson, Juhnke and Hamilton introduced:

H. F. No. 3563, A bill for an act relating to natural resources; requiring contracts for agricultural services performed on lands administered by the commissioner of natural resources; amending Minnesota Statutes 2008, section 84.025, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Abeler, Hackbarth and Dittrich introduced:

H. F. No. 3564, A bill for an act relating to local government; abolishing the Three Rivers Park District; repealing Minnesota Statutes 2008, sections 383B.68; 383B.70; 383B.702; 383B.703; 383B.71; 383B.73, subdivision 1; Minnesota Statutes 2009 Supplement, section 383B.72.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Anderson, S.; McFarlane; Gunther; Nornes; Dettmer; Downey and Eastlund introduced:

H. F. No. 3565, A bill for an act relating to higher education; providing information on textbook prices to students; amending Minnesota Statutes 2008, sections 135A.25, by adding a subdivision; 136F.58, by adding a subdivision.

The bill was read for the first time and referred to the Higher Education and Workforce Development Finance and Policy Division.

Scott, Draskowski, Holberg, Zellers, Buesgens, Gottwalt and Anderson, B., introduced:

H. F. No. 3566, A bill for an act relating to taxation; individual income and property tax refund; providing a checkoff for general fund contributions; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Newton introduced:

H. F. No. 3567, A bill for an act relating to public safety; broadening the definition of "BB gun" to include certain realistic appearing airsoft guns; amending Minnesota Statutes 2008, sections 609.66, subdivision 1d; 609.713, subdivision 3; 624.7181, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Newton introduced:

H. F. No. 3568, A bill for an act relating to health; requiring health care providers to participate in the federal TRICARE program as a condition of participating in state and public health care programs; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Newton introduced:

H. F. No. 3569, A bill for an act relating to education finance; authorizing school districts to transfer money among funds and accounts.

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

Newton introduced:

H. F. No. 3570, A bill for an act relating to economic development; expanding loan program to veteran-owned small businesses; amending Minnesota Statutes 2008, section 116J.996.

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

Koenen introduced:

H. F. No. 3571, A bill for an act relating to human services; authorizing a rate increase for publicly owned nursing facilities; requiring a local share of nonfederal medical assistance costs; amending Minnesota Statutes 2008, sections 256B.19, by adding a subdivision; 256B.441, by adding a subdivision.

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

Davnie introduced:

H. F. No. 3572, A bill for an act relating to local government; modifying the definition of dependent for purposes of group benefits for local government officers and employees; amending Minnesota Statutes 2008, section 471.61, subdivisions 1a, 2a; Minnesota Statutes 2009 Supplement, section 471.61, subdivision 1.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Koenen introduced:

H. F. No. 3573, A bill for an act relating to taxation; holding retailers harmless for failing to collect sales tax on grain bins.

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

Rukavina introduced:

H. F. No. 3574, A bill for an act relating to local government; authorizing town boards to require sewer and water connections on certain property; amending Minnesota Statutes 2008, section 366.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Atkins introduced:

H. F. No. 3575, A bill for an act relating to radio broadcasting; prohibiting broadcast of the sound of a siren used by an emergency vehicle; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Lieder, Hornstein and Morgan introduced:

H. F. No. 3576, A bill for an act relating to transportation; establishing a transportation economic development assistance program; establishing accounts and appropriating funds; amending the petroleum tank release cleanup fee; requiring legislative reporting; amending Minnesota Statutes 2008, sections 115C.07, by adding a subdivision; 115C.08, as amended; 446A.085, subdivisions 1, 2, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 446A.

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

Beard and Hornstein introduced:

H. F. No. 3577, A bill for an act relating to traffic regulations; providing that pedestrian bypassing railroad signal is unlawful; imposing a penalty; amending Minnesota Statutes 2008, section 169.26, by adding a subdivision.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Beard introduced:

H. F. No. 3578, A bill for an act relating to transportation; appropriating money or reducing appropriations for certain transportation, Metropolitan Council, and public safety activities or programs; modifying provisions relating to transportation projects, contracts, and a highway emergency relief account; repealing provisions regulating the transportation of hazardous materials; amending Minnesota Statutes 2008, sections 161.04, by adding a subdivision; 161.3426, subdivision 3, by adding a subdivision; 174.02, by adding subdivisions; repealing Minnesota Statutes 2008, sections 13.721, subdivision 4; 221.0355, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18.

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

Kelly and Drazkowski introduced:

H. F. No. 3579, A bill for an act relating to public safety; corrections; establishing guidelines for administration and funding of sentence to service programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 631.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Morrow introduced:

H. F. No. 3580, A bill for an act relating to capital investment; appropriating money for the campground road at Fort Ridgely State Park; authorizing the sale and issuance of state bonds.

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

Faust introduced:

H. F. No. 3581, A bill for an act relating to education finance; transferring funding from the alternative teacher compensation program to the general education revenue basic formula allowance; amending Minnesota Statutes 2008, section 126C.10, subdivisions 1, 2; repealing Minnesota Statutes 2008, sections 122A.414, subdivisions 1, 1a, 2, 2a, 3, 4; 122A.414; 122A.415, subdivisions 1, 3; 122A.416; 126C.10, subdivisions 35, 36; Minnesota Statutes 2009 Supplement, sections 122A.414, subdivision 2b; 126C.10, subdivision 34.

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

Seifert introduced:

H. F. No. 3582, A bill for an act relating to energy; abolishing 2025 renewable energy standards; making clarifying changes; amending Minnesota Statutes 2008, sections 3.8851, subdivision 3; 216B.1691, as amended.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Kalin introduced:

H. F. No. 3583, A bill for an act relating to veterans; appropriating money for grants to counties for county veterans service officer interns.

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

Sterner, Gardner and Persell introduced:

H. F. No. 3584, A bill for an act relating to economic development; prohibiting state contracts with vendors convicted of crimes involving fraud; requiring a report to the legislature; amending Minnesota Statutes 2008, section 16C.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Davnie, Greiling, Newton, Tillberry and Peterson introduced:

H. F. No. 3585, A bill for an act relating to education; establishing a due process for charter school teachers facing discipline or discharge; prohibiting a charter school from punishing a teacher who reports violations of law or school policy; amending Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 11.

The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight.

Champion introduced:

H. F. No. 3586, A bill for an act relating to transportation; modifying and adding provisions related to highway construction contracting and disadvantaged business enterprises; amending Minnesota Statutes 2008, sections 161.32, by adding subdivisions; 174.03, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 174.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Hortman introduced:

H. F. No. 3587, A bill for an act relating to traffic regulations; authorizing Department of Transportation to tow vehicles within metropolitan district; amending Minnesota Statutes 2008, section 169.041, by adding a subdivision.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Hortman introduced:

H. F. No. 3588, A bill for an act relating to transportation; modifying provisions related to transportation contracts; amending Minnesota Statutes 2008, section 161.315; repealing Minnesota Rules, parts 1230.3000; 1230.3100; 1230.3200; 1230.3300; 1230.3400; 1230.3500; 1230.3600; 1230.3700; 1230.3800; 1230.3900; 1230.4000; 1230.4100; 1230.4200; 1230.4300.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Kath introduced:

H. F. No. 3589, A bill for an act relating to state government; reducing the reporting threshold for contracts for professional or technical services; amending Minnesota Statutes 2008, section 16C.08, subdivision 4.

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

Hornstein introduced:

H. F. No. 3590, A bill for an act relating to motor vehicles; making technical corrections to provisions relating to park trailers; updating references to certain federal law and regulations; amending Minnesota Statutes 2008, sections 168.013, subdivision 1; 168A.085, subdivision 1; repealing Minnesota Statutes 2008, section 168.098.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Hornstein introduced:

H. F. No. 3591, A bill for an act relating to local government; authorizing the city of Minneapolis to restrict the duration of operation of mobile food units.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Sterner introduced:

H. F. No. 3592, A bill for an act relating to employment; prohibiting employment discrimination based on credit history; amending Minnesota Statutes 2008, section 363A.08, subdivisions 1, 2, 3, 4.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 3, A House concurrent resolution adopting deadlines for the 2010 regular session.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to adopt the Conference Committee report on:

H. F. No. 2700, A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; cancelling and modifying previous appropriations; appropriating money; amending Minnesota Statutes 2008, sections 16A.105; 16A.501; 16A.66, subdivision 2; 103F.161, subdivisions 1, 3; 103F.515, by adding a subdivision; 116J.435, as amended; 174.50, subdivisions 6, 7; 256E.37, subdivisions 1, 2; Minnesota Statutes 2009 Supplement, sections 16A.647, subdivisions 1, 5; 16A.86, subdivision 3a; Laws 2005, chapter 20, article 1, sections 19, subdivision 4; 23, subdivision 12, as amended; Laws 2006, chapter 258, sections 5, subdivision 3; 8, subdivision 4; 17, subdivision 5; 21, subdivision 14, as amended; Laws 2008, chapter 152, article 2, section 3, subdivision 2; Laws 2008, chapter 179, sections 5, subdivision 4; 7, subdivisions 8, 27; 21, subdivision 9; Laws 2008, chapter 365, sections 4, subdivision 3; 5, subdivision 2; 24, subdivision 2; 25; Laws 2009, chapter 93, article 1, sections 11, subdivision 5; 20; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; repealing Laws 2009, chapter 93, article 1, section 45.

The Senate requests that H. F. No. 2700 be returned to the Conference Committee as formerly constituted.

Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

MOTIONS FOR RECONSIDERATION

Hausman moved that the vote whereby H. F. No. 2700, as amended by Conference, was repassed on Monday, February 22, 2010, be now reconsidered. The motion prevailed.

Hausman moved that the vote whereby the report of the Conference Committee on H. F. No. 2700 was adopted on Monday, February 22, 2010, be now reconsidered. The motion prevailed.

Hausman moved that H. F. No. 2700 be returned to the Conference Committee. The motion prevailed.

MOTIONS AND RESOLUTIONS

Gunther moved that his name be stricken as an author on H. F. No. 224. The motion prevailed.

Kahn moved that the name of Masin be added as an author on H. F. No. 296. The motion prevailed.

Rukavina moved that his name be stricken as an author on H. F. No. 1671. The motion prevailed.

Gottwalt moved that the name of McFarlane be added as an author on H. F. No. 1865. The motion prevailed.

Lanning moved that the name of Sterner be added as an author on H. F. No. 2062. The motion prevailed.

Gardner moved that the name of McFarlane be added as an author on H. F. No. 2510. The motion prevailed.

Morrow moved that the names of Kath and Fritz be added as authors on H. F. No. 2573. The motion prevailed.

Doty moved that the name of Anderson, S., be added as an author on H. F. No. 2621. The motion prevailed.

Juhnke moved that the name of Sterner be added as an author on H. F. No. 2659. The motion prevailed.

Davnie moved that the name of McFarlane be added as an author on H. F. No. 2750. The motion prevailed.

Bunn moved that the name of Fritz be added as an author on H. F. No. 2839. The motion prevailed.

Norton moved that the name of Fritz be added as an author on H. F. No. 2849. The motion prevailed.

Mariani moved that the name of Marquart be added as an author on H. F. No. 2884. The motion prevailed.

Bigham moved that the name of McFarlane be added as an author on H. F. No. 2888. The motion prevailed.

Brod moved that the name of McFarlane be added as an author on H. F. No. 2901. The motion prevailed.

Brod moved that the name of McFarlane be added as an author on H. F. No. 2917. The motion prevailed.

Hornstein moved that the name of Paymar be shown as chief author on H. F. No. 2921. The motion prevailed.

Hansen moved that the name of Murphy, M., be added as chief author on H. F. No. 3015. The motion prevailed.

Gottwalt moved that the name of McFarlane be added as an author on H. F. No. 3036. The motion prevailed.

Newton moved that the name of McFarlane be added as an author on H. F. No. 3063. The motion prevailed.

Seifert moved that the name of McFarlane be added as an author on H. F. No. 3087. The motion prevailed.

Morgan moved that the name of McFarlane be added as an author on H. F. No. 3123. The motion prevailed.

Bigham moved that the name of Reinert be added as an author on H. F. No. 3141. The motion prevailed.

Mahoney moved that the name of McFarlane be added as an author on H. F. No. 3157. The motion prevailed.

Jackson moved that the name of Morrow be added as an author on H. F. No. 3159. The motion prevailed.

Jackson moved that the name of Morrow be added as an author on H. F. No. 3160. The motion prevailed.

Jackson moved that the name of Morrow be added as an author on H. F. No. 3161. The motion prevailed.

Thissen moved that the name of McFarlane be added as an author on H. F. No. 3211. The motion prevailed.

Persell moved that the name of Hackbarth be added as an author on H. F. No. 3227. The motion prevailed.

Hosch moved that the names of Doty and Ward be added as authors on H. F. No. 3264. The motion prevailed.

Murphy, E., moved that the name of McFarlane be added as an author on H. F. No. 3266. The motion prevailed.

Simon moved that the name of Gunther be added as an author on H. F. No. 3277. The motion prevailed.

Brod moved that the name of McFarlane be added as an author on H. F. No. 3302. The motion prevailed.

Clark moved that the name of Slocum be added as an author on H. F. No. 3322. The motion prevailed.

Greiling moved that the name of Slocum be added as an author on H. F. No. 3337. The motion prevailed.

Lesch moved that the name of Slocum be added as an author on H. F. No. 3344. The motion prevailed.

Winkler moved that the name of Slocum be added as an author on H. F. No. 3368. The motion prevailed.

Mahoney moved that the name of Haws be added as an author on H. F. No. 3389. The motion prevailed.

Peterson moved that the name of Slocum be added as an author on H. F. No. 3423. The motion prevailed.

Thissen moved that the name of Reinert be added as an author on H. F. No. 3426. The motion prevailed.

Juhnke moved that the name of Urdahl be added as an author on H. F. No. 3433. The motion prevailed.

Loon moved that the names of Sterner and Lenczewski be added as authors on H. F. No. 3436. The motion prevailed.

Loon moved that the name of Sterner be added as an author on H. F. No. 3437. The motion prevailed.

Bigham moved that the name of Slocum be added as an author on H. F. No. 3447. The motion prevailed.

Holberg moved that the names of Lenczewski, Slocum, Garofalo and Morgan be added as authors on H. F. No. 3450. The motion prevailed.

Sailer moved that the names of Jackson and Faust be added as authors on H. F. No. 3459. The motion prevailed.

Hornstein moved that the name of Johnson be added as an author on H. F. No. 3461. The motion prevailed.

Bly moved that the names of Beard and Fritz be added as authors on H. F. No. 3463. The motion prevailed.

Davnie moved that the name of Lillie be added as an author on H. F. No. 3467. The motion prevailed.

Slawik moved that the names of Peterson, Ward, Lillie, Jackson, Masin, Greiling, Fritz, Persell, Brynaert and Mullery be added as authors on H. F. No. 3470. The motion prevailed.

Nornes moved that the names of Rosenthal, Peterson, Ward, Jackson, Lillie, Masin, Greiling, Fritz, Persell, Mullery and Brynaert be added as authors on H. F. No. 3471. The motion prevailed.

Sailer moved that the name of Kalin be added as an author on H. F. No. 3473. The motion prevailed.

Urdahl moved that the names of Beard and Anderson, P., be added as authors on H. F. No. 3474. The motion prevailed.

Laine moved that the name of Ward be added as an author on H. F. No. 3476. The motion prevailed.

Benson moved that the names of Haws and Slocum be added as authors on H. F. No. 3478. The motion prevailed.

Rosenthal moved that the name of Cornish be added as an author on H. F. No. 3479. The motion prevailed.

Hansen moved that the name of McNamara be added as an author on H. F. No. 3497. The motion prevailed.

Knuth moved that the name of Slocum be added as an author on H. F. No. 3498. The motion prevailed.

Knuth moved that the names of Kalin and Slocum be added as authors on H. F. No. 3501. The motion prevailed.

Peterson moved that the name of Slocum be added as an author on H. F. No. 3510. The motion prevailed.

Clark moved that the names of Kahn and Slocum be added as authors on H. F. No. 3519. The motion prevailed.

Hackbarth moved that H. F. No. 2578 be recalled from the Committee on Commerce and Labor and be re-referred to the Committee on Finance. The motion prevailed.

Dill moved that H. F. No. 2629, now on the General Register, be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections. The motion prevailed.

Bly moved that H. F. No. 3120 be recalled from the Committee on K-12 Education Policy and Oversight and be re-referred to the Committee on Finance. The motion prevailed.

Davnie moved that H. F. No. 3127, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

Kohls moved that H. F. No. 3140 be recalled from the Committee on Health Care and Human Services Policy and Oversight and be re-referred to the Committee on Civil Justice. The motion prevailed.

Morrow moved that H. F. No. 3300 be recalled from the Committee on Civil Justice and be re-referred to the Committee on Health Care and Human Services Policy and Oversight. The motion prevailed.

Simon moved that H. F. No. 3336 be recalled from the Committee on State and Local Government Operations Reform, Technology and Elections and be re-referred to the Committee on Civil Justice. The motion prevailed.

Holberg moved that H. F. No. 3420 be recalled from the Committee on Public Safety Policy and Oversight and be re-referred to the Transportation and Transit Policy and Oversight Division. The motion prevailed.

Davnie moved that H. F. No. 3499 be recalled from the Committee on State and Local Government Operations Reform, Technology and Elections and be re-referred to the Energy Finance and Policy Division. The motion prevailed.

Clark moved that H. F. No. 3517 be recalled from the Committee on State and Local Government Operations Reform, Technology and Elections and be re-referred to the Committee on Finance. The motion prevailed.

Emmer moved that H. F. No. 171 be recalled from the Committee on Health Care and Human Services Policy and Oversight and be re-referred to the Committee on Finance.

A roll call was requested and properly seconded.

The question was taken on the Emmer motion and the roll was called. There were 52 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kelly	Murdock	Shimanski
Anderson, B.	Demmer	Gottwalt	Kiffmeyer	Nornes	Smith
Anderson, P.	Dettmer	Gunther	Kohls	Otremba	Sterner
Anderson, S.	Doepke	Hackbarth	Lanning	Peppin	Torkelson
Beard	Downey	Hamilton	Loon	Rosenthal	Urdahl
Brod	Drazkowski	Holberg	Mack	Sanders	Westrom
Buesgens	Eastlund	Hoppe	Magnus	Scott	Zellers
Cornish	Emmer	Howes	McFarlane	Seifert	
Davids	Faust	Kath	McNamara	Severson	

Those who voted in the negative were:

Anzelc	Bunn	Doty	Hausman	Hosch	Laine
Atkins	Carlson	Eken	Haws	Huntley	Lenczewski
Benson	Champion	Falk	Hayden	Jackson	Lesch
Bigham	Clark	Fritz	Hilstrom	Juhnke	Liebling
Bly	Davnie	Gardner	Hilty	Kahn	Lieder
Brown	Dill	Greiling	Hornstein	Kalin	Lillie
Brynaert	Dittrich	Hansen	Hortman	Koenen	Loeffler

Mahoney	Murphy, E.	Paymar	Ruud	Solberg	Welti
Mariani	Murphy, M.	Pelowski	Sailer	Swails	Winkler
Marquart	Nelson	Persell	Scalze	Thao	Spk. Kelliher
Masin	Newton	Peterson	Sertich	Thissen	
Morgan	Norton	Poppe	Simon	Tillberry	
Morrow	Obermueller	Reinert	Slawik	Wagenius	
Mullery	Olin	Rukavina	Slocum	Ward	

The motion did not prevail.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2700:

Hausman, Wagenius, Solberg, Scalze and Howes.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 10:30 a.m., Thursday, March 11, 2010. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and Speaker pro tempore Juhnke declared the House stands adjourned until 10:30 a.m., Thursday, March 11, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

