

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2010

SEVENTY-THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 11, 2010

The House of Representatives convened at 10:30 a.m. and was called to order by Melissa Hortman, 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.

The Speaker assumed the Chair.

The roll was called and the following members were present:

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

A quorum was present.

Lesch was excused.

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

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2010 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2010</i>	<i>Date Filed 2010</i>
2373		185	11:15 a.m. March 9	March 9
2309		186	11:17 a.m. March 9	March 9
2352		187	11:20 a.m. March 9	March 9

Sincerely,

MARK RITCHIE
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 677, A bill for an act relating to health occupations; establishing a regulation system for technicians performing body art procedures and for body art establishments; adopting penalty fees; proposing coding for new law as Minnesota Statutes, chapter 146B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[146B.01] DEFINITIONS.**

Subdivision 1. Scope. The terms defined in this section apply to this chapter.

Subd. 2. **Aftercare.** "Aftercare" means written instructions given to a client, specific to the procedure rendered, on caring for the body art and surrounding area. These instructions must include information on when to seek medical treatment.

Subd. 3. **Antiseptic.** "Antiseptic" means an agent that destroys disease-causing microorganisms on human skin or mucosa.

Subd. 4. **Body art.** "Body art" means physical body adornment using, but not limited to, the following techniques: body piercing, tattooing, micropigmentation, cosmetic tattooing, branding, scarification, suspension, subdermal implantation, microdermal, tongue bifurcation, and tissue removal. Body art does not include practices and procedures that are performed by a licensed medical or dental professional if the procedure is within the professional's scope of practice.

Subd. 5. **Body art establishment.** "Body art establishment" or "establishment" means any structure or venue, whether permanent, temporary, or mobile, where body art is performed. Mobile establishments include vehicle-mounted units, either motorized or trailered, and readily moveable without disassembling and where body art procedures are regularly performed in more than one geographic location.

Subd. 6. **Body piercing.** "Body piercing" means the penetration or puncturing of the skin by any method for the purpose of inserting jewelry or other objects in or through the body. Body piercing does not include the piercing of the outer perimeter or the lobe of the ear using a presterilized single-use stud-and-clasp ear-piercing system.

Subd. 7. **Branding.** "Branding" means an indelible mark burned into the skin using instruments of thermal cautery, radio frequency, and strike branding.

Subd. 8. **Commissioner.** "Commissioner" means the commissioner of health.

Subd. 9. **Contaminated waste.** "Contaminated waste" means any liquid or semiliquid blood or other potentially infectious materials; contaminated items that would release blood or other potentially infectious materials in a liquid or semiliquid state if compressed; items that are caked with dried blood or other potentially infectious materials and are capable of releasing these materials during handling; and sharps and any wastes containing blood and other potentially infectious materials, as defined in Code of Federal Regulations, title 29, section 1910.1030, known as "Occupational Exposure to Bloodborne Pathogens."

Subd. 10. **Department.** "Department" means the Department of Health.

Subd. 11. **Equipment.** "Equipment" means all machinery, including fixtures, containers, vessels, tools, devices, implements, furniture, display and storage areas, sinks, and all other apparatus and appurtenances used in the operation of a body art establishment.

Subd. 12. **Guest artist.** "Guest artist" means an individual who performs body art procedures according to the requirements under section 146B.04.

Subd. 13. **Hand sink.** "Hand sink" means a sink equipped with hot and cold water held under pressure, used solely for washing hands, wrists, arms, or other portions of the body.

Subd. 14. **Hot water.** "Hot water" means water at a temperature of at least 110 degrees Fahrenheit.

Subd. 15. **Jewelry.** "Jewelry" means any personal ornament inserted into a newly pierced area.

Subd. 16. **Liquid chemical germicide.** "Liquid chemical germicide" means a tuberculocidal disinfectant or sanitizer registered with the Environmental Protection Agency.

Subd. 17. **Microdermal.** "Microdermal" means a single-point perforation of any body part other than an earlobe for the purpose of inserting an anchor with a step either protruding from or flush with the skin.

Subd. 18. **Micropigmentation or cosmetic tattooing.** "Micropigmentation or cosmetic tattooing" means the use of tattoos for permanent makeup or to hide or neutralize skin discolorations.

Subd. 19. **Operator.** "Operator" means any person who controls, operates, or manages body art activities at a body art establishment and who is responsible for the establishment's compliance with these regulations, whether or not the person actually performs body art activities.

Subd. 20. **Procedure area.** "Procedure area" means the physical space or room used solely for conducting body art procedures.

Subd. 21. **Procedure surface.** "Procedure surface" means the surface area of furniture or accessories that may come into contact with the client's clothed or unclothed body during a body art procedure and the area of the client's skin where the body art procedure is to be performed and the surrounding area, or any other associated work area requiring sanitizing.

Subd. 22. **Safe level.** "Safe level" means not more than 50 colonies of microorganisms per four square inches of equipment or procedure surface.

Subd. 23. **Scarification.** "Scarification" means an indelible mark fixed on the body by the production of scars.

Subd. 24. **Sharps.** "Sharps" means any object, sterile or contaminated, that may purposefully or accidentally cut or penetrate the skin or mucosa including, but not limited to, presterilized single-use needles, scalpel blades, and razor blades.

Subd. 25. **Sharps container.** "Sharps container" means a closed, puncture-resistant, leak-proof container, labeled with the international biohazard symbol, that is used for handling, storage, transportation, and disposal.

Subd. 26. **Single use.** "Single use" means products or items intended for onetime use which are disposed of after use on a client. This definition includes, but is not limited to, cotton swabs or balls, tissues or paper products, paper or plastic cups, gauze and sanitary coverings, razors, piercing needles, tattoo needles, scalpel blades, stencils, ink cups, and protective gloves.

Subd. 27. **Sterilization.** "Sterilization" means a process resulting in the destruction of all forms of microbial life, including highly resistant bacterial spores.

Subd. 28. **Subdermal implantation.** "Subdermal implantation" means the implantation of an object entirely below the dermis.

Subd. 29. **Supervision.** "Supervision" means the presence of a technician licensed under this chapter while a body art procedure is being performed.

Subd. 30. **Suspension.** "Suspension" means the suspension of the body from affixed hooks placed through temporary piercings.

Subd. 31. **Tattooing.** "Tattooing" means any method of placing indelible ink or other pigments into or under the skin or mucosa with needles or any other instruments used to puncture the skin, resulting in permanent coloration of the skin or mucosa.

Subd. 32. **Technician.** "Technician" means any individual who performs or practices body art procedures.

Subd. 33. **Temporary body art establishment.** "Temporary body art establishment" means any place or premise operating at a fixed location where an operator performs body art procedures for no more than 21 days in conjunction with a single event or celebration.

Subd. 34. **Tissue removal.** "Tissue removal" means an indelible mark or figure fixed on the body by the removal of dermis.

Subd. 35. **Tongue bifurcation.** "Tongue bifurcation" means the cutting of the tongue from the tip to the base, forking at the end.

Sec. 2. **[146B.02] ESTABLISHMENT LICENSE PROCEDURES.**

Subdivision 1. **General.** Beginning January 1, 2011, no person acting individually or jointly with any other person may maintain, own, or operate a body art establishment in the state without an establishment license issued by the commissioner in accordance with this chapter, except as permitted under subdivision 8 or 9.

Subd. 2. **Requirements.** (a) Each application for an initial establishment license and for renewal must be submitted to the commissioner on a form provided by the commissioner accompanied with the applicable fee required under section 146B.10. The application must contain:

- (1) the name of the owner and operator of the establishment;
- (2) the location of the establishment;
- (3) verification of compliance with all applicable local and state codes;
- (4) a description of the general nature of the business; and
- (5) any other relevant information deemed necessary by the commissioner.

(b) Upon initial approval, the commissioner shall issue a provisional establishment license effective for one year from the date of issuance. Upon the approval of an application for renewal, the commissioner shall issue a new license effective for three years from the date of issuance.

Subd. 3. **Inspection.** (a) Within one year of the issuance of the provisional establishment license, and thereafter at least one time during each three-year licensure period, the commissioner shall conduct an inspection of the body art establishment and a review of any records necessary to ensure that the standards required under this chapter are met.

(b) If the establishment seeking licensure is new construction or if a licensed establishment is remodeling, the establishment must meet all local building and zoning codes.

(c) The commissioner shall have the authority to enter the premises to make the inspection. Refusal to permit an inspection constitutes valid grounds for licensure denial or revocation.

Subd. 4. **Location restricted.** No person may perform a body art procedure at any location other than a body art establishment licensed under this chapter except as permitted under subdivisions 8 and 9.

Subd. 5. **Transfer and display of license.** A body art establishment license must be issued to a specific person and location and is not transferable. A license must be prominently displayed in a public area of the establishment.

Subd. 6. **Establishment information.** The following information must be kept on file for two years on the premises of the establishment and must be made available for inspection upon request by the commissioner:

(1) a description of all body art procedures performed by the establishment;

(2) copies of the spore tests conducted on each sterilizer; and

(3) the following information for each technician or guest artist employed or performing body art procedures in the establishment:

(i) name;

(ii) home address;

(iii) home telephone number;

(iv) date of birth;

(v) copy of an identification photo; and

(vi) license number or guest artist registration number.

Subd. 7. **Establishments located in a private residence.** If the body art establishment is located within a private residence, the space where the body art procedures are performed must be completely partitioned off and separate from the residential living, eating, and bathroom areas, and must meet the standards of this chapter. The space used for body procedures must be made available for inspection upon the request of the commissioner.

Subd. 8. **Temporary events permit.** (a) An owner or operator of a temporary body art establishment shall submit an application for a temporary events permit to the commissioner at least 14 days before the start of the event. The application must include the specific days and hours of operation. The owner or operator shall comply with the requirements of this chapter.

(b) The temporary events permit must be prominently displayed in a public area at the location.

(c) The temporary events permit, if approved, is valid for the specified dates and hours listed on the application. No temporary events permit shall be issued for longer than a 21-day period, and may not be renewed.

Subd. 9. **Exception.** (a) Any body art establishment located within a county or municipal jurisdiction that has enacted an ordinance that establishes licensure for body art establishments operating within the jurisdiction shall be exempt from this chapter if the provisions of the ordinance meet or exceed the provisions of this chapter. Any county or municipal jurisdiction that maintains an ordinance that meets this exception may limit the types of body art procedures that may be performed in body art establishments located within its jurisdiction.

(b) A body art establishment license under this chapter is not required if the establishment is licensed as a salon under chapter 155A.

(c) Any individual performing body art procedures in an establishment that meets an exception under this subdivision must be licensed as a body art technician under this chapter.

Sec. 3. **[146B.03] LICENSURE FOR BODY ART TECHNICIANS.**

Subdivision 1. **Licensure required.** Effective January 1, 2011, no individual may perform body art procedures unless the individual holds a valid technician license issued by the commissioner under this chapter, except as provided in subdivision 3.

Subd. 2. **Designation.** No individual may use the title of "tattooist," "tattoo artist," "body piercer," "body piercing artist," "body art practitioner," "body art technician," or other letters, words, or titles in connection with that individual's name which in any way represents that the individual is engaged in the practice of tattooing or body piercing, or authorized to do so, unless the individual is licensed and authorized to perform body art procedures under this chapter.

Subd. 3. **Exceptions.** (a) The following individuals may perform body art procedures within the scope of their practice without a technician's license:

- (1) a physician licensed under chapter 147;
- (2) a nurse licensed under sections 148.171 to 148.285;
- (3) a chiropractor licensed under chapter 148;
- (4) an acupuncturist licensed under chapter 147B;
- (5) a physician's assistant licensed under chapter 147A; or
- (6) a dental professional licensed under chapter 150A.

(b) A guest artist under section 146B.04 may perform body art procedures in accordance with the requirements of section 146B.04.

Subd. 4. **Licensure requirements.** An applicant for licensure under this section shall submit to the commissioner on a form provided by the commissioner:

- (1) proof that the applicant is over the age of 18;
- (2) all fees required under section 146B.10;
- (3) proof of completing a minimum of 200 hours of supervised experience;
- (4) proof of having satisfactorily completed coursework approved by the commissioner on bloodborne pathogens, the prevention of disease transmission, infection control, cardiopulmonary resuscitation (CPR), first aid, and aseptic technique. Courses to be considered for approval by the commissioner may include, but are not limited to, those administered by one of the following:
 - (i) the American Red Cross;
 - (ii) United States Occupational Safety and Health Administration (OSHA); or

(iii) the Alliance of Professional Tattooists; and

(5) any other relevant information requested by the commissioner.

Subd. 5. **Action on licensure applications.** The commissioner shall notify the applicant in writing of the action taken on the application. If licensure is denied, the applicant must be notified of the determination and the grounds for it, and the applicant may request a hearing under chapter 14 on the determination by filing a written statement with the commissioner within 30 days after receipt of the notice of denial. After the hearing, the commissioner shall notify the applicant in writing of the decision.

Subd. 6. **Licensure term; renewal.** (a) A technician's license is valid for two years from the date of issuance and may be renewed upon payment of the renewal fee established under section 146B.10.

(b) At renewal, a licensee must submit proof of continuing education approved by the commissioner in the areas identified in subdivision 4, clause (4).

Subd. 7. **Temporary licensure.** (a) The commissioner may issue a temporary license to an applicant who submits to the commissioner on a form provided by the commissioner:

(1) proof that the applicant is over the age of 18;

(2) all fees required under section 148B.10; and

(3) a letter from a licensed technician who has agreed to provide the supervision to meet the supervised experience requirement under subdivision 4, clause (3).

(b) Upon completion of the required supervised experience, the temporary licensee shall submit documentation of satisfactorily completing the requirements under subdivision 4, clauses (3) and (4), and the applicable fee under section 146B.10. The commissioner shall issue a new license in accordance with subdivision 4.

(c) A temporary license issued under subdivision 7 is valid for one year and may be renewed for one additional year.

Subd. 8. **License by reciprocity.** The commissioner shall issue a technician's license to a person who holds a current license, certification, or registration from another state if the commissioner determines that the standards for licensure, certification, or registration in the other jurisdiction meets or exceeds the requirements for licensure stated in this chapter and a letter is received from that jurisdiction stating that the applicant is in good standing.

Subd. 9. **Transfer and display of license.** A license issued under this section is not transferable to another individual. A valid license must be displayed at the establishment site and available to the public upon request.

Subd. 10. **Transition period.** Until January 1, 2012, the supervised experience requirement under subdivision 4, clause (3), shall be waived by the commissioner if the applicant submits to the commissioner evidence satisfactory to the commissioner that the applicant has performed body art procedures for 2,080 hours within the last five years.

Sec. 4. **[146B.04] TEMPORARY LICENSURE FOR GUEST ARTISTS.**

Subdivision 1. **General.** Before an individual may work as a guest artist, the commissioner shall issue a temporary license to the guest artist. The guest artist shall submit an application to the commissioner on a form provided by the commissioner. The form must include:

(1) the name, home address, and date of birth of the guest artist;

(2) the name of the licensed technician sponsoring the guest artist;

(3) proof of having satisfactorily completed coursework approved by the commissioner on bloodborne pathogens, the prevention of disease transmission, infection control, cardiopulmonary resuscitation (CPR), first aid, and aseptic technique;

(4) the starting and anticipated completion dates the guest artist will be working; and

(5) a copy of any current body art credential or licensure issued by another local or state jurisdiction.

Subd. 2. **Guest artists.** A guest artist may not conduct body art procedures for more than 30 days per calendar year per licensed establishment. If the guest artist exceeds this time period, the guest artist must apply for a technician's license under section 146B.03.

Sec. 5. [146B.05] GROUNDS FOR DENIAL OF AN ESTABLISHMENT LICENSE OR EMERGENCY CLOSURE.

Subdivision 1. **General.** If any of the following conditions exist, the owner or operator of a licensed establishment may be ordered by the commissioner to discontinue all operations of a licensed body art establishment or the commissioner may refuse to grant or renew, suspend, or revoke licensure:

(1) evidence of a sewage backup in an area of the body art establishment where body art activities are conducted;

(2) lack of potable, plumbed, or hot or cold water to the extent that handwashing or toilet facilities are not operational;

(3) lack of electricity or gas service to the extent that handwashing, lighting, or toilet facilities are not operational;

(4) significant damage to the body art establishment due to tornado, fire, flood, or another disaster;

(5) evidence of an infestation of rodents or other vermin;

(6) evidence of any individual performing a body art procedure without a license as required under this chapter;

(7) evidence of existence of a public health nuisance;

(8) use of instruments or jewelry that are not sterile;

(9) failure to maintain required records;

(10) failure to use gloves as required;

(11) failure to properly dispose of sharps, blood or body fluids, or items contaminated by blood or body fluids;

(12) failure to properly report complaints of potential bloodborne pathogen transmission to the commissioner; or

(13) evidence of a positive spore test on the sterilizer.

Subd. 2. **Licensure or reopening requirements.** Prior to license approval or renewal or the reopening of the establishment, the establishment shall submit to the commissioner satisfactory proof that the problem condition causing the need for the licensure action or emergency closure has been corrected or removed by the operator of the establishment. A body art establishment may not reopen without the written approval of the commissioner and a valid establishment license.

Sec. 6. **[146B.06] HEALTH AND SAFETY STANDARDS.**

Subdivision 1. Establishment standards. (a) Except as permitted under subdivision 2, the body art establishment must meet the health and safety standards in this subdivision before a licensed technician may conduct body art procedures at the establishment.

(b) The procedure area must be separated from any other area that may cause potential contamination of work surfaces.

(c) For clients requesting privacy, at a minimum, a divider, curtain, or partition must be provided to separate multiple procedure areas.

(d) All procedure surfaces must be smooth, nonabsorbent, and easily cleanable.

(e) The establishment must have a readily accessible hand sink equipped with:

(1) potable hot and cold running water under pressure;

(2) liquid hand soap;

(3) single-use paper towels or a mechanical hand drier or blower; and

(4) a garbage can with a foot-operated lid or with no lid and a removable liner.

(f) All ceilings in the body art establishment must be in good condition.

(g) All walls and floors must be free of open holes or cracks and be washable and no carpeting may be in areas used for procedures other than tattooing. Carpeting may be in areas used exclusively for tattooing if the carpet is clean and unstained.

(h) All facilities within the establishment must be maintained in a clean and sanitary condition and in good working order.

(i) No animals may be present during a body art procedure, unless the animal is a service animal.

Subd. 2. Establishment exception. Any establishment that is operating as a body art establishment on August 1, 2010, may request an exemption from any of the health and safety standards required under subdivision 1 that would require remodeling in order to comply. The request for an exemption shall be submitted in writing to the commissioner, and shall not be considered final until notification is received from the commissioner that the exemption is approved.

Subd. 3. Standards for equipment, instruments, and supplies. (a) Equipment, instruments, and supplies must comply with the health and safety standards in this subdivision before a licensed technician may conduct body art procedures.

(b) Jewelry used as part of a body art procedure must be made of surgical implant-grade stainless steel, solid 14-karat or 18-karat white or yellow gold, niobium, titanium, or platinum, or a dense low-porosity plastic. Use of jewelry that is constructed of wood, bone, or other porous material is prohibited.

(c) Jewelry used as part of a body art procedure must be free of nicks, scratches, or irregular surfaces and must be properly sterilized before use.

(d) Reusable instruments must be thoroughly washed to remove all organic matter, rinsed, and sterilized before and after use.

(e) Needles must be single-use needles and sterilized before use.

(f) Sterilization must be conducted using steam heat or chemical vapor.

(g) All sterilization units must be operated according to the manufacturer's specifications.

(h) At least once a month, but not to exceed 30 days between tests, a spore test must be conducted on each sterilizer used to ensure proper functioning. If a positive spore test result is received, the sterilizer at issue may not be used until a negative result is obtained.

(i) All inks and other pigments used in a body art procedure must be specifically manufactured for tattoo procedures.

(j) Immediately before applying a tattoo, the quantity of the ink needed must be transferred from the ink bottle and placed into single-use paper or plastic cups immediately before applying the tattoo. Upon completion of the tattoo, the single-use cups and their contents must be discarded.

(k) All tables, chairs, furniture, or other procedure surfaces that may be exposed to blood or body fluids during the body art procedure must be cleanable and must be sanitized after each client with a liquid chemical germicide.

(l) Single-use towels or wipes must be provided to the client. These towels must be dispensed in a manner that precludes contamination and disposed of in a washable garbage container with a foot-operated lid or with no lid and a removal liner.

(m) All bandages and surgical dressings used must be sterile or bulk-packaged clean and stored in a clean, closed container.

(n) All equipment and instruments must be maintained in good working order and in a clean and sanitary condition.

(o) All instruments and supplies must be stored clean and dry in covered containers.

(p) Single-use disposable barriers must be provided on all equipment that cannot be sterilized as part of the procedure as required under this section including, but not limited to, spray bottles, procedure light fixture handles, and tattoo machines.

Subd. 4. Standards for body art procedures. (a) All body art procedures must comply with the health and safety standards in this subdivision.

(b) The skin area subject to a body art procedure must be thoroughly cleaned with soap and water, rinsed thoroughly, and swabbed with an antiseptic solution. Only single-use towels or wipes may be used to clean the skin.

(c) Whenever it is necessary to shave the skin, a new disposable razor must be used for each client and disposed after use.

(d) No body art procedure may be performed on any area of the skin where there is an evident infection, irritation, or open wound.

(e) Single-use nonabsorbent gloves of adequate size and quality to preserve dexterity must be used for touching clients, for handling sterile instruments, or for handling blood or body fluids. Nonlatex gloves must be used with clients or employees who request them or when petroleum products are used. Gloves must be changed if a glove becomes damaged or comes in contact with any nonclean surface or objects or with a third person. At a minimum, gloves must be discarded after the completion of a procedure on a client. Hands and wrists must be washed before putting on a clean pair of gloves and after removing a pair of gloves.

Subd. 5. **Standards for technicians.** (a) Technicians must comply with the health and safety standards in this subdivision.

(b) Technicians must scrub their hands and wrists thoroughly before and after performing a body art procedure, after contact with the client receiving the procedure, and after contact with potentially contaminated materials.

(c) A technician may not smoke, eat, or drink while performing body art procedures.

(d) A technician may not perform a body art procedure if the technician has any open sores visible or in a location that may come in contact with the client.

Subd. 6. **Contamination standards.** (a) Infectious waste and sharps must be managed according to sections 116.76 to 116.83 and must be disposed of by an approved infectious waste hauler at a site permitted to accept the waste, according to Minnesota Rules, parts 7035.9100 to 7035.9150. Sharps ready for disposal must be disposed of in an approved sharps container.

(b) Contaminated waste that may release liquid blood or body fluids when compressed or that may release dried blood or body fluids when handled must be placed in an approved red bag that is marked with the international biohazard symbol.

(c) Contaminated waste that does not release liquid blood or body fluids when compressed or handled may be placed in a covered receptacle and disposed of through normal approved disposal methods.

(d) Storage of contaminated waste onsite must not exceed the period specified by Code of Federal Regulations, title 29, section 1910.1030.

Sec. 7. [146B.07] PROFESSIONAL STANDARDS.

Subdivision 1. **Standard practice.** (a) A technician shall require proof of age before performing any body art procedure on a client. Proof of age must be established by one of the following methods:

(1) a valid driver's license or identification card issued by the state of Minnesota or another state that includes a photograph and date of birth of the individual;

(2) a valid military identification card issued by the United States Department of Defense;

(3) a valid passport;

(4) a resident alien card; or

(5) a tribal identification card.

(b) No technician shall perform a body art procedure on any individual under the age of 18 years unless the individual provides a notarized written consent of a parent or legal guardian or the individual's parent or legal guardian is present and a consent form is signed by a parent or legal guardian in the presence of the technician. The consent must include both the custodial and noncustodial parents, where applicable.

(c) Before performing any body art procedure, the technician must provide the client with a disclosure and authorization form that indicates whether the client has:

(1) diabetes;

(2) a history of hemophilia;

(3) a history of skin diseases, skin lesions, or skin sensitivities to soap or disinfectants;

(4) a history of epilepsy, seizures, fainting, or narcolepsy;

(5) any condition that requires the client to take medications such as anticoagulants that thin the blood or interfere with blood clotting; or

(6) any other information that would aid the technician in the body art procedure process evaluation.

The technician shall ask the client to sign and date the disclosure and authorization form confirming that the information listed on the form was provided.

(d) No technician shall perform body art procedures on any individual who appears to be under the influence of alcohol, controlled substances as defined in section 152.01, subdivision 4, or hazardous substances as defined in rules adopted under chapter 182.

(e) No technician shall perform body art procedures while under the influence of alcohol, controlled substances as defined under section 152.01, subdivision 4, or hazardous substances as defined in the rules adopted under chapter 182.

(f) No technician shall administer anesthetic injections or other medications.

(g) Before performing any body art procedure, the technician shall offer and make available to the client personal draping, as appropriate.

Subd. 2. **Informed consent.** Before performing a body art procedure, the technician shall obtain from the client a signed and dated informed consent form. The consent form must disclose:

(1) that a tattoo is considered permanent and may only be removed with a surgical procedure and that any effective removal may leave scarring; and

(2) that a piercing may leave scarring.

Subd. 3. **Client record maintenance.** For each client, the body art establishment operator shall maintain proper records of each procedure. The records of the procedure must be kept for two years and must be available for inspection by the commissioner upon request. The record must include the following:

(1) the date of the procedure;

(2) the information on the required picture identification showing the name, age, and current address of the client;

(3) a copy of the release form signed and dated by the client required under subdivision 1, paragraph (c);

(4) a description of the body art procedure performed;

(5) the name and license number of the technician performing the procedure;

(6) a copy of the consent form required under subdivision 2; and

(7) if the client is under the age of 18 years, a copy of the consent form signed by the parent or legal guardian as required under subdivision 1.

Subd. 4. **Aftercare.** A technician shall provide each client with verbal and written instructions for the care of the tattooed or pierced site upon the completion of the procedure. The written instructions must advise the client to consult a health care professional at the first sign of infection.

Subd. 5. **State, county, and municipal public health regulations.** An operator and technician shall comply with all applicable state, county, and municipal requirements regarding public health.

Subd. 6. **Notification.** The operator of the body art establishment shall immediately notify the commissioner or local health authority of any reports they receive of a potential bloodborne pathogen transmission.

Sec. 8. **[146B.08] INVESTIGATION PROCESS AND GROUNDS FOR DISCIPLINARY ACTION.**

Subdivision 1. **Investigations of complaints.** The commissioner may initiate an investigation upon receiving a signed complaint or other signed written communication that alleges or implies that an individual or establishment has violated this chapter. According to section 214.13, subdivision 6, in the receipt, investigation, and hearing of a complaint that alleges or implies an individual or establishment has violated this chapter, the commissioner shall follow the procedures in section 214.10.

Subd. 2. **Rights of applicants and licensees.** The rights of an applicant denied licensure are stated in section 146B.03, subdivision 5. A licensee may not be subjected to disciplinary action under this section without first having an opportunity for a contested case hearing under chapter 14.

Subd. 3. **Grounds for disciplinary action by commissioner.** The commissioner may take any of the disciplinary actions listed in subdivision 4 on proof that a technician or an operator of an establishment has:

(1) intentionally submitted false or misleading information to the commissioner;

(2) failed, within 30 days, to provide information in response to a written request by the commissioner;

(3) violated any provision of this chapter;

(4) failed to perform services with reasonable judgment, skill, or safety due to the use of alcohol or drugs, or other physical or mental impairment;

(5) aided or abetted another person in violating any provision of this chapter;

(6) been or is being disciplined by another jurisdiction, if any of the grounds for the discipline are the same or substantially equivalent to those under this chapter;

(7) not cooperated with the commissioner in an investigation conducted according to subdivision 1;

(8) advertised in a manner that is false or misleading;

(9) engaged in conduct likely to deceive, defraud, or harm the public;

(10) demonstrated a willful or careless disregard for the health, welfare, or safety of a client;

(11) obtained money, property, or services from a client through the use of undue influence, harassment, duress, deception, or fraud;

(12) failed to refer a client to a health care professional for medical evaluation or care when appropriate; or

(13) been convicted of a felony-level criminal sexual conduct offense. "Conviction" means a plea of guilty, a verdict of guilty by a jury, or a finding of guilty by a court.

Subd. 4. **Disciplinary actions.** If the commissioner finds that a technician or an operator of an establishment should be disciplined according to subdivision 3, the commissioner may take any one or more of the following actions:

(1) refuse to grant or renew licensure;

(2) suspend licensure for a period not exceeding one year;

(3) revoke licensure;

(4) take any reasonable lesser action against an individual upon proof that the individual has violated this chapter; or

(5) impose, for each violation, a civil penalty not exceeding \$10,000 that deprives the licensee of any economic advantage gained by the violation and that reimburses the department for costs of the investigation and proceedings resulting in disciplinary action, including the amount paid for services of the Office of Administrative Hearings, the amount paid for services of the Office of the Attorney General, attorney fees, court reporters, witnesses, reproduction of records, department staff time, and expenses incurred by department staff.

Subd. 5. **Consequences of disciplinary actions.** Upon the suspension or revocation of licensure, the technician or establishment shall cease to:

(1) perform body art procedures;

(2) use titles protected under this chapter; and

(3) represent to the public that the technician or establishment is licensed by the commissioner.

Subd. 6. **Reinstatement requirements after disciplinary action.** A technician who has had licensure suspended may petition on forms provided by the commissioner for reinstatement following the period of suspension specified by the commissioner. The requirements of section 146B.03 for renewing licensure must be met before licensure may be reinstated.

Sec. 9. [146B.09] COUNTY OR MUNICIPAL REGULATION.

Nothing in this chapter preempts or supersedes any county or municipal ordinance relating to land use, building and construction requirements, nuisance control, or the licensing of commercial enterprises in general.

Sec. 10. **[146B.10] FEES.**

Subdivision 1. **Biennial licensing fees.** (a) The fee for the initial technician licensure and biennial licensure renewal is \$.....

(b) The fee for temporary technician licensure is \$.....

(c) The fee for the temporary guest artist license is \$.....

(d) The fee for a provisional establishment license is \$.....

(e) The fee for an establishment license is \$.....

(f) The fee for a temporary body art establishment permit and renewal is \$.....

Subd. 2. **Penalty for late renewals.** The penalty fee for late submission for renewal applications is \$.....

Subd. 3. **Deposit.** Fees collected by the commissioner under this section must be deposited in the state government special revenue fund.

Sec. 11. Minnesota Statutes 2008, section 325F.814, subdivision 1, is amended to read:

Subdivision 1. **Prohibition.** No person may provide body piercing ~~services~~ for a person under the age of 18 without the notarized written consent of a parent or legal guardian ~~or the parent or legal guardian is present and a consent form is signed by a parent or legal guardian in the presence of the person performing the body piercing. The consent must include both the custodial and noncustodial parents, where applicable. The provider of the services must witness the execution and dating of the consent by the parent or legal guardian.~~

Sec. 12. Minnesota Statutes 2008, section 609.2246, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** No person under the age of 18 may receive a tattoo unless the person provides a notarized written ~~parental~~ consent ~~to the tattoo of a parent or legal guardian or the parent or legal guardian is present and a consent form is signed by a parent or legal guardian in the presence of the person performing the tattoo.~~ The consent must include both the custodial and noncustodial parents, where applicable.

Sec. 13. **EFFECTIVE DATE.**

Sections 1 to 12 are effective August 1, 2010."

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 773, A bill for an act relating to insurance; clarifying the definition of health carrier; amending Minnesota Statutes 2008, section 62A.011, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **62A.0115 HEALTH PLAN COMPANIES.**

The term "health plan company" or "health plan companies," when used in Minnesota Statutes, does not apply to an entity that offers, sells, issues, or renews only products expressly excluded from the definition of a health plan under section 62A.011, subdivision 3, clauses (2), (4), (8), and (9), except for sections 3.7394; 62A.021; 62J.80; 72A.139; 72A.20, or unless otherwise specified."

Delete the title and insert:

"A bill for an act relating to health; modifying certain definitions; proposing coding for new law in Minnesota Statutes, chapter 62A."

With the recommendation that when so amended the bill be re-referred to the Committee on Commerce and Labor without further recommendation.

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 797, A bill for an act relating to agriculture; clarifying that horses and other equines are livestock and raising them is an agricultural pursuit; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Page 1, line 12, delete everything after the period

Page 1, delete lines 13 to 15

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

The report was adopted.

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

H. F. No. 1157, A bill for an act relating to commerce; regulating franchise agreements between outdoor sport equipment dealers, manufacturers, and distributors; proposing coding for new law as Minnesota Statutes, chapter 80G.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[80G.01] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 80G.01 to 80G.11, the terms defined in this section have the meanings given them.

Subd. 2. **Dealership agreement.** "Dealership agreement" means a written agreement of definite or indefinite duration between an outdoor sport equipment manufacturer and an outdoor sport equipment dealer or distributor that enables the dealer to purchase equipment from the manufacturer or dealer and provides for the rights and obligations of the parties with respect to the purchase or sale of outdoor sport equipment.

Subd. 3. **Designated successor.** "Designated successor" means one or more persons nominated by the dealer, in a written document filed by the dealer with the manufacturer or distributor at the time the dealership agreement is executed, to succeed the dealer in the event of the dealer's death or incapacity.

Subd. 4. **Outdoor sport equipment.** "Outdoor sport equipment" means snowmobiles as defined in section 84.81, subdivision 3; all-terrain vehicles as defined in section 84.92, subdivision 8; personal watercraft as defined in section 86B.005, subdivision 14a; watercraft as defined in section 86B.005, subdivision 18; and off-highway motorcycles, as defined in section 84.787, subdivision 7, and all attachments and repair parts for all of this equipment.

Subd. 5. **Outdoor sport equipment dealer or dealer.** "Outdoor sport equipment dealer" or "dealer" means a person engaged in acquiring outdoor sport equipment from a manufacturer and reselling the outdoor sport equipment at wholesale or retail.

Subd. 6. **Outdoor sport equipment distributor or distributor.** "Outdoor sport equipment distributor" means a person, other than a manufacturer, who offers for sale, sells, or distributes outdoor sport equipment to an outdoor sport equipment dealer or who maintains a factory representative, or who controls a person who offers for sale, sells, or distributes outdoor equipment to an outdoor sport equipment dealer. "Distributor" includes a wholesaler.

Subd. 7. **Outdoor sport equipment manufacturer or manufacturer.** "Outdoor sport equipment manufacturer" or "manufacturer" means a person engaged in the manufacture or assembly of outdoor sport equipment. The term also includes any successor in interest of the outdoor sport equipment manufacturer, including any purchaser of assets or stock, any surviving corporation resulting from a merger or liquidation, any receiver or assignee, or any trustee of the original outdoor sport equipment manufacturer.

Subd. 8. **Person.** "Person" means an individual, partnership, limited partnership, corporation, limited liability company, trustee of a trust, personal representative of an estate, or any other type of business entity.

Subd. 9. **Proposed outdoor sport equipment dealer.** "Proposed outdoor sport equipment dealer" or "proposed dealer" means a person who has an application for a new dealership agreement pending with a manufacturer or distributor. Proposed dealer does not include a person whose dealership agreement is being renewed or continued.

Sec. 2. **[80G.02] DEALERSHIP AGREEMENT AND COMPLIANCE REQUIRED FOR SALE OR PURCHASE OF OUTDOOR SPORT EQUIPMENT.**

A manufacturer or distributor shall not offer for sale to a new outdoor sport equipment dealer, and a new or proposed new outdoor sport equipment dealer shall not offer to purchase from a manufacturer, new outdoor sport equipment without first entering into a written dealership agreement and complying with all other applicable provisions of this chapter. The written agreement may provide for certain types of routine transactions to be done orally.

Sec. 3. **[80G.03] CONTENTS OF DEALERSHIP AGREEMENT.**

Each dealership agreement must include, but is not limited to, all of the following:

- (1) the territory or market area;
- (2) the period of time covered by the dealership agreement;
- (3) performance and marketing standards;
- (4) notice provisions for termination, cancellation, or nonrenewal;
- (5) obligations in the preparation and delivery of product and warranty service;
- (6) disposition obligations upon termination, cancellation, or nonrenewal relating to inventory, equipment, furnishings, special tools, and required signs acquired within the 18 months immediately prior to the date of termination, cancellation, or nonrenewal; and
- (7) dispute resolution procedures.

Sec. 4. **[80G.04] SALE, TRANSFER, EXCHANGE OF DEALERSHIP; CONSENT; CRITERIA; PROHIBITED CONDUCT.**

(a) A manufacturer or distributor shall not unreasonably withhold consent to the sale, transfer, or exchange of a dealership to a person who meets the criteria, if any, set forth in the dealership agreement.

(b) Failure by a manufacturer or distributor to respond within 60 days after receipt of a written request by the dealer to the manufacturer or distributor for consent to the sale, transfer, or exchange of a dealership is considered consent to the request.

Sec. 5. **[80G.05] INABILITY OF DESIGNATED SUCCESSOR TO SUCCEED OUTDOOR SPORT EQUIPMENT DEALER.**

If a designated successor is not able to succeed the outdoor sport equipment dealer because of the designated successor's death or legal incapacity, the dealer may, at any time after that death or incapacity, execute and deliver to the manufacturer or distributor a new document nominating a designated successor.

Sec. 6. **[80G.06] DESIGNATED SUCCESSOR OF DECEASED OR INCAPACITATED SPORT EQUIPMENT DEALER; NOTICE OF INTENT; EXISTING DEALERSHIP AGREEMENT; PERSONAL AND FINANCIAL DATA; NOTICE OF REFUSAL TO APPROVE SUCCESSION.**

(a) A designated successor of a deceased or incapacitated new sport equipment dealer may succeed the dealer in the ownership or operation of the dealership under the existing dealership agreement if the designated successor gives the manufacturer or distributor written notice of the designated successor's intention to succeed to the dealership within 60 days after the dealer's death or incapacity and agrees to be bound by all of the terms and conditions of the dealership agreement. A manufacturer or distributor may refuse to honor the existing dealer agreement with the designated successor for good cause or on the basis of criteria agreed to in the existing dealership agreement.

(b) The manufacturer or distributor may request from a designated successor the personal and financial data necessary to determine whether the existing dealership agreement should be honored with the designated successor. Upon request, the designated successor shall supply the personal and financial data.

(c) Within 60 days after receiving the notice of the designated successor's intent to succeed the dealer in the ownership and operation of the dealership or within 60 days after receiving the requested personal and financial data, whichever occurs last, if a manufacturer or distributor believes that good cause or other criteria agreed to in the existing dealership agreement exist for refusing to honor the succession, the manufacturer or distributor may provide written notice to the designated successor of its refusal to approve the succession.

Sec. 7. **[80G.07] CANCELLATION AND ALTERATION OF DEALERSHIPS.**

Subdivision 1. **Termination by manufacturer or distributor.** (a) No manufacturer or distributor, directly or through any officer, agent, or employee, may terminate, cancel, or fail to renew a dealership agreement without good cause.

(b) The burden of proving good cause is on the manufacturer or distributor.

(c) For purposes of this section, "good cause" means:

(1) failure by the dealer to comply substantially with essential and reasonable requirements imposed or sought to be imposed by the manufacturer or distributor, which requirements are not discriminatory as compared to requirements imposed by the manufacturer or distributor on other similarly situated dealers, either by the terms or in the manner of their enforcement;

(2) a substantial breach of the dealership agreement that the dealer has not cured within a reasonable time after notice of the breach by the manufacturer;

(3) without the consent of the outdoor sport equipment manufacturer, who shall not withhold consent unreasonably:

(i) the outdoor sport equipment dealer has transferred an interest in the outdoor sport equipment dealership;

(ii) there has been a withdrawal from the dealership of an individual proprietor, partner, major shareholder, or the manager of the dealership; or

(iii) there has been a substantial reduction in interest of a partner or major stockholder;

(4) the outdoor sport equipment dealer has filed a voluntary petition in bankruptcy or has had an involuntary petition in bankruptcy filed against it that has not been discharged within 30 days after the filing, there has been a closeout or other sale of a substantial part of the dealer's assets related to the outdoor sport equipment business, or there has been a commencement of dissolution or liquidation of the dealer;

(5) there has been a change without the prior written approval of the manufacturer, in the location of the dealer's principal place of business under the dealership agreement;

(6) the outdoor sport equipment dealer has defaulted under a chattel mortgage or other security agreement between the dealer and the outdoor sport equipment manufacturer, or there has been a revocation or discontinuance of a guarantee of the dealer's present or future obligations to the outdoor sport equipment manufacturer;

(7) the outdoor sport equipment dealer has abandoned the business;

(8) the outdoor sport equipment dealer has pleaded guilty to or has been convicted of a felony affecting the relationship between the dealer and manufacturer;

(9) the outdoor sport equipment dealer has engaged in conduct that is injurious or detrimental to the dealer's customers or to the public welfare; or

(10) the outdoor sport equipment dealer, after receiving notice from the manufacturer of its requirements for reasonable market penetration based on the manufacturer's experience in other comparable marketing areas, fails to meet the manufacturer's market penetration requirements. In setting market penetration requirements, manufacturers shall take into consideration local economic conditions, local demographics, and other unique circumstances.

Subd. 2. **Termination, cancellation, or nonrenewal by dealer.** A dealer may terminate, cancel, or nonrenew a dealership agreement at any time, upon 180 days' written notice to the manufacturer or distributor, unless a shorter period is agreed upon by the parties. This prohibition does not apply to a failure to renew due to the death of the dealer or the death of an individual who is at least a 50 percent owner of the dealership.

Subd. 3. **Recovery of costs, disbursements, and attorney fees.** If the plaintiff is the prevailing party in a civil action brought against a manufacturer or distributor for violation of this section, the plaintiff must be awarded costs and disbursements and reasonable attorney fees.

Sec. 8. **[80G.08] REPURCHASE OF INVENTORY REQUIRED.**

(a) If a manufacturer or distributor terminates a dealership agreement as a result of any action, except for good cause under section 80G.07, or if the dealer terminates or cancels a dealership agreement under section 80G.07, subdivision 3, the manufacturer or distributor shall repurchase the inventory as provided in this section. The dealer may keep part or all of the inventory if it desires to do so, and the manufacturer agrees in writing. If the dealer has an outstanding debt to the manufacturer or distributor, then the repurchase amount may be adjusted by the manufacturer to take into account those unpaid debts.

(b) After written notice by the dealer to the manufacturer or distributor in person or by registered or certified mail or by a commercial delivery service, return receipt requested, provided by the dealer within 210 days after notice of termination under section 80G.07, subdivision 2, is received by the manufacturer or distributor, the manufacturer or distributor shall repurchase that inventory previously purchased from the manufacturer or distributor as provided in this section except as otherwise provided in paragraph (a).

(c) Upon payment within a reasonable time of the repurchase amount to the dealer, the title, if any, and the right of possession to the repurchased inventory transfers to the manufacturer or distributor.

(d) The repurchase amount for the inventory must be at least the amount the dealer paid for the inventory, and must include inventory acquired by that dealer from the manufacturer within the preceding 36 months; and all parts, including superseded parts, and outdoor support equipment accessories listed in current priced lists or catalogs in use by the manufacturer on the date of termination.

(e) For purposes of this section, "inventory" includes equipment, parts, signage, diagnostic equipment, and service-related equipment such as computer hardware and current software if it was required to be purchased from the manufacturer or distributor.

Sec. 9. **[80G.09] WARRANTIES.**

Subdivision 1. Application. This section applies to all warranty claims submitted by a dealer to an outdoor sport equipment manufacturer in which the outdoor sport equipment dealer has complied with the policies and procedures contained in the outdoor sport equipment manufacturer's warranty.

Subd. 2. Prompt payment. Claims filed for payment under warranty agreements must be approved or disapproved within 30 days after receipt by the outdoor sport equipment manufacturer. Unless the outdoor sport equipment dealer agrees to a later date, approved claims for payment must be paid within 30 days after approval. When a claim is disapproved, the outdoor sport equipment manufacturer shall notify the dealer within ten business days of the disapproval stating the specific grounds on which the disapproval is based. Any claim not specifically disapproved within 30 days of receipt is deemed approved and must be paid within 30 days after the deemed approval.

Subd. 3. Posttermination claims. If, after termination of a dealership agreement, a dealer submits a warranty claim for warranty work performed before the effective date of the termination, the outdoor sport equipment manufacturer shall handle the claim as provided in subdivision 2.

Subd. 4. Compensation for warranty work. Warranty work performed by the dealer must be compensated in accordance with the reasonable and customary amount of time required to complete the work, expressed in hours and fractions of hours multiplied by the dealer's established customer hourly retail labor rate, which the dealer shall communicate to the outdoor sport equipment manufacturer before performing the warranty work. A manufacturer may require a dealer to have a technician participate in an annual update seminar either online or by participation at a regional seminar.

Subd. 5. Expenses. Expenses expressly excluded under the outdoor sport equipment manufacturer's warranty to the customer must not be included in claims and are not required to be paid on requests for compensation from the dealer for warranty work performed.

Subd. 6. Compensation for parts. Payment for all parts used by the dealer in performing warranty work must be paid to the dealer in the amount equal to the dealer's net price for the parts, plus a minimum of 35 percent to reimburse the dealer for reasonable costs of doing business in performing warranty service on the outdoor sport equipment manufacturer's behalf, including, but not limited to, freight and handling costs.

Subd. 7. Adjustment for errors. The outdoor sport equipment manufacturer may adjust for errors discovered during audit, and if necessary, adjust claims paid in error.

Subd. 8. Alternate terms and conditions. A dealer may choose to accept alternate reimbursement terms and conditions in lieu of the requirements of subdivisions 2 to 7, provided there is a written dealership agreement between the outdoor sport equipment manufacturer and the dealer providing for compensation to the dealer for warranty labor costs either as:

(1) a discount in the pricing of the equipment to the dealer; or

(2) a lump-sum payment to the dealer.

The discount or lump sum must be no less than five percent of the suggested retail price of the equipment. If the requirements of this subdivision are met and alternate terms and conditions are in place, subdivisions 2 to 7 do not apply and the alternate terms and conditions are enforceable.

Subd. 9. **Warranty work on units not sold by the dealer.** Upon request of the manufacturer or distributor, the dealer shall perform warranty repair work on units that were not sold by the dealer. Compensation for that work must be on the same terms and conditions otherwise required in this section.

Sec. 10. **[80G.10] STATUS OF INCONSISTENT AGREEMENTS.**

A term of a dealership agreement either expressed or implied, including a choice of law provision that is inconsistent with sections 80G.01 to 80G.11 or that purports to waive an outdoor sport equipment manufacturer's or distributor's compliance with sections 80G.01 to 80G.11 is void and unenforceable and does not waive any rights provided to a person by sections 80G.01 to 80G.11.

Sec. 11. **[80G.11] REMEDIES.**

If either party to a dealership agreement violates any provision of sections 80G.01 to 80G.11, the other party may bring an action against the alleged violator in a court of competent jurisdiction for damages sustained by the allegedly wronged party as a consequence of the violation, and the allegedly wronged party may also be granted injunctive relief against any action or inaction prohibited under sections 80G.01 to 80G.11. The remedies in this section are in addition to any other remedies permitted by law.

Sec. 12. **EFFECTIVE DATE.**

Sections 1 to 11 are effective the day following final enactment."

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

The report was adopted.

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

H. F. No. 1217, A bill for an act relating to solid waste; expanding categories of persons allowed to possess legend and nonprescription drugs to include those disposing of them; modifying definitions; prohibiting flushing drugs into sewer system by health care facilities; amending Minnesota Statutes 2008, sections 151.37, subdivisions 6, 7; 151.44; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, delete section 1

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "solid waste" and insert "health"

Page 1, line 4, delete everything after the first semicolon

Correct the title numbers accordingly

With the recommendation that the bill be amended without further recommendation.

The report was adopted.

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

H. F. No. 1395, A bill for an act relating to real property; modifying procedures relating to uses and conveyances of tax-forfeited property; amending Minnesota Statutes 2008, section 282.01, subdivisions 1, 1a, 1b, 1c, 1d, 2, 3, 4, 7, 7a, by adding subdivisions; repealing Minnesota Statutes 2008, sections 282.01, subdivisions 9, 10, 11; 383A.76.

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

The report was adopted.

Hilty from the Energy Finance and Policy Division to which was referred:

H. F. No. 1633, A bill for an act relating to energy; amending definition of large energy facility; amending Minnesota Statutes 2008, section 216B.2421, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 216B.243, is amended by adding a subdivision to read:

Subd. 10. **Transmission line.** A high-voltage transmission line longer than one mile with a capacity of 100 kilovolts or more that is located in a city of the first class in a zone within one mile of the transmission line in which population density exceeds 8,000 persons per square mile, and that runs parallel to and is within one-quarter mile of a below-grade bike and walking path that connects with other bike paths along a river, is subject to the provisions of this section.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all high-voltage transmission lines that have not received a routing permit from the commission as of the effective date of this act."

Delete the title and insert:

"A bill for an act relating to utilities; regulating certain transmission lines; amending Minnesota Statutes 2008, section 216B.243, by adding a subdivision."

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. 1746, A bill for an act relating to consumer protection; protecting customers from injuries resulting from use of inflatable play equipment used for commercial purposes; requiring the presence of trained supervisors and liability insurance; proposing coding for new law in Minnesota Statutes, chapter 184B.

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

The report was adopted.

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

H. F. No. 1780, A bill for an act relating to state government; requiring revisor of statutes to survey recipients of free state publications.

Reported the same back with the following amendments:

Page 1, line 7, delete everything before the first "the" and delete "shall" and insert "must"

Page 1, line 15, delete "shall" and insert "must" and delete "shall" and insert "must"

Page 1, after line 17, 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.

Hilty from the Energy Finance and Policy Division to which was referred:

H. F. No. 2019, A bill for an act relating to energy; increasing the capacity of wind energy conversion systems over which counties have authority to issue site permits; amending Minnesota Statutes 2008, sections 216F.01, subdivisions 2, 3; 216F.02; 216F.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 216F.012, is amended to read:

216F.012 SIZE ELECTION.

(a) A wind energy conversion system of less than 25 megawatts of nameplate capacity as determined under section 216F.011 is a small wind energy conversion system if, ~~by July 1, 2009,~~ the owner so elects in writing and submits a completed application for zoning approval and the written election to the county or counties in which the project is proposed to be located. The owner must notify the Public Utilities Commission of the election at the time the owner submits the election to the county.

(b) Notwithstanding paragraph (a), a wind energy conversion system with a nameplate capacity exceeding five megawatts that is proposed to be located wholly or partially within a wind access buffer adjacent to state lands that are part of the outdoor recreation system, as enumerated in section 86A.05, is a large wind energy conversion system. The Department of Natural Resources shall negotiate in good faith with a system owner regarding siting and may support the system owner in seeking a variance from the system setback requirements if it determines that a variance is in the public interest.

(c) The Public Utilities Commission shall issue an annual report to the chairs and ranking minority members of the house of representatives and senate committees with primary jurisdiction over energy policy and natural resource policy regarding any variances applied for and not granted for systems subject to paragraph (b).

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

Delete the title and insert:

"A bill for an act relating to energy; allowing size election for certain wind energy conversion systems; amending Minnesota Statutes 2008, section 216F.012."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2062, A bill for an act relating to poverty; establishing the Ladder Out of Poverty Task Force; providing for its membership and duties; providing legislative appointments.

Reported the same back with the following amendments:

Page 1, line 23, after "members" insert ", who serve at the pleasure of their appointing authority"

With the recommendation that when so amended the bill pass.

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 2567, A bill for an act relating to veterans; extending eligibility for gold star motor vehicle license plates to include children and siblings of persons who have died while serving in active military service; amending Minnesota Statutes 2009 Supplement, section 168.1253, subdivision 1.

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

The report was adopted.

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

H. F. No. 2600, A bill for an act relating to financial institutions; providing for the licensing and regulation of an individual engaged in the business of a mortgage loan origination or the mortgage loan business; proposing coding for new law as Minnesota Statutes, chapter 58A.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"ARTICLE 1

MINNESOTA S.A.F.E. MORTGAGE LICENSING ACT OF 2010"

Page 1, lines 8 and 9, delete "2009" and insert "2010"

Page 6, after line 3, insert:

"Sec. 5. [58A.045] TERM OF LICENSE AND FEES.

Subdivision 1. **Term.** Licenses for mortgage loan originators issued under this chapter expire on December 31 and are renewable on January 1 of each year after that date.

Subd. 2. **Fees.** The following fees must be paid to the commissioner:

(1) for a mortgage loan originator license, \$200; and

(2) for a renewal mortgage loan originator license, \$100."

Page 17, line 19, delete "act" and insert "article"

Page 17, after line 19, insert:

"ARTICLE 2

CONFORMING AND TRANSITIONAL PROVISIONS RELATING TO MINNESOTA STATUTES, CHAPTER 58

Section 1. Minnesota Statutes 2008, section 58.04, subdivision 1, is amended to read:

Subdivision 1. **Residential mortgage originator licensing requirements.** (a) No person shall act as a residential mortgage originator, or make residential mortgage loans without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) A licensee must be either a partnership, limited liability partnership, association, limited liability company, corporation, or other form of business organization, and must have and maintain ~~at all times one of the following: approval as a mortgagee by either the federal Department of Housing and Urban Development or the Federal National Mortgage Association; a minimum net worth, net of intangibles, of at least \$250,000; or a surety bond or irrevocable letter of credit in the amount of \$50,000 amounts prescribed under section 58.08. Net worth, net of intangibles, must be calculated in accordance with generally accepted accounting principles.~~

(c) The following persons are exempt from the residential mortgage originator licensing requirements:

(1) a person who is not in the business of making residential mortgage loans and who makes no more than three such loans, with its own funds, during any 12-month period;

(2) a financial institution as defined in section 58.02, subdivision 10;

(3) an agency of the federal government, or of a state or municipal government;

(4) an employee or employer pension plan making loans only to its participants;

(5) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; or

(6) a person exempted by order of the commissioner.

Sec. 2. Minnesota Statutes 2009 Supplement, section 58.06, subdivision 2, is amended to read:

Subd. 2. **Application contents.** (a) The application must contain the name and complete business address or addresses of the license applicant. The license applicant must be a partnership, limited liability partnership, association, limited liability company, corporation, or other form of business organization, and the application must contain the names and complete business addresses of each partner, member, director, and principal officer. The application must also include a description of the activities of the license applicant, in the detail and for the periods the commissioner may require.

(b) A residential mortgage originator applicant must submit ~~one of the following:~~

~~(1) evidence which shows, to the commissioner's satisfaction, that either the federal Department of Housing and Urban Development or the Federal National Mortgage Association has approved the residential mortgage originator applicant as a mortgagee;~~

~~(2) a surety bond or irrevocable letter of credit in the amount of not less than \$50,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter and for losses incurred by borrowers. The bond or letter of credit must be submitted with the license application, and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner within ten days of its execution; or~~

~~(3) a copy of the residential mortgage originator applicant's most recent audited financial statement, including balance sheet, statement of income or loss, statements of changes in shareholder equity, and statement of changes in financial position. Financial statements must be as of a date within 12 months of the date of application. a surety bond that meets the requirements of section 58.08, subdivision 1a.~~

(c) The application must also include all of the following:

(1) an affirmation under oath that the applicant:

(i) is in compliance with the requirements of section 58.125;

~~(ii) will maintain a perpetual roster of individuals employed as residential mortgage originators, including employees and independent contractors, which includes the dates that mandatory testing, initial education, and continuing education were completed. In addition, the roster must be made available to the commissioner on demand, within three business days of the commissioner's request;~~

~~(iii) (ii) will advise the commissioner of any material changes to the information submitted in the most recent application within ten days of the change;~~

~~(iv) (iii) will advise the commissioner in writing immediately of any bankruptcy petitions filed against or by the applicant or licensee;~~

~~(v) (iv) will maintain at all times either a net worth, net of intangibles, of at least \$250,000 or a surety bond or irrevocable letter of credit in the amount of at least \$50,000 \$100,000;~~

~~(vi) (v) complies with federal and state tax laws; and~~

~~(vii) (vi) complies with sections 345.31 to 345.60, the Minnesota unclaimed property law;~~

(2) information as to the mortgage lending, servicing, or brokering experience of the applicant and persons in control of the applicant;

(3) information as to criminal convictions, excluding traffic violations, of persons in control of the license applicant;

(4) whether a court of competent jurisdiction has found that the applicant or persons in control of the applicant have engaged in conduct evidencing gross negligence, fraud, misrepresentation, or deceit in performing an act for which a license is required under this chapter;

(5) whether the applicant or persons in control of the applicant have been the subject of: an order of suspension or revocation, cease and desist order, or injunctive order, or order barring involvement in an industry or profession issued by this or another state or federal regulatory agency or by the Secretary of Housing and Urban Development within the ten-year period immediately preceding submission of the application; and

(6) other information required by the commissioner.

Sec. 3. Minnesota Statutes 2008, section 58.08, is amended by adding a subdivision to read:

Subd. 1a. **Residential mortgage originators.** (a) An applicant for a residential mortgage originator license must file with the department a surety bond in the amount of \$100,000, issued by an insurance company authorized to do so in this state. The bond must cover all mortgage loan originators who are employees or independent agents of the applicant. The bond must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter and for losses incurred by borrowers as a result of a licensee's noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract relating to activities regulated by this chapter.

(b) The bond must be submitted with the originator's license application and evidence of continued coverage must be submitted with each renewal. Any change in the bond must be submitted for approval by the commissioner, within ten days of its execution. The bond or a substitute bond shall remain in effect during all periods of licensing.

(c) Upon filing of the mortgage call report as required by section 58A.17, a licensee shall maintain or increase its surety bond to reflect the total dollar amount of the closed residential mortgage loans originated in this state in the preceding year according to the table in this paragraph. A licensee may decrease its surety bond according to the table in this paragraph if the surety bond required is less than the amount of the surety bond on file with the department.

<u>Dollar Amount of Closed Residential Mortgage Loans</u>	<u>Surety Bond Required</u>
<u>\$0 to \$5,000,000</u>	<u>\$100,000</u>
<u>\$5,000,000.01 to \$10,000,000</u>	<u>\$125,000</u>
<u>\$10,000,000.01 to \$25,000,000</u>	<u>\$150,000</u>
<u>Over \$25,000,000</u>	<u>\$200,000</u>

For purposes of this subdivision, "mortgage loan originator" has the meaning given the term in section 58A.02, subdivision 7.

Sec. 4. Minnesota Statutes 2008, section 58.09, is amended to read:

58.09 TERM OF LICENSE.

~~Initial~~ Licenses for residential mortgage originators and residential mortgage servicers issued under this chapter expire on ~~July 31, 2001, December 31~~ and are renewable on ~~August 1, 2001, and on August 1 January 1~~ of each ~~odd-numbered~~ year after that date. ~~A new licensee whose license expires less than 12 months from the date of issuance shall pay a fee equal to one-half the applicable initial license fee set forth in section 58.10, subdivision 1, clause (1) or (3).~~

Sec. 5. Minnesota Statutes 2008, section 58.10, subdivision 1, is amended to read:

Subdivision 1. **Amounts.** The following fees must be paid to the commissioner:

(1) for ~~an initial~~ a residential mortgage originator license, ~~\$2,125~~ \$1,000, \$50 of which is credited to the consumer education account in the special revenue fund;

(2) for a renewal license, ~~\$1,125~~ \$500, \$50 of which is credited to the consumer education account in the special revenue fund;

(3) for ~~an initial~~ a residential mortgage servicer's license, ~~\$1,000~~ \$500;

(4) for a renewal license, ~~\$500~~ \$250; and

(5) for a certificate of exemption, \$100.

Sec. 6. Minnesota Statutes 2008, section 58.11, is amended to read:

58.11 LICENSE RENEWAL.

Subdivision 1. **Term.** Licenses are renewable on ~~August 1, 2001, and on August 1 January 1~~ of each ~~odd-numbered~~ year after that date.

Subd. 2. **Timely renewal.** (a) A person whose application is properly and timely filed who has not received notice of denial of renewal is considered approved for renewal and the person may continue to transact business as a residential mortgage originator or servicer whether or not the renewed license has been received on or before ~~August January 1~~ of the renewal year. Application for renewal of a license is considered timely filed if received by the commissioner by, or mailed with proper postage and postmarked by, ~~July December~~ 15 of the renewal year. An application for renewal is considered properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter, and containing any information that the commissioner requires.

(b) A person who fails to make a timely application for renewal of a license and who has not received the renewal license as of ~~August January 1~~ of the renewal year is unlicensed until the renewal license has been issued by the commissioner and is received by the person.

Subd. 3. **Contents of renewal application.** Application for the renewal of an existing license must contain the information specified in section 58.06, subdivision 2; however, only the requested information having changed from the most recent prior application need be submitted.

Subd. 4. **Cancellation.** A licensee ceasing an activity or activities regulated by this chapter and desiring to no longer be licensed shall so inform the commissioner in writing and, at the same time, surrender the license and all other symbols or indicia of licensure. The licensee shall include a plan for the withdrawal from regulated business, including a timetable for the disposition of the business.

Sec. 7. **ASSESSMENT.**

The commissioner may levy a pro rata assessment on institutions licensed under Minnesota Statutes, chapter 58, to recover the costs to the Department of Commerce for administering the licensing and registration requirements of Minnesota Statutes, section 58A.10. The assessment amount must be determined by dividing those costs by the number of licensees.

The commissioner shall levy the assessments and notify each institution of the amount of the assessment being levied by September 30, 2010. The institution shall pay the assessment to the department no later than November 30, 2010. If an institution fails to pay its assessment by this date, its license may be suspended by the commissioner until it is paid in full.

This section expires December 1, 2010.

Sec. 8. **RESIDENTIAL MORTGAGE ORIGINATORS AND SERVICERS; TRANSITIONAL LICENSE FEE AND TERMS.**

A residential mortgage originator licensee and a residential mortgage service licensee operating under a valid license under Minnesota Statutes 2008, chapter 58, with an expiration date of July 31, 2011, shall pay a prorated renewal fee of \$200 for a residential mortgage originator, and \$100 for a residential mortgage servicer. The prorated license renewal fee must be paid by December 31, 2010, and such payment extends the license term until December 31, 2011.

Sec. 9. **REPEALER.**

Minnesota Statutes 2009 Supplement, section 58.126, is repealed.

Sec. 10. **EFFECTIVE DATE.**

This article is effective July 31, 2010."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing certain conforming and transitional provisions;"

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 2610, A bill for an act relating to forfeiture; requiring officers to give forfeiture receipts upon seizure of property; implementing timelines for forfeiture notice and hearings; placing a cap on the value of property that may be forfeited administratively; authorizing petitions for remission and mitigation of seized property; requiring

certification by prosecutor before property may be forfeited administratively; requiring forfeiture proceeds to be deposited in special trust accounts; directing Department of Public Safety to establish ethical guidelines related to forfeiture proceedings; requiring law enforcement to secure seized property; prohibiting sale of forfeited property to law enforcement officers, employees, and family members; amending Minnesota Statutes 2008, sections 609.531, subdivisions 4, 5, by adding subdivisions; 609.5311, subdivision 3; 609.5313; 609.5314, subdivisions 2, 3; 609.5315, subdivisions 1, 2, 5.

Reported the same back with the following amendments:

Page 2, line 26, delete "Whenever" and insert "Prior to the entry of a court order disposing with the forfeiture action,"

Page 2, line 27, delete "files" and insert "may file" and delete everything after "attorney"

Page 2, line 28, delete "property," and delete "forfeiture, the" and insert "forfeiture. The"

Page 2, line 29, delete the second "the" and delete "as"

Page 3, delete section 4 and insert:

"Sec. 4. Minnesota Statutes 2008, section 609.531, is amended by adding a subdivision to read:

Subd. 8. **Forfeiture policies; statewide model policy required.** (a) By December 1, 2010, the Peace Officer Standards and Training Board, after consulting with the Minnesota County Attorneys Association, the Minnesota Sheriffs' Association, the Minnesota Chiefs of Police Association, and the Minnesota Police and Peace Officers Association, shall develop a model policy that articulates best practices for forfeiture and is designed to encourage the uniform application of forfeiture laws statewide. At a minimum, the policy shall address the following:

(1) best practices in pursuing, seizing, and tracking forfeitures;

(2) type and frequency of training for law enforcement on forfeiture laws; and

(3) situations in which forfeitures should not be pursued.

(b) By December 1, 2010, the Minnesota County Attorneys Association, after consulting with the Peace Officer Standards and Training Board, the Minnesota Sheriffs' Association, the Minnesota Chiefs of Police Association, and the Minnesota Police and Peace Officers Association, shall develop a model policy that articulates best practices for forfeiture and is designed to encourage the uniform application of forfeiture laws statewide. At a minimum, the policy shall address the following:

(1) statutory role of prosecutors in forfeiture procedures;

(2) best practices for timely and fair resolution of forfeiture cases;

(3) type and frequency of training for prosecutors on forfeiture laws; and

(4) situations in which forfeitures should not be pursued.

(c) By March 1, 2011, the chief law enforcement officer of every state and local law enforcement agency and every prosecution office in the state shall adopt and implement a written policy on forfeiture that is identical or substantially similar to the model policies developed under paragraphs (a) and (b). The written policy shall be made available to the public upon request.

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

Page 6, line 14, after the period, insert "If a related criminal proceeding is pending, the hearing shall not be held until the conclusion of the criminal proceedings. The district court administrator shall schedule the hearing as soon as practicable after adjudication in the criminal prosecution."

Page 8, delete section 11

Amend the title as follows:

Page 1, line 8, delete "ethical guidelines" and insert "model policy"

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 2613, A bill for an act relating to real property; providing for mediation prior to commencement of mortgage foreclosure proceedings on homestead property; creating a homestead-lender mediation account; amending Minnesota Statutes 2008, sections 580.021, as amended; 580.022, subdivision 1; 580.23, by adding a subdivision; 582.30, subdivision 2; Minnesota Statutes 2009 Supplement, sections 357.18, subdivision 1; 508.82, subdivision 1; 508A.82, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 583.

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

The report was adopted.

Hilstrom from the Committee on Public Safety Policy and Oversight to which was referred:

H. F. No. 2639, A bill for an act relating to public safety; authorizing wireless telecommunications service providers to provide call locations for emergencies; amending Minnesota Statutes 2008, section 626A.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 626A.

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

The report was adopted.

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

H. F. No. 2668, A bill for an act relating to landlord and tenant; modifying certain procedures related to expungement in eviction cases; adding certain residential covenants; specifying procedures for handling applicant screening fees; providing certain rights to tenants of foreclosed properties; amending Minnesota Statutes 2008, sections 484.014, subdivision 3, by adding a subdivision; 504B.161, subdivision 1; 504B.173; 504B.178, subdivision 7; 504B.285, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 504B.285, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 504B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 484.014, subdivision 3, is amended to read:

Subd. 3. **Mandatory expungement.** The court shall order expungement of an eviction case commenced solely on the grounds provided in section 504B.285, subdivision 1, clause (1), if the court finds that the defendant occupied real property that was subject to contract for deed cancellation or mortgage foreclosure and:

(1) the time for contract cancellation or foreclosure redemption has expired and the defendant vacated the property prior to commencement of the eviction action; or

(2) the defendant was a tenant during the contract cancellation or foreclosure redemption period and did not receive a notice under section 504B.285, subdivision 1, ~~clause (1)~~ 1a or 1b, to vacate on a date prior to commencement of the eviction case.

Sec. 2. Minnesota Statutes 2008, section 484.014, is amended by adding a subdivision to read:

Subd. 5. **Hearing on motion.** (a) If the defendant moves for expungement when the eviction case is pending, the court must rule on the motion at the hearing on the eviction following the ruling on the eviction unless there is good cause to hear it at a later time.

(b) A motion to expunge under this subdivision is available exclusively for the eviction case that is pending.

(c) The court must make a written ruling on the expungement motion, indicating how the case satisfied the statutory requirements for expungement if the motion is granted or how the case failed to satisfy the statutory requirements for expungement if the motion is denied.

Sec. 3. Minnesota Statutes 2008, section 504B.111, is amended to read:

504B.111 WRITTEN LEASE REQUIRED; PENALTY.

(a) A landlord of a residential building with 12 or more residential units must have a written lease for each unit rented to a residential tenant. Notwithstanding any other state law or city ordinance to the contrary, a landlord may ask for the tenant's full name and date of birth on the lease and application. A landlord who fails to provide a lease, as required under this section, is guilty of a petty misdemeanor.

(b) A landlord of a residential building may not charge a late fee if the payment of rent is made after the date on which it is due unless the tenant and landlord have agreed in writing that a fee may be imposed. In no case may the late fee exceed ... percent of the rent payment. Any late fee charged or collected may not be considered to be either interest or liquidated damages. For the purposes of this paragraph, the "due date" does not include a date earlier than the date contained in the written or oral agreement to lease by which, if the rent is paid, the tenant earns a discount.

Sec. 4. **[504B.118] RECEIPT FOR RENT.**

A landlord receiving rent or other payments from a tenant by cash must provide a written receipt for payment immediately upon receipt if the payment is made in person or within three business days if payment is made by other means.

Sec. 5. **[504B.172] RECOVERY OF COSTS IN ACTION FOR BREACH OF COVENANTS.**

Where a residential lease specifies circumstances that entitle a landlord, directly or through additional rent, to recover attorney fees and expenses in an action or summary proceeding, it shall be implied in law that a tenant is entitled to attorney fees and costs in an action or summary proceeding initiated by the tenant or in a successful defense of an action or summary proceeding commenced by the landlord against the tenant involving the same circumstances.

Sec. 6. Minnesota Statutes 2008, section 504B.173, is amended to read:

504B.173 APPLICANT SCREENING FEE.

Subdivision 1. ~~Limit on number of applicant screening fees~~ **Limitations.** A landlord ~~or the landlord's agent~~ may not:

(1) charge an applicant a screening fee when the landlord knows or should have known that no rental unit is available at that time or will be available within a reasonable future time;

(2) collect or hold a screening fee without giving the applicant a written receipt for the fee, which may be incorporated into the application form, upon request of the applicant; or

(3) use, cash, or deposit a screening fee until all prior applicants have either been screened and rejected, or offered the unit and declined to enter into a rental agreement.

For the purposes of this section, a "landlord" means any person having the right to rent or lease any real property and the person's agent.

Subd. 2. **Return of applicant screening fee.** ~~If the landlord or the landlord's agent does not perform a personal reference check or does not obtain a consumer credit report or tenant screening report, the landlord or the landlord's agent shall return any amount of the screening fee that is not used for those purposes.~~ (a) The landlord must return the entire screening fee if:

(1) the applicant is rejected for any reason not listed in the disclosure required under subdivision 3; or

(2) the prior applicant is offered the unit and agrees to enter into a rental agreement.

(b) If the landlord or the landlord's agent does not perform a personal reference check or does not obtain a consumer credit report or tenant screening report, the landlord must return any amount of the screening fee that is not used for those purposes.

(c) The screening fee may be returned by mail, may be destroyed upon the applicant's request if paid by check, or may be made available for the applicant to retrieve.

Subd. 3. **Disclosures to applicant.** (a) If a landlord or the landlord's agent, prior to taking takes an application fee from a prospective tenant, the landlord must disclose on the application form or orally in writing prior to taking the application fee:

(1) the name, address, and telephone number of the tenant screening service the ~~owner~~ landlord will use, unless the ~~owner~~ landlord does not use a tenant screening service; and

(2) the criteria on which the decision to rent to the prospective tenant will be based.

(b) A landlord may include in the application form a requirement that the applicant declare whether the applicant does not meet any of the disclosed criteria.

(c) A landlord must notify the applicant within 14 days of rejecting a rental application which criteria the tenant failed to meet.

Subd. 4. **Remedies.** (a) In addition to any other remedies, a landlord who violates this section is liable to the applicant for the application fee plus a civil penalty of up to \$100, civil court filing costs, and reasonable attorney fees incurred to enforce this remedy.

(b) A prospective tenant who provides materially false information on the application or omits material information requested is liable to the landlord for damages, plus a civil penalty of up to \$500, civil court filing costs, and reasonable attorney fees.

Sec. 7. Minnesota Statutes 2008, section 504B.178, subdivision 7, is amended to read:

Subd. 7. **Bad faith retention.** The bad faith retention by a landlord of a deposit, the interest thereon, or any portion thereof, in violation of this section shall subject the landlord to punitive damages not to exceed ~~\$200~~ \$500 for each deposit in addition to the damages provided in subdivision 4. If the landlord has failed to comply with the provisions of subdivision 3 or 5, retention of a deposit shall be presumed to be in bad faith unless the landlord returns the deposit within two weeks after the commencement of any action for the recovery of the deposit.

Sec. 8. Minnesota Statutes 2008, section 504B.215, subdivision 4, is amended to read:

Subd. 4. **Limitations; waiver prohibited; rights as additional.** (a) The tenant rights under this section:

(1) do not extend to conditions caused by the willful, malicious, or negligent conduct of the tenant or of a person under the tenant's direction or control;

(2) may not be waived or modified; and

(3) are in addition to and do not limit other rights which may be available to the tenant in law or equity, including the right to damages and the right to restoration of possession of the premises under section 504B.291.

(b) A landlord who violates subdivision 2a is liable to the tenant for treble damages or \$500, whichever is greater, plus reasonable attorney fees.

Sec. 9. Minnesota Statutes 2009 Supplement, section 504B.285, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** The person entitled to the premises may recover possession by eviction when:

(1) any person holds over real property;

(i) after a sale of the property on an execution or judgment; or

(ii) after the expiration of the time for redemption on foreclosure of a mortgage, or after termination of contract to convey the property, ~~provided that if the person holding the real property after the expiration of the time for redemption or termination was a tenant during the redemption or termination period under a lease of any duration and the lease began after the date the mortgage or contract for deed was executed but prior to the expiration of the time for redemption or termination, and the person has received:~~

~~(A) at least two months' written notice to vacate no sooner than one month after the expiration of the time for redemption or termination, provided that the tenant pays the rent and abides by all terms of the lease; or~~

~~(B) at least two months' written notice to vacate no later than the date of the expiration of the time for redemption or termination, which notice shall also state that the sender will hold the tenant harmless for breaching the lease by vacating the premises if the mortgage is redeemed or the contract is reinstated;~~

(2) any person holds over real property after termination of the time for which it is demised or leased to that person or to the persons under whom that person holds possession, contrary to the conditions or covenants of the lease or agreement under which that person holds, or after any rent becomes due according to the terms of such lease or agreement; or

(3) any tenant at will holds over after the termination of the tenancy by notice to quit.

Sec. 10. Minnesota Statutes 2008, section 504B.285, is amended by adding a subdivision to read:

Subd. 1a. **Grounds when the person holding over is a tenant in a foreclosed property.** (a) For any eviction action commenced on or before December 31, 2012, where the person holding the real property after the expiration of the time for redemption on foreclosure of a mortgage was a tenant during the redemption period under a lease of any duration, and the lease began after the date the mortgage was executed but prior to the expiration of the time for redemption, the successor in interest must provide at least 90 days' written notice to vacate, given no sooner than the date of the expiration of the time for redemption or termination and effective no sooner than 90 days after the date of the expiration of the time for redemption, provided that the tenant pays the rent and abides by all terms of the lease.

(b) For any eviction action commenced on or before December 31, 2012, where the term of a bona fide lease extends more than 90 days beyond the date of the expiration of the time for redemption, the immediate successor in interest must allow the tenant to occupy the premises until the end of the remaining term of the lease and provide at least 90 days' written notice to vacate, effective no sooner than the date the lease expires, provided that the tenant pays the rent and abides by all terms of the lease, except if the immediate successor in interest or an immediate subsequent bona fide purchaser will occupy the unit as the primary residence, the immediate successor in interest must provide at least 90 days' written notice to vacate, given no earlier than the date of the expiration of the time for redemption, effective no sooner than 90 days after the date of the expiration of the time for redemption provided that the tenant pays the rent and abides by all terms of the lease, provided that the tenant pays the rent and abides by all terms of the lease.

For the purposes of this section, a bona fide lease means a lease where:

(1) the mortgagor or the child, spouse, or parent of the mortgagor under the contract is not the tenant;

(2) the lease or tenancy was the result of an arms-length transaction; and

(3) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property.

(c) For any eviction action commenced on or before December 31, 2012, in the case of a tenancy subject to Section 8 of the United States Housing Act of 1937, as amended, where the term of the lease extends more than 90 days beyond the date of the expiration of the time for redemption, the immediate successor in interest must allow the tenant to occupy the premises until the end of the remaining term of the lease and provide at least 90 days' written notice to vacate, effective no sooner than the date the lease expires, provided that the tenant pays the rent and abides by all terms of the lease, except if the immediate successor in interest will occupy the unit as the primary residence, the immediate successor must provide at least 90 days' written notice to vacate, given no earlier than the date of the expiration of the time for redemption, effective no sooner than 90 days after the date of the expiration of the time for redemption, provided that the tenant pays the rent and abides by all terms of the lease.

Sec. 11. Minnesota Statutes 2008, section 504B.285, is amended by adding a subdivision to read:

Subd. 1b. **Grounds when the person holding over is a tenant in a foreclosed property subject to a contract for deed.** For any eviction action commenced on or before December 31, 2012, where the person holding the real property after the expiration of the time for termination of a contract to convey the property was a tenant during the termination period under a lease of any duration, and the lease began after the contract for deed was executed but prior to the expiration of the time for termination, the successor in interest must provide at least 60 days' written notice to vacate, given no sooner than the date of the expiration of the time for termination and effective no sooner than 60 days after the date of the expiration of the time for termination, provided that the tenant pays the rent and abides by all terms of the lease.

Sec. 12. Minnesota Statutes 2008, section 504B.285, is amended by adding a subdivision to read:

Subd. 1c. **Grounds for evictions on or after January 1, 2013.** For any eviction action commenced on or after January 1, 2013, the person entitled to the premises may recover possession by eviction when any person holds over real property after the expiration of the time for redemption on foreclosure of a mortgage, or after termination of contract to convey the property, provided that if the person holding the real property after the expiration of the time for redemption or termination was a tenant during the redemption or termination period under a lease of any duration, and the lease began after the date the mortgage or contract for deed was executed but prior to the expiration of the time for redemption or termination, the person holding the premises has received:

(1) at least two months' written notice to vacate no sooner than one month after the expiration of the time for redemption or termination, provided that the tenant pays the rent and abides by all terms of the lease; or

(2) at least two months' written notice to vacate no later than the date of the expiration of the time for redemption or termination, which notice shall also state that the sender will hold the tenant harmless for breaching the lease by vacating the premises if the mortgage is redeemed or the contract is reinstated.

Sec. 13. Minnesota Statutes 2008, section 504B.291, subdivision 1, is amended to read:

Subdivision 1. **Action to recover.** (a) A landlord may bring an eviction action for nonpayment of rent irrespective of whether the lease contains a right of reentry clause. Such an eviction action is equivalent to a demand for the rent. There shall be a rebuttable presumption that the rent has been paid if the tenant produces receipts or equivalent documents evidencing purchase of one or more money orders, bank checks, or cashier's checks, or a combination of money orders, bank checks, or cashier's checks totaling the amount of the rent, with a date or dates approximately corresponding with the date the rent was due. In such an action, unless the landlord has also sought to evict the tenant by alleging a material violation of the lease under section 504B.285, subdivision 5, the tenant may, at any time before possession has been delivered, redeem the tenancy and be restored to possession by paying to the landlord or bringing to court the amount of the rent that is in arrears, with interest, costs of the action, and an attorney's fee not to exceed \$5, and by performing any other covenants of the lease.

(b) If the tenant has paid to the landlord or brought into court the amount of rent in arrears but is unable to pay the interest, costs of the action, and attorney's fees required by paragraph (a), the court may permit the tenant to pay these amounts into court and be restored to possession within the same period of time, if any, for which the court stays the issuance of the order to vacate under section 504B.345.

(c) Prior to or after commencement of an action to recover possession for nonpayment of rent, the parties may agree only in writing that partial payment of rent in arrears which is accepted by the landlord prior to issuance of the order granting restitution of the premises pursuant to section 504B.345 may be applied to the balance due and does not waive the landlord's action to recover possession of the premises for nonpayment of rent.

(d) Rental payments under this subdivision must first be applied to rent claimed as due in the complaint from prior rental periods before applying any payment toward rent claimed in the complaint for the current rental period, unless the court finds that under the circumstances the claim for rent from prior rental periods has been waived."

Delete the title and insert:

"A bill for an act relating to landlord and tenant; modifying certain procedures relating to expungement; providing procedures relating to the charging and recovery of various fees; providing certain rights to tenants of foreclosed properties; amending Minnesota Statutes 2008, sections 484.014, subdivision 3, by adding a subdivision; 504B.111; 504B.173; 504B.178, subdivision 7; 504B.215, subdivision 4; 504B.285, by adding subdivisions; 504B.291, subdivision 1; Minnesota Statutes 2009 Supplement, section 504B.285, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 504B."

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. 2707, A bill for an act relating to public safety; extending the duration of the continuance period allowed in a juvenile delinquency matter; amending Minnesota Statutes 2008, section 260B.198, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 241.31, subdivision 1, is amended to read:

Subdivision 1. **Establishment of program.** Notwithstanding any provisions of Minnesota Statutes to the contrary, any city, county or town, or any nonprofit corporation approved by the commissioner of corrections, or any combination thereof may establish and operate a community corrections program for the purpose of providing housing, supervision, treatment, counseling or other correctional services;

(a) to persons convicted of crime in the courts of this state and placed on probation by such courts pursuant to section 609.135;

(b) to persons not yet convicted of a crime but under criminal accusation who voluntarily accept such treatment;

(c) to persons adjudicated a delinquent or who received a stay of adjudication of delinquency under chapter 260 or chapter 260B;

(d) with the approval of the commissioner of corrections, to persons paroled under chapter 242; and

(e) with the approval of the commissioner of corrections, to persons paroled under section 243.05 or released under section 241.26.

Sec. 2. Minnesota Statutes 2008, section 242.32, subdivision 2, is amended to read:

Subd. 2. **Secure placement of juvenile offenders.** The commissioner shall license several small regional facilities providing secure capacity programming for juveniles who have been adjudicated delinquent, have received a stay of adjudication of delinquency, or have been convicted as extended jurisdiction juveniles and require secure placement. The programming shall be tailored to the types of juveniles being served, including their offense history, age, gender, cultural and ethnic heritage, mental health and chemical dependency problems, and other characteristics. Services offered shall include but not be limited to:

(1) intensive general educational programs, with an individual educational plan for each juvenile;

(2) specific educational components in the management of anger and nonviolent conflict resolution;

(3) treatment for chemical dependency;

(4) mental health screening, assessment, and treatment; and

(5) programming to educate offenders about sexuality and address issues specific to victims and perpetrators of sexual abuse.

The facilities shall collaborate with facilities providing nonsecure residential programming and with community-based aftercare programs.

Sec. 3. Minnesota Statutes 2008, section 260B.125, subdivision 4, is amended to read:

Subd. 4. **Public safety.** In determining whether the public safety is served by certifying the matter, the court shall consider the following factors:

(1) the seriousness of the alleged offense in terms of community protection, including the existence of any aggravating factors recognized by the Sentencing Guidelines, the use of a firearm, and the impact on any victim;

(2) the culpability of the child in committing the alleged offense, including the level of the child's participation in planning and carrying out the offense and the existence of any mitigating factors recognized by the Sentencing Guidelines;

(3) the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency;

(4) the child's programming history, including the child's past willingness to participate meaningfully in available programming;

(5) the adequacy of the punishment or programming available in the juvenile justice system; and

(6) the dispositional options available for the child.

In considering these factors, the court shall give greater weight to the seriousness of the alleged offense and the child's prior record of delinquency, including adjudications of delinquency and delinquency petitions that resulted in stays of adjudication of delinquency, than to the other factors listed in this subdivision.

Sec. 4. Minnesota Statutes 2008, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall order a children's mental health screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent or who received a stay of adjudication of delinquency, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 5. Minnesota Statutes 2008, section 260B.198, subdivision 7, is amended to read:

Subd. 7. **Continuance.** When it is in the best interests of the child and public safety to do so and when the child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260B.163 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may stay the adjudication of delinquency and continue the case for a period not to exceed ~~90~~ 180 days on any one order. ~~With the consent of the prosecutor, such a continuance may be extended renewed for one additional successive a period not to exceed 90 days extend beyond the child's 19th birthday~~ and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. During this either continuance the court may enter an order in accordance with the provisions of subdivision 1, ~~clause (1) or (2)~~, or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260B.157. The court shall not stay adjudication on any felony offense if the child has previously received a stay of adjudication of delinquency by a court in any judicial district. This subdivision does not apply to an extended jurisdiction juvenile proceeding.

Sec. 6. Minnesota Statutes 2008, section 299C.105, subdivision 1, is amended to read:

Subdivision 1. **Required collection of biological specimen for DNA testing.** (a) Sheriffs, peace officers, and community corrections agencies operating secure juvenile detention facilities shall take or cause to be taken biological specimens for the purpose of DNA analysis as defined in section 299C.155, of the following:

(1) persons who have appeared in court and have had a judicial probable cause determination on a charge of committing, or persons having been convicted of or attempting to commit, any of the following:

(i) murder under section 609.185, 609.19, or 609.195;

(ii) manslaughter under section 609.20 or 609.205;

(iii) assault under section 609.221, 609.222, or 609.223;

(iv) robbery under section 609.24 or aggravated robbery under section 609.245;

(v) kidnapping under section 609.25;

(vi) false imprisonment under section 609.255;

(vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;

(viii) incest under section 609.365;

(ix) burglary under section 609.582, subdivision 1; or

(x) indecent exposure under section 617.23, subdivision 3;

(2) persons sentenced as patterned sex offenders under section 609.3455, subdivision 3a; or

(3) juveniles who have appeared in court and have had a judicial probable cause determination on a charge of committing, ~~or juveniles having been adjudicated delinquent, or juveniles who have received a stay of adjudication of delinquency~~ for committing or attempting to commit, any of the following:

(i) murder under section 609.185, 609.19, or 609.195;

(ii) manslaughter under section 609.20 or 609.205;

(iii) assault under section 609.221, 609.222, or 609.223;

(iv) robbery under section 609.24 or aggravated robbery under section 609.245;

(v) kidnapping under section 609.25;

(vi) false imprisonment under section 609.255;

(vii) criminal sexual conduct under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 609.3453;

- (viii) incest under section 609.365;
- (ix) burglary under section 609.582, subdivision 1; or
- (x) indecent exposure under section 617.23, subdivision 3.

(b) Unless the superintendent of the bureau requires a shorter period, within 72 hours the biological specimen required under paragraph (a) must be forwarded to the bureau in such a manner as may be prescribed by the superintendent.

(c) Prosecutors, courts, and probation officers shall attempt to ensure that the biological specimen is taken on a person described in paragraph (a).

Sec. 7. Minnesota Statutes 2008, section 299C.61, subdivision 8a, is amended to read:

Subd. 8a. **Conviction.** "Conviction" means a criminal conviction or an adjudication of delinquency or a stay of adjudication of delinquency for an offense that would be a crime if committed by an adult.

Sec. 8. Minnesota Statutes 2008, section 609.117, subdivision 1, is amended to read:

Subdivision 1. **Upon sentencing.** If an offender has not already done so, the court shall order an offender to provide a biological specimen for the purpose of DNA analysis as defined in section 299C.155 when:

- (1) the court sentences a person charged with committing or attempting to commit a felony offense and the person is convicted of that offense or of any offense arising out of the same set of circumstances; or
- (2) ~~the juvenile court adjudicates a person a delinquent child who is petitioned for committing or attempting to commit a felony offense and is adjudicated delinquent for that offense or any offense arising out of the same set of circumstances~~ finds that a child who was petitioned for committing or attempting to commit a felony offense did commit that offense or any offense arising out of the same set of circumstances.

The biological specimen or the results of the analysis shall be maintained by the Bureau of Criminal Apprehension as provided in section 299C.155.

Sec. 9. Minnesota Statutes 2009 Supplement, section 624.713, subdivision 1, is amended to read:

Subdivision 1. **Ineligible persons.** The following persons shall not be entitled to possess a pistol or semiautomatic military-style assault weapon or, except for clause (1), any other firearm:

(1) a person under the age of 18 years except that a person under 18 may carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol or semiautomatic military-style assault weapon and approved by the commissioner of natural resources;

(2) except as otherwise provided in clause (9), a person who has been convicted of, or adjudicated delinquent or received a stay of adjudication of delinquency or convicted as an extended jurisdiction juvenile for committing, in this state or elsewhere, a crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial determination that the person is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has ever been found incompetent to stand trial or not guilty by reason of mental illness, unless the person's ability to possess a firearm has been restored under subdivision 4;

(4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or gross misdemeanor violation of chapter 152, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other such violation of chapter 152 or a similar law of another state; or a person who is or has ever been committed by a judicial determination for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability to possess a firearm has been restored under subdivision 4;

(5) a person who has been committed to a treatment facility in Minnesota or elsewhere by a judicial determination that the person is chemically dependent as defined in section 253B.02, unless the person has completed treatment or the person's ability to possess a firearm has been restored under subdivision 4. Property rights may not be abated but access may be restricted by the courts;

(6) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts;

(7) a person, including a person under the jurisdiction of the juvenile court, who has been charged with committing a crime of violence and has been placed in a pretrial diversion program by the court before disposition, until the person has completed the diversion program and the charge of committing the crime of violence has been dismissed;

(8) except as otherwise provided in clause (9), a person who has been convicted in another state of committing an offense similar to the offense described in section 609.224, subdivision 3, against a family or household member or section 609.2242, subdivision 3, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242, subdivision 3, or a similar law of another state;

(9) a person who has been convicted in this state or elsewhere of assaulting a family or household member and who was found by the court to have used a firearm in any way during commission of the assault is prohibited from possessing any type of firearm for the period determined by the sentencing court;

(10) a person who:

(i) has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

(ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution for a crime or to avoid giving testimony in any criminal proceeding;

(iii) is an unlawful user of any controlled substance as defined in chapter 152;

(iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the public, as defined in section 253B.02;

(v) is an alien who is illegally or unlawfully in the United States;

(vi) has been discharged from the armed forces of the United States under dishonorable conditions; or

(vii) has renounced the person's citizenship having been a citizen of the United States; or

(11) a person who has been convicted of the following offenses at the gross misdemeanor level, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of these sections: section 609.229 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child); 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71 (riot); or 609.749 (harassment and stalking). For purposes of this paragraph, the specified gross misdemeanor convictions include crimes committed in other states or jurisdictions which would have been gross misdemeanors if conviction occurred in this state.

A person who issues a certificate pursuant to this section in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

The prohibition in this subdivision relating to the possession of firearms other than pistols and semiautomatic military-style assault weapons does not apply retroactively to persons who are prohibited from possessing a pistol or semiautomatic military-style assault weapon under this subdivision before August 1, 1994.

The lifetime prohibition on possessing, receiving, shipping, or transporting firearms for persons convicted or adjudicated delinquent or received a stay of adjudication of delinquency of a crime of violence in clause (2), applies only to offenders who are discharged from sentence or court supervision for a crime of violence on or after August 1, 1993.

For purposes of this section, "judicial determination" means a court proceeding pursuant to sections 253B.07 to 253B.09 or a comparable law from another state.

Sec. 10. Minnesota Statutes 2008, section 624.713, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) When a person is convicted of, or adjudicated delinquent, received a stay of adjudication of delinquency, or convicted as an extended jurisdiction juvenile for committing, a crime of violence as defined in section 624.712, subdivision 5, the court shall inform the defendant that the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon for the remainder of the person's lifetime, and that it is a felony offense to violate this prohibition. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the felony penalty to that defendant.

(b) When a person, including a person under the jurisdiction of the juvenile court, is charged with committing a crime of violence and is placed in a pretrial diversion program by the court before disposition, the court shall inform the defendant that: (1) the defendant is prohibited from possessing a pistol or semiautomatic military-style assault weapon until the person has completed the diversion program and the charge of committing a crime of violence has been dismissed; (2) it is a gross misdemeanor offense to violate this prohibition; and (3) if the defendant violates this condition of participation in the diversion program, the charge of committing a crime of violence may be prosecuted. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol or semiautomatic military-style assault weapon possession prohibition or the gross misdemeanor penalty to that defendant."

Delete the title and insert:

"A bill for an act relating to public safety; modifying certain provisions regarding juvenile delinquency to include stays of adjudication of delinquency; extending the duration of the continuance period allowed in a juvenile delinquency matter; amending Minnesota Statutes 2008, sections 241.31, subdivision 1; 242.32, subdivision 2; 260B.125, subdivision 4; 260B.157, subdivision 1; 260B.198, subdivision 7; 299C.105, subdivision 1; 299C.61, subdivision 8a; 609.117, subdivision 1; 624.713, subdivision 3; Minnesota Statutes 2009 Supplement, section 624.713, subdivision 1."

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

The report was adopted.

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

H. F. No. 2855, A bill for an act relating to labor and industry; modifying boiler provisions; amending and imposing civil and criminal penalties; amending Minnesota Statutes 2008, sections 326B.94, as amended; 326B.954; 326B.956; 326B.958; 326B.961, as added if enacted; 326B.964; 326B.966; 326B.97; 326B.98; 326B.986, subdivision 10; 326B.99; 326B.994, subdivision 3; 326B.998; Minnesota Statutes 2009 Supplement, sections 326B.972; 326B.986, subdivisions 2, 8; 326B.988; proposing coding for new law in Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2008, sections 326B.952; 326B.96, subdivision 1; 326B.962; 326B.968; 326B.982; 326B.996; Minnesota Rules, parts 5225.1400; 5225.3100; 5225.3150; 5225.3200.

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 2878, A bill for an act relating to natural resources; requiring rulemaking to amend Mississippi River management plan.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. **MISSISSIPPI RIVER MANAGEMENT PLAN.**

Notwithstanding Minnesota Rules, part 6105.0870, subpart 7, development in the area commonly known as the historic village of Dayton shall conform to the general development standards of Minnesota Rules, parts 6120.2600 to 6120.3900, except that marinas shall not be allowed and the provisions and administrative procedures of Minnesota Rules, parts 6105.0010 to 6105.0070 and 6105.0150 to 6105.0250, shall still apply.

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

Delete the title and insert:

"A bill for an act relating to natural resources; modifying Mississippi River management plan."

With the recommendation that when so amended the bill pass.

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 2894, A bill for an act relating to natural resources; increasing watershed district borrowing authority; amending Minnesota Statutes 2008, section 103D.335, subdivision 17.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

The report was adopted.

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

H. F. No. 2902, A bill for an act relating to commerce; regulating motor vehicle sales and distribution; amending Minnesota Statutes 2008, sections 80E.01; 80E.03, by adding a subdivision; 80E.13; 80E.14, subdivision 1, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections 80E.09, subdivisions 1, 3; 80E.12; 80E.135; 80E.14, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 21, delete "primary responsibility" and insert "sales effectiveness" and delete "primary responsibility" and insert "sales effectiveness"

Page 3, line 4, after the semicolon, insert "and"

Page 3, delete lines 5 to 8

Page 3, line 9, reinstate the stricken language and delete the new language

Page 3, delete section 4

Page 5, line 12, delete the colon and insert a comma

Page 5, line 13, delete "(1)"

Page 5, line 14, before the semicolon, insert "unless determined to be reasonable in light of all existing circumstances or the dealer and the manufacturer voluntarily agree to such a requirement and separate and adequate consideration was offered and accepted" and delete everything after the semicolon

Page 5, delete lines 15 to 18

Page 6, line 3, reinstate the stricken language and delete the new language

Page 6, line 4, delete the new language

Page 6, line 11, reinstate the stricken language

Page 6, line 12, reinstate the stricken language and delete the new language

Page 10, delete lines 1 to 7

Page 10, line 11, delete everything after "(p)" and insert "unreasonably reduce a dealer's area of sales effectiveness without giving at least 90 days' notice of the proposed reduction. The change may not take effect if the dealer commences a civil action to determine whether there is good cause for the change within the 90 days' notice period. The burden of proof in such an action shall be on the manufacturer or distributor."

Page 10, delete line 12

Page 11, line 4, delete ", prospective dealer,"

Page 11, delete section 8

Page 13, line 31, delete "refuse" and insert "unreasonably deny"

Page 14, after line 3, insert:

"Sec. 9. **EFFECTIVE DATE.**

Sections 1 to 8 are effective the day after final enactment."

Renumber the sections in sequence

Correct the title numbers accordingly

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. 2915, A bill for an act relating to bridges; providing for ongoing prioritization of bridge projects; amending Minnesota Statutes 2008, section 165.14, subdivision 4, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 2928, A bill for an act relating to state government; modifying provisions governing observance of Juneteenth; amending Minnesota Statutes 2008, section 10.55.

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 2962, A bill for an act relating to education; providing for a trial placement at the Minnesota Academy for the Deaf and the Minnesota Academy for the Blind; amending Minnesota Statutes 2008, section 125A.69, subdivision 1.

Reported the same back with the following amendments:

Page 1, delete lines 21 to 24

Page 2, delete lines 1 to 3

Page 2, line 4, reinstate the stricken "(b)" and delete "(c)"

Page 2, after line 5, insert:

"(c) A parent of a child who resides in Minnesota and who meets the disability criteria for being deaf or hard-of-hearing, blind or visually impaired, or multiply disabled may apply to place the child in the Minnesota State Academies. Academy staff must review the application to determine whether the Minnesota State Academies is an appropriate placement for the child. If academy staff determine that the Minnesota State Academies is an appropriate placement, the staff must contact the child's resident school district and invite the individualized education program team to participate in an individualized education program meeting convened by academy staff to arrange a trial placement of between 60 and 90 calendar days at the Minnesota State Academies. If the child's parent consents to the trial placement, during the period of the trial placement the Minnesota State Academies is the responsible serving school district and incur all due process obligations under law and the child's resident school district is responsible for any transportation included in the child's individualized education program. Before the trial placement concludes, academy staff must convene an individualized education program team meeting to determine whether to continue the child's placement at the Minnesota State Academies or that another placement is appropriate. If the individualized education program team and the parent are unable to agree on the child's placement, the child's placement reverts to the placement in the child's individualized education program that immediately preceded the trial placement."

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 2986, A bill for an act relating to education; creating a responsible family life and sexuality education program; proposing coding for new law in Minnesota Statutes, chapter 121A; repealing Minnesota Statutes 2008, section 121A.23.

Reported the same back with the following amendments:

Page 2, line 6, delete "to meet" and insert "meets" and after "12" insert ", and is consistent with locally developed health curriculum and instruction"

Page 2, line 8, delete "120B.11" and insert "120B.023, subdivision 2, paragraph (g)"

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. 2988, A bill for an act relating to state government; adding a provision to the Minnesota Data Practices Act on computer data; clarifying state agency use of temporary session cookies on government Web sites; amending Minnesota Statutes 2008, section 13.15, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 2990, A bill for an act relating to guardians ad litem; establishing the State Guardian Ad Litem Board; appropriating money; amending Minnesota Statutes 2008, sections 257.69, subdivision 2; 260B.331, subdivision 6; 260C.331, subdivisions 3, 6; 518.165, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 480.

Reported the same back with the following amendments:

Page 3, line 28, after "program" insert ", as well as laws that affect a guardian ad litem's work, including the Minnesota Indian Family Preservation Act under sections 260.751 to 260.835; the federal Multiethnic Placement Act of 1994 under United States Code, title 42, section 662 and amendments; and the federal Indian Child Welfare Act under United States Code, title 25, section 1901 et seq"

Page 4, line 9, delete the second "and" and insert a comma and after "court" insert ", and laws that affect a guardian ad litem's work, including the Minnesota Indian Family Preservation Act under sections 260.751 to 260.835; the federal Multiethnic Placement Act of 1994 under United States Code, title 42, section 662 and amendments; and the federal Indian Child Welfare Act under United States Code, title 25, section 1901 et seq"

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

The report was adopted.

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

H. F. No. 3008, A bill for an act relating to transportation; amending requirements for type III vehicle drivers; amending Minnesota Statutes 2008, section 171.321, subdivision 2; Minnesota Statutes 2009 Supplement, section 171.02, subdivision 2b.

Reported the same back with the following amendments:

Page 2, line 24, strike "and alcohol"

Page 2, line 27, delete the second "the"

Page 2, line 28, delete "preemployment" and insert "random or reasonable suspicion"

Page 3, after line 23, insert:

"(p) Notwithstanding any law to the contrary, any person who conducts testing under paragraph (f) is exempt from section 181.953, subdivisions 9 and 10, paragraph (b)."

Page 4, after line 15, insert:

"Sec. 3. **RULEMAKING EXCEPTION.**

The actions of the commissioner of public safety in establishing physical qualifications for type III vehicle drivers are not rulemaking for purposes of Minnesota Statutes, chapter 14, are not subject to the Administrative Procedure Act contained in Minnesota Statutes, chapter 14, and are not subject to Minnesota Statutes, section 14.386."

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "providing a rulemaking exception;"

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

The report was adopted.

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

H. F. No. 3039, A bill for an act relating to children; modifying driver's license requirements for foster children; requiring in-court reviews; expanding the definition of parent for child protection proceedings; amending Minnesota Statutes 2008, sections 171.04, subdivision 1; 171.05, subdivision 2; 171.055, subdivision 1; 245C.33, subdivision 4, by adding a subdivision; 260C.007, subdivision 4; 260C.163, subdivisions 1, 2; 260C.193, subdivision 6; 260C.201, subdivision 10; 260C.317, subdivision 3; 260C.451; Minnesota Statutes 2009 Supplement, sections 260C.007, subdivision 25; 260C.150, subdivision 3; 260C.151, subdivision 1; 260C.178, subdivision 3; 260C.201, subdivision 11; 260C.212, subdivision 7; 260C.331, subdivision 1; 260C.456.

Reported the same back with the following amendments:

Page 6, delete section 2

Page 8, line 2, reinstate the stricken language

Page 8, line 3, reinstate the stricken language and strike "or the child is otherwise ordered discharged from the jurisdiction of the court" and insert "or, for children in foster care beyond age 18 pursuant to section 260C.451, until the individual becomes 21 years of age according to the provisions in sections 260C.193, subdivision 6, and 260C.451."

Page 26, delete section 3

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3051, A bill for an act relating to state lands; providing for designation of certain state park and state forest boundaries; providing for certain historic property exemption; modifying state forest acquisition provisions; providing for acquisition of Lake Vermilion State Park; adding to and deleting from state parks and state forests; authorizing public and private sales, conveyances, and exchanges of certain state land; amending Minnesota Statutes 2008, sections 85.011; 85.012, subdivision 40; 89.021, by adding a subdivision; 89.032, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 85.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 84.0272, subdivision 2, is amended to read:

Subd. 2. **Stream easements.** (a) Notwithstanding subdivision 1, the commissioner may acquire permanent stream easements for angler access, fish management, and habitat work for a onetime payment based on a value attributed to both the stream and the easement corridor. The payment shall equal:

(1) the per linear foot of stream within the easement corridor times \$5; plus

(2) the easement corridor acres times the estimated market value.

(b) The estimated market value is equal to:

(1) ~~the total farm market value plus the timberlands value~~ agricultural market value plus the rural vacant market value plus the managed forest market value; divided by

(2) ~~the acres of wooded farmland plus the acres of timber~~ agricultural land plus the rural vacant land plus the managed forest land.

(c) ~~The total farm market value, timberlands value, acres of deeded farmland, and acres of timber agricultural market value, rural vacant market value, and managed forest market value or equivalent~~ are determined from data collected by the Department of Revenue during its annual spring mini abstract survey. If the Department of Revenue changes its property type groups for its annual spring mini abstract survey, the agricultural market value, the rural vacant market value, and the managed forest market value shall be determined by the commissioner from data collected by the Department of Revenue in a manner that provides the most reasonable substitute for the market values as presently reported. The commissioner must use the most recent available data for the city or township within which the easement corridor is located.

(d) The commissioner shall periodically review the easement payment rates under this subdivision to determine whether the stream easement payments reflect current shoreland market values. If the commissioner determines that the easements do not reflect current shoreland market values, the commissioner shall report to the senate and house of representatives natural resources policy committees with recommendations for changes to this subdivision that are necessary for the stream easement payment rates to reflect current shoreland market values. The recommendations may include an adjustment to the dollar amount in paragraph (a), clause (1).

Sec. 2. Minnesota Statutes 2008, section 85.012, subdivision 40, is amended to read:

Subd. 40. McCarthy Beach State Park, St. Louis ~~County~~ and Itasca Counties, which is hereby renamed from McCarthy Beach Memorial State Park.

Sec. 3. **[85.0144] HILL-ANNEX MINE STATE PARK; HISTORIC PROPERTY EXEMPTION.**

In accordance with Laws 1988, chapter 686, article 1, section 53, that provided that mining may be conducted on Hill-Annex Mine State Park in the future and that portions of the surface estate may be necessary for these mining operations, section 138.665, subdivision 2, does not apply to the removal of any taconite or any iron-bearing material stockpiles within the Hill-Annex Mine State Park.

Sec. 4. Minnesota Statutes 2008, section 89.021, is amended by adding a subdivision to read:

Subd. 1a. **Boundaries designated.** The commissioner of natural resources may acquire by gift or purchase land or interests in land adjacent to or in the proximity of a state forest. The commissioner may change the boundaries of established state forests for the acquisition of land adjacent to or in the proximity of the state forests, provided that the lands meet the definition of forest land as defined in section 89.001, subdivision 4. The new boundaries shall be designated by the process provided for in section 86A.07, subdivision 3.

Sec. 5. Minnesota Statutes 2008, section 89.032, subdivision 2, is amended to read:

Subd. 2. **Acquisition for state forests.** The commissioner may acquire lands or interest in lands for state forest purposes. The land or interests in land may be subject to mineral reservations.

Sec. 6. Minnesota Statutes 2008, section 94.342, is amended by adding a subdivision to read:

Subd. 7. **Exception for riparian land in Boundary Waters Canoe Area Wilderness.** Notwithstanding subdivision 3, any state-owned riparian land within the Boundary Waters Canoe Area Wilderness may be given in exchange for nonriparian land outside the Boundary Waters Canoe Area Wilderness.

Sec. 7. Minnesota Statutes 2008, section 97A.141, subdivision 1, is amended to read:

Subdivision 1. **Acquisition; generally.** (a) Except as provided in paragraph (b), the commissioner shall acquire access sites adjacent to public waters and easements and rights-of-way necessary to connect the access sites with public highways. The land may be acquired by gift, lease, or purchase, or by condemnation with approval of the Executive Council.

(b) Until July 1, 2015, the commissioner shall not acquire or develop public access sites adjacent to public waters that do not have a public access site.

Sec. 8. Laws 2009, chapter 176, article 4, section 9, is amended to read:

Sec. 9. **PRIVATE SALE OF SURPLUS LAND; CLEARWATER COUNTY.**

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

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell the land to the White Earth Band of Ojibwe for ~~less than the value of the land as determined by the commissioner, but the conveyance must provide that the land be used for the public and reverts to the state if the band fails to provide for public use or abandons the public use of the land~~ \$26,500. The conveyance may reserve an easement for ingress and egress.

(c) The land that may be sold is located in Clearwater County and is described as: the West 400 feet of the South 750 feet of Government Lot 3, Section 31, Township 145 North, Range 38 West, containing 6.89 acres, more or less.

(d) The Department of Natural Resources has determined that the land and building are no longer needed for natural resource purposes.

Sec. 9. **ACQUISITION; LAKE VERMILION STATE PARK.**

Notwithstanding any law to the contrary, the commissioner of natural resources may acquire by gift or purchase the lands for Lake Vermilion State Park. The commissioner may pay up to \$18,000,000 for the lands for Lake Vermilion State Park.

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

Sec. 10. **ADDITIONS TO STATE PARKS.**

Subdivision 1. [85.012] [Subd. 19.] Forestville Mystery Cave State Park, Fillmore County. The following areas are added to Forestville Mystery Cave State Park, all in Fillmore County:

(1) commencing at the northeast corner of Section 14, Township 102 North, Range 12 West; thence West 1,608.8 feet; thence South 2 degrees 50 minutes West 1,260.4 feet; thence North 89 degrees 57 minutes West 656 feet; thence South 0 degrees 39 minutes West 541.4 feet; thence North 89 degrees 57 minutes West 302.7 feet; thence South 0 degrees 39 minutes West 347.1 feet; thence South 89 degrees 58 minutes East 132 feet; thence South 0 degrees 39 minutes West 496 feet; thence South 89 degrees 58 minutes East 495 feet; thence South 54 degrees East 990 feet; thence South 39 degrees East 295 feet; thence South 84 degrees East 594 feet; thence South 64 degrees East 148.5 feet; thence South 66 degrees East 462 feet; thence North 0 degrees 45 minutes East 3763 feet to beginning;

(2) that part of the East Half of the Southeast Quarter of Section 14, Township 102 North, Range 12 West, lying North of the south bank of the North Branch Creek, also known as Forestville Creek. Said parcel of real estate being more fully described as follows: commencing at the northeast corner of Section 14, proceed West, a distance of 1,608.8 feet; thence South 2 degrees 50 minutes West a distance of 1,260.4 feet; thence North 89 degrees 57 minutes West, a distance of 656 feet; thence South 0 degrees 39 minutes West, a distance of 541.4 feet to the beginning

corner. From the point of beginning, continue North 89 degrees 57 minutes West, a distance of 302.7 feet; thence South 0 degrees 39 minutes West a distance of 347.1 feet; thence South 89 degrees 58 minutes East, a distance of 132 feet; thence South 0 degrees 39 minutes West, a distance of 496 feet; thence South 89 degrees 58 minutes East a distance of 363 feet; thence South 54 degrees East 990 feet; thence South 39 degrees East 295 feet; thence South 84 degrees East 594 feet; thence South 64 degrees East 148.5 feet; thence South 66 degrees East 462 feet, to the section line; thence North on the section line, a distance of 1,783 feet; thence North 85 degrees 34 minutes West a distance of 2,340.2 feet to the beginning corner;

(3) the South Half of the Northeast Quarter of Section 23, Township 102, Range 12, Fillmore County, Minnesota, except the South Half of the Southeast Quarter of the Southeast Quarter of said Northeast Quarter, and also except that part thereof lying West of the center of County Road No. 12;

(4) that part of the North Half of the Southwest Quarter of Section 23, Township 102, Range 12, Fillmore County, Minnesota, lying northerly and easterly of the following described line: commencing at a point 288.4 feet North of the southwest corner of the Northwest Quarter of the Southwest Quarter of said Section 23; thence North 132 feet, to the point of beginning of the line to be described; thence East 1,800 feet, to the center of river; thence South 6 degrees East 133 feet to intersect the hereinafter described Line X; thence easterly along said Line X to the hereinafter described Point A; thence South, parallel with the west line of said Southwest Quarter to the south line of said North Half of said Southwest Quarter and said line there terminating. Said Line X and Point A being described as follows: commencing at the southwest corner of the Northwest Quarter of the Southwest Quarter of said Section 23; thence running North 4.37 chains; thence East, along a line referred to as Line X in the above description, a distance of 27.25 chains to a point referred to as Point A in the above description;

(5) the East Half of the Southeast Quarter of the Southwest Quarter of Section 23, Township 102, Range 12, Fillmore County, Minnesota; and

(6) the Southeast Quarter of Section 23, Township 102, Range 12, Fillmore County, Minnesota, except the North Half of the Northeast Quarter of the Northeast Quarter of said Southeast Quarter.

Subd. 2. **[85.012] [Subd. 31.] Judge C. R. Magney State Park, Cook County.** The following areas are added to Judge C. R. Magney State Park, all in Cook County: the Northwest Quarter of the Northwest Quarter, the Northeast Quarter of the Northwest Quarter, and the Northwest Quarter of the Northeast Quarter, all in Section 5, Township 62 North, Range 3 East.

Subd. 3. **[85.012] [Subd. 54.] Split Rock Lighthouse State Park, Lake County.** The following areas are added to Split Rock Lighthouse State Park, all in Lake County: the Southeast Quarter of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter, all in Section 32, Township 55 North, Range 8 West.

Subd. 4. **[85.012] [Subd. 55a.] Tettegouche State Park, Lake County.** The following areas are added to Tettegouche State Park:

(1) that part of Government Lot 2, Section 15, Township 56, Range 7, Lake County, Minnesota, described as follows: commencing at the quarter corner between said Section 15 and Section 22, Township 56, Range 7; thence East, along the section line between said Sections 15 and 22, a distance of 503.0 feet; thence northeasterly, deflecting to the left 75 degrees 00 minutes a distance of 425.0 feet, to a point designated by a two-inch iron pipe, being the point of beginning; thence northwesterly, to a point on the west line of said Lot 2 distant approximately 970.0 feet North of said quarter corner between Sections 15 and 22; thence North along said west line to the northwest corner of said Lot 2; thence East, along the north line of said Lot 2, approximately 240.0 feet; thence in a southeasterly direction to a point on the east side of a point of rocks projecting into Lake Superior, being marked by an X; thence in a southwesterly direction, along the shore of said Lake Superior to the point of beginning. (X mark on rock being in line making a deflection angle of 45 degrees 51 minutes to the left with the east-west section line from a point on the section line 503.0 feet East of the quarter corner between said Sections 15 and 22 and being approximately 830 feet from said point on said section line.); and

(2) the Northeast Quarter of the Southwest Quarter of Section 15, Township 56, Range 7, Lake County, Minnesota.

Sec. 11. **DELETIONS FROM STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 1a.] Afton State Park, Washington County.** The following area is deleted from Afton State Park: all that part of the Southwest Quarter of Section 3, Township 27, Range 20, Washington County, Minnesota, embraced within the recorded plat of ALPS ESTATES.

Subd. 2. **[85.012] [Subd. 14.] Crow Wing State Park, Crow Wing, Cass, and Morrison Counties.** The following areas are deleted from Crow Wing State Park:

(1) all that part of Government Lots 7 and 8, Section 24, Township 44, Range 32, Crow Wing County, Minnesota, embraced within the recorded plat of RED RIVER TRAIL; and

(2) all that part of Government Lot 7, Section 24, Township 44, Range 32, Crow Wing County, Minnesota, embraced within the recorded plat of LOGGER RUN.

Subd. 3. **[85.012] [Subd. 21.] Frontenac State Park, Goodhue County.** The following area is deleted from Frontenac State Park: that part of the Southeast Quarter, Section 11, Township 112 North, Range 13 West, being described as BLOCK P, GARRARD'S SOUTH EXTENSION TO FRONTENAC according to the plat on file and of record in the Office of the Recorder for Goodhue County, Minnesota, including any portions of vacated roadway which have attached thereto.

Subd. 4. **[85.012] [Subd. 26.] Hayes Lake State Park, Roseau County.** The following area is deleted from Hayes Lake State Park: the West 45.00 feet of the North 160.7 feet of the South 263.58 feet of the Southwest Quarter of the Northeast Quarter of Section 32, Township 160, Range 38, Roseau County, Minnesota.

Subd. 5. **[85.012] [Subd. 40.] McCarthy Beach State Park, St. Louis and Itasca Counties.** The following area is deleted from McCarthy Beach State Park in Itasca County: all that part of the Northeast Quarter of the Southeast Quarter, Section 1, Township 60 North, Range 22 West, embraced within the recorded plat of "TRUST," as depicted thereon.

Subd. 6. **[85.012] [Subd. 41.] Maplewood State Park, Otter Tail County.** The following areas are deleted from Maplewood State Park:

(1) that part of Government Lot 4, Section 9, Township 135, Range 42, Otter Tail County, Minnesota, embraced within the recorded plat of South Lida Shores, according to the recorded plat thereof;

(2) that part of Government Lot 4, Section 9, Township 135, Range 42, Otter Tail County, Minnesota, embraced within the recorded plat of Greens Isle View Addition, according to the recorded plat thereof;

(3) that part of Government Lot 4, Section 9, Township 135, Range 42, Otter Tail County, Minnesota, described as follows: beginning at a point located by running West 401 feet from the northeast corner of said Government Lot 4 in Section 9; thence South 47 degrees 10 minutes West 100 feet; thence South 52 degrees 19 minutes West along the lakeshore of Lake Lida a distance of 50 feet; thence South 42 degrees 50 minutes East 200 feet; thence North 52 degrees 19 minutes East 50 feet; thence North 42 degrees 50 minutes West 100 feet; thence North 47 degrees 10 minutes East 100 feet; thence North 42 degrees 50 minutes West, 100 feet to the point of beginning;

(4) that part of Government Lot 5, Section 9, Township 135, Range 42, Otter Tail County, Minnesota, described as follows: commencing at the northeast corner of Government Lot 4 in said Section 9; thence on an assumed bearing of West, along the north line of said Government Lot 4, a distance of 130 feet, to intersect the shore of South Lida Lake, said point of intersection being the point of beginning of the tract of land to be described; thence return on a bearing of East, a distance of 130 feet, to said northeast corner of Government Lot 4; thence North 03 degrees 46 minutes 00 seconds West 224.40 feet, along the centerline of a township road; thence North 08 degrees 31 minutes 00 seconds East 346.60 feet along said centerline; thence North 81 degrees 14 minutes 00 seconds West 34.00 feet to the westerly line of said township road; thence North 08 degrees 31 minutes 00 seconds East along said westerly line 125.00 feet; thence North 36 degrees 09 minutes 00 seconds West 230.00 feet; thence South 71 degrees 21 minutes 00 seconds West 93.00 feet, more or less to the easterly shoreline of South Lida Lake; thence southeasterly along said shoreline to the point of beginning; and

(5) that part of Government Lot 2, Section 33, Township 136, Range 42, Otter Tail County, Minnesota, described as follows: commencing at the East Quarter corner of said Section 33; thence on an assumed bearing of West, along the east-west quarter line of said Section 33, a distance of 3,994.0 feet; thence North 25 degrees East, a distance of 308.3 feet to the southwesterly right-of-way line of a public highway; thence North 40 degrees 00 minutes West, a distance of 169.0 feet, along said right-of-way; thence South 74 degrees 43 minutes West, a distance of 70.0 feet, more or less, to the shore of South Lida Lake; thence southwesterly, along said shoreline to the south line of said Government Lot 2; thence on a bearing of East, along the south line of said Government Lot 2, also being said east-west quarter line to the point of beginning.

Subd. 7. [85.012] [Subd. 54.] Split Rock Lighthouse State Park, Lake County. The following area is deleted from Split Rock Lighthouse State Park: the Southeast Quarter of the Southeast Quarter, Section 31, Township 55 North, Range 8 West, Lake County.

Sec. 12. **ADDITIONS TO STATE FORESTS.**

[89.021] [Subd. 32.] Lyons State Forest. The following area is added to the Lyons State Forest: Section 16, Township 135 North, Range 32 West, Cass County.

Sec. 13. **LAKE COUNTY LAND EXCHANGE.**

Notwithstanding Minnesota Statutes, section 85.012, subdivision 1, the commissioner of natural resources shall compensate Lake County or exchange state land of substantially equal value for any tax-forfeited land administered by Lake County encompassed by the boundary change effected under section 10, subdivision 3.

Sec. 14. **PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND; ANTICIPATED SAVINGS TO GENERAL FUND.**

Notwithstanding Minnesota Statutes, section 94.10, the commissioner of natural resources may sell surplus land at public or private sale for less than the estimated or appraised value of the land or for less than the minimum sale price prescribed in Minnesota Statutes, section 94.10, provided the land is being sold to meet the requirements of Laws 2005, chapter 156, article 2, section 45, as amended by Laws 2007, chapter 148, article 2, section 73, and Laws 2009, chapter 37, article 1, section 59.

Sec. 15. **PUBLIC SALE OF SURPLUS STATE LAND; AITKIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Aitkin County and is described as: Government Lot 2 and the Southeast Quarter of the Southwest Quarter, all in Section 19, Township 47 North, Range 24 West, containing 84.25 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 16. **PRIVATE SALE OF SURPLUS STATE LAND; ANOKA COUNTY.**

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

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

(c) The land that may be sold is located in Anoka County and is described as: the East Half of the Southeast Quarter of Section 25, Township 32 North, Range 22 West, Anoka County, Minnesota, containing 80 acres, more or less.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to a local unit of government. A local unit of government would like to use this parcel as a wetland mitigation site.

Sec. 17. **PUBLIC SALE OF SURPLUS STATE LAND; BECKER COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Becker County and is described as: Government Lot 3, Section 1, Township 139 North, Range 37 West, containing 37.75 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 18. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.**

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

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must include a reservation of perpetual road easements described in paragraph (c) to the state for ingress and egress for constructing, repairing, maintaining, and operating an adjacent northern pike spawning and rearing area.

(c) The land that may be sold is located in Beltrami County and is described as: All that part of the Southwest Quarter of the Southwest Quarter and Government Lot 1, Section 21, Township 146 North, Range 31 West, bounded by the water's edge of Cass Lake and the following described lines: Commencing at the southwest corner of said section, thence North 00 degrees 07 minutes West, 691.2 feet on and along the west line of said section to the point of beginning; thence South 58 degrees 27 minutes East, 177.64 feet; thence South 65 degrees 00 minutes East, 162.35 feet; thence North 52 degrees 07 minutes East, 175.70 feet; thence North 86 degrees 05 minutes East, 232.35 feet; thence South 41 degrees 50 minutes East, 186.35 feet; thence South 25 degrees 59 minutes East, 122.0 feet; thence South 33 degrees 47 minutes West, 176.13 feet; thence South 26 degrees 31 minutes West, 157.26 feet; thence South 50 degrees 19 minutes East, 142.34 feet; thence North 88 degrees 05 minutes East, 66.15 feet to point "A"; thence North 67 degrees 06 minutes East, 442.0 feet; thence North 76 degrees 24 minutes East, 113.86 feet; thence North 80 degrees 48 minutes East, 88.96 feet to point "B"; thence South 17 degrees 17 minutes East, 138 feet, more or less, to the water's edge of Cass Lake and there terminating. And from the point of beginning; thence North 00 degrees 07 minutes West, 630.92 feet on and along the west line of said Section 21; thence South 75 degrees 27 minutes East, 206.01 feet; thence South 35 degrees 36 minutes East, 210.68 feet; thence South 37 degrees 07 minutes East, 230.53 feet; thence South 51 degrees 18 minutes East, 124.95 feet; thence North 55 degrees 37 minutes East, 156.60 feet; thence South 48 degrees 10 minutes East, 120.58 feet; thence South 89 degrees 59 minutes East, 197.76 feet; thence South 68 degrees 28 minutes East, 195.0 feet; thence South 38 degrees 25 minutes East, 162.17 feet; thence South 56 degrees 38 minutes East, 410.58 feet; thence South 31 degrees 06 minutes West, 203.30 feet; thence South 80 degrees 48 minutes West, 14.84 feet; thence South 17 degrees 17 minutes East, 133 feet, more or less, to the water's edge of Cass Lake and there terminating. Including all riparian rights to the contained 18.0 acres, more or less and subject to all existing easements.

Subject to a perpetual road easement for ingress and egress over and across the following described land in Government Lot 1 of said section described as follows: Beginning at point "B," said point being on the southerly boundary of the above described tract; thence North 80 degrees 48 minutes East, 20.2 feet; thence South 17 degrees 17 minutes East, 33.33 feet; thence South 80 degrees 48 minutes West, 20.2 feet; thence North 17 degrees 17 minutes West, 33.33 feet to point "B" and the point of beginning.

Except that part of Government Lot 1 of Section 21, Township 146 North, Range 31 West, described as follows: Commencing at the southwest corner of said Section 21; thence North 00 degrees 07 minutes West, 1,322.12 feet along the west line of said Section 21; thence South 75 degrees 27 minutes East, 206.01 feet; thence South 35 degrees 36 minutes East, 210.68 feet; thence South 37 degrees 07 minutes East, 230.53 feet; thence South 51 degrees 18 minutes East, 124.95 feet; thence North 55 degrees 37 minutes East, 156.60 feet; thence South 48 degrees 10 minutes East, 120.58 feet; thence South 89 degrees 59 minutes East, 197.76 feet; thence South 68 degrees 28 minutes East, 195.0 feet; thence South 38 degrees 25 minutes East, 162.17 feet; thence South 56 degrees 38 minutes East, 383.52 feet, to the point of beginning; thence South 56 degrees 38 minutes East, 27.06 feet; thence South 31 degrees 06 minutes West, 203.30 feet; thence South 80 degrees 48 minutes West, 2.52 feet; thence North 15 degrees 31 minutes West, 46.80 feet; thence North 32 degrees 31 minutes East, 18.96 feet; thence North 59 degrees 39 minutes East, 58.56 feet; thence North 20 degrees 23 minutes East, 105.29 feet to the point of beginning; containing 0.1 acres.

Together with a perpetual road easement for ingress and egress over and across the Southwest Quarter of the Southwest Quarter of said section being a strip of land 33 feet wide, lying 16.5 feet on each side of the following described lines: Commencing at the southwest corner of said Section 21; thence North 00 degrees 07 minutes West, 656.4 feet on and along the west line of said section to the point of beginning; thence South 42 degrees 51 minutes East, 52.16 feet; thence South 70 degrees 04 minutes East, 214.3 feet; thence South 37 degrees 58 minutes East, 219.4 feet; thence South 49 degrees 02 minutes East, 252.6 feet; thence South 45 degrees 15 minutes East, 152.5 feet; thence South 50 degrees 19 minutes East, 119.9 feet, to the south line of Section 21 and there terminating.

Together with a perpetual road easement for ingress and egress over and across the northwesterly 16.5 feet of the following described land in Government Lot 1 and the Southwest Quarter of the Southwest Quarter of said section described as follows: Beginning at point "A," said point being on the southern boundary of the above described tract; thence North 67 degrees 06 minutes East, 442.0 feet; thence North 76 degrees 24 minutes East, 113.86 feet; thence North 80 degrees 48 minutes East, 88.96 feet; thence South 17 degrees 17 minutes East, 33.33 feet; thence South 80 degrees 48 minutes West, 92.38 feet; thence South 76 degrees 24 minutes West, 109.91 feet; thence South 67 degrees 06 minutes West, 353.28 feet; thence South 88 degrees 05 minutes West, 92.15 feet to point "A" and the point of beginning.

(d) The land borders Cass Lake. The land was acquired for a northern pike spawning area but has not been used for such purpose for 30 years. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

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

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

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

(c) The land that may be sold is located in Carlton County and is described as: the Northeast Quarter of the Northwest Quarter of the Southeast Quarter, except state trunk highway right-of-way, Section 26, Township 49 North, Range 17 West, containing 9.324 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

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

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

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

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

(1) part of Government Lot 1 commencing 42 rods 17 links East of the northwest corner of Section 6, Township 46, Range 18; thence South 82 rods 11 links; thence West to Bear Lake; thence West on the shoreline to the section line; thence North to the northwest corner; thence East to the beginning; except the highway right-of-way and except the part northwest of Highway 35, Docket 214412 and except commencing at the northwest corner of said Government Lot 1; thence South 0 degrees 5 minutes 51 seconds West on the west line thereof 1,176.49 feet to a point on the southeast right-of-way line of the Interstate Highway 35 frontage road; thence North 51 degrees 42 minutes 51 seconds East on said right-of-way line 209.76 feet; thence South 19 degrees 45 minutes East 120.0 feet to the point of beginning; thence North 19 degrees 45 minutes West 120.0 feet; thence North 51 degrees 42 minutes 51 seconds East 80.0 feet to the MNDOT right-of-way monument; thence South 71 degrees 36 minutes 52 seconds East 216.61 feet; thence South 3 degrees 30 minutes West 195 feet, more or less, to the shore of Bear Lake; thence

westerly on said shore 215 feet, more or less, to a point which bears 2 degrees 55 minutes East from the point of beginning; thence North 2 degrees 55 minutes West 150 feet, more or less, to the point of beginning, on Docket 240622 and except commencing at the northwest corner of said Government Lot 1; thence East along the north line 704.22 feet; thence South parallel to the west line 1,360.26 feet to the actual point of beginning; thence North 739.16 feet, more or less, to the southeast right-of-way line of the I-35 frontage road; thence southwest along said right-of-way line 608.48 feet, more or less, to the MNDOT monument; thence South 71 degrees 36 minutes 52 seconds East 216.61 feet; thence South 3 degrees 30 minutes West 195 feet, more or less, to the shore of Bear Lake; thence East on said shore 285 feet, more or less, to a point which bears North 00 degrees West from the point of beginning; thence South 90 degrees East 15 feet, more or less, to the point of beginning, Docket 282721 (parcel identification number 39-010-0920); and

(2) that part of Government Lot 2 lying North of Moose Horn River, Docket 262968, 272524, and 272525, Section 11, Township 46, Range 19 (parcel identification number 39-030-1220).

(d) The county has determined that the county's land management interests would best be served if the land was sold to adjoining landowners.

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

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

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

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

(1) the Northwest Quarter of the Southeast Quarter, Section 27, Township 48 North, Range 18 West (parcel number 33-010-6300);

(2) the Southwest Quarter of the Northeast Quarter, except that part East of the Kettle River, Section 26, Township 48 North, Range 20 West (parcel number 90-010-4630); and

(3) the Northwest Quarter of the Southeast Quarter or Government Lot 5, Section 12, Township 49 North, Range 19 West (parcel number 94-026-2020).

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

Sec. 22. PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, and upon completion of exchange of the school trust land for acquired land, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c).

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

(c) The land that may be sold is located in Cass County and is described as:

(1) the Southwest Quarter of the Southwest Quarter of Section 27;

(2) the Southeast Quarter of the Southeast Quarter of Section 28;

(3) Government Lot 11 of Section 33; and

(4) Government Lot 14 of Section 34,

all in Township 141 North, Range 28 West, containing a total of 98.7 acres, more or less.

(d) The land borders Nellie Lake. Independent School District No. 118, Longville, has inadvertently trespassed upon the land for the establishment of an educational unit managed forest under Minnesota Statutes, section 89.41. The commissioner of natural resources has determined that the state's land management interests would best be served if the land was managed as an educational unit managed forest. Since the land is currently school trust land, the commissioner of natural resources shall first exchange the school trust land for acquired land prior to sale.

Sec. 23. PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by public or private sale the surplus land bordering public water that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Cass County and is described as: Lot 7, Block 1, Dell's Sleepy Hollow, Cass County, Minnesota, according to the recorded plat thereof, containing 0.54 acres, more or less.

(d) The land borders Woman Lake. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to a local unit of government.

Sec. 24. PUBLIC SALE OF SURPLUS STATE LAND; COOK COUNTY.

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Cook County and is described as: the South Half of the Northwest Quarter, Section 32, Township 62 North, Range 1 East, containing 80 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 25. **PUBLIC SALE OF SURPLUS STATE LAND; DOUGLAS COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Douglas County and is described as: the southerly 499.7 feet of the easterly 466.7 feet of the following described tract:

Southwest Quarter of the Southeast Quarter of Section 6, Township 127 North, Range 37 West, excepting therefrom the right-of-way of the public road running on the south line of said tract, containing 5.00 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 26. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; GOODHUE COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The conveyance must include the easement specified in paragraph (c). The purpose of the easement is to:

(1) provide for the development of fish habitat, including tree planting, erosion control, installation of instream structures, posting of signs, and other improvements;

(2) permit angling by the public; and

(3) provide ingress and egress through the property sold to the easement area.

(c) The land that may be sold is located in Goodhue County and is described as: that part of the Southwest Quarter of the Northeast Quarter and that part of the Northwest Quarter of the Southeast Quarter of Section 7, Township 112, Range 15, Goodhue County, Minnesota, which lie westerly of the centerline of County State-Aid Highway No. 6, containing 2.6 acres, more or less.

Reserving an easement over, under, and across that part of the above described property located within a strip of land 132 feet in width, and centered on the centerline of Spring Creek, as the same meanders through said Southwest Quarter of the Northeast Quarter and said Northwest Quarter of the Southeast Quarter.

(d) The land borders Spring Creek. The Department of Natural Resources has determined that the land is not needed for natural resource purposes provided that an easement right is retained. The land is separated from the wildlife management area by a county road and has been subject to inadvertent trespass by the adjacent landowner.

Sec. 27. **PUBLIC SALE OF SURPLUS STATE LAND; GRANT COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Grant County and is described as: that part of the East 690 feet of the West 870 feet of the Southwest Quarter of the Northeast Quarter of Section 13, Township 127 North, Range 41 West, which lies southwesterly of a line run parallel to and distant 225 feet southwesterly of the Soo Line Railroad Company (formerly Minneapolis, St. Paul, and Sault Ste Marie Railway Company) main track centerline as the same is now located and established over and across said Section 13, containing 4.00 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 28. **PRIVATE SALE OF SURPLUS STATE LAND; HENNEPIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Hennepin County and is described as: Outlot A, Block 1, Schendel Woods, Hennepin County, Minnesota, according to the recorded plat thereof, containing 13.92 acres, more or less.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to a local unit of government. A local unit of government would like to use this parcel for a storm water runoff project.

Sec. 29. **PUBLIC SALE OF SURPLUS STATE LAND; HUBBARD COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Hubbard County and is described as: that part of the Northeast Quarter of the Northwest Quarter of Section 17, Township 143 North, Range 35 West, Minnesota lying easterly of MN Highway No. 200, containing 30 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 30. **CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; ITASCA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Itasca County may convey to the city of Cohasset for consideration as determined by Itasca County the land described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the city of Cohasset fails to provide for the public use described in paragraph (d) or abandons the public use of the land. As a condition of conveyance, the city of Cohasset must provide to Itasca County a survey of the property, at no cost to Itasca County. The conveyance is subject to easements, restrictions, and reservations of record. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Itasca County and is described as: that part of Government Lot 7, Section 23, Township 55 North, Range 26 West, described as follows:

Commencing at the southwest corner of the Northwest Quarter of the Southwest Quarter, Section 23, Township 55 North, Range 26 West; thence South 88 degrees 02 minutes 11 seconds East, along the south line of said Northwest Quarter of Southwest Quarter and the south line of Government Lot 7 according to the plat of HILLCREST PARK, 1,351.90 feet to the centerline of the Tioga Beach Road and the point of beginning; thence northerly along the centerline of the Tioga Beach Road 123.51 feet along a nontangential curve concave to the East, said curve having a central angle of 12 degrees 08 minutes 28 seconds, radius of 582.87 feet, a chord bearing of North 07 degrees 35 minutes 37 seconds West, chord distance 123.28 feet; thence North 01 degrees 31 minutes 24 seconds West, along the centerline of the Tioga Beach Road 167.83 feet; thence northerly along the centerline of the Tioga Beach Road 139.95 feet along a tangential curve concave to the West, said curve having a central angle of 11 degrees 26 minutes 28 seconds, radius of 700.85 feet; thence North 12 degrees 57 minutes 52 seconds West, along the centerline of the Tioga Beach Road 174.21 feet; thence northerly along the centerline of the Tioga Beach Road 70.93 feet, more or less, along a tangential curve concave to the East, said curve having a central angle of 08 degrees 46 minutes 30 seconds, radius of 463.14 feet to intersect the north line of the South 665.00 feet of Government Lot 7; thence South 88 degrees 02 minutes 11 seconds East along the north line of the South 665.00 feet of said Government Lot 7, a distance of 512.74 feet; thence South 65 degrees 39 minutes 08 seconds East, 184 feet, more or less, to the waters edge of Pokegama Lake; thence southwesterly along the waters edge of Pokegama Lake to intersect the south line of said Government Lot 7; thence North 88 degrees 02 minutes 11 seconds West, along the south line of Government Lot 7, 220 feet, more or less, to the point of the beginning and there terminating. Parcel contains approximately 690 front feet of shoreland on Pokegama Lake and 6.8 acres.

(d) The county has determined that the county's land management interests would be best served if the lands are managed for a public beach and other public recreational purposes by the city of Cohasset.

Sec. 31. **PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; MAHNOMEN COUNTY.**

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

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

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

Beginning at the northeast corner of Lot 1; thence 28 rods West to the point of beginning; thence West 7 rods; thence South to the shoreline of North Twin Lake 9 rods, more or less; thence southeast on the shoreline to a point South of the point of beginning; thence North 16 rods, more or less, to the point of beginning, all in Section 29, Township 144 North, Range 39 West (parcel number R16 029 0200).

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

Sec. 32. **PUBLIC SALE OF SURPLUS STATE LAND; MARTIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Martin County and is described as: all of Tract A described below:

Tract A:

That part of Government Lot 3 and the Northeast Quarter of the Southwest Quarter, both in Section 32, Township 103 North, Range 30 West, described as follows: Beginning at the point of intersection of a line run parallel with and distant 100 feet northerly of Line 1 described below with a line run parallel with and distant 50 feet southeasterly of Line 3, described below; thence run easterly on said 100 foot parallel line to its intersection with a line run parallel with and distant 100 feet westerly of Line 2 described below; thence run northerly of the last described 100 foot parallel line to a point thereon, distant 100 feet southerly of its intersection with a line run parallel with and distant 50 feet southerly of said Line 3; thence run northwesterly to a point on said 50 foot parallel line distant 100 feet westerly of the last described intersection (when measured along said 50 foot parallel line), said point being hereinafter referred to as "Point B"; thence run southwesterly on said 50 foot parallel line to the point of beginning.

Line 1:

Beginning at a point on the east line of said Section 32, distant 516.9 feet South of the east quarter corner thereof; thence run westerly at an angle of 89 degrees 20 minutes 15 seconds from said east section line (measured from North to West) for 5,337.2 feet and there terminating.

Line 2:

Beginning at a point of Line 1, described above, distant 1,545 feet easterly of its point of termination; thence run northerly at right angles to said Line 1 for 590 feet and there terminating.

Line 3:

Beginning at the point of termination of Line 2 described above; thence run westerly at right angles to said Line 2 for 134.26 feet; thence deflect to the left on a 07 degree 00 minute 00 second curve (delta angle 35 degrees 00 minutes 00 seconds) for 500 feet; thence on a tangent to said curve for 280.6 feet; thence deflect to the right on a 07 degree 00 minute 00 second curve (delta angle 35 degrees 00 minutes 00 seconds) for 500 feet and there terminating.

Containing 5.75 acres, more or less. Subject to the following restriction:

No access shall be permitted to Trunk Highway 391 renumbered 90 or to County Road No. 59 from the lands herein conveyed; except that access shall be permitted along a line run parallel with and distant 50 feet southeasterly of Line 3 described above, between the point of beginning of Tract A hereinbefore described and "Point B" hereinbefore described.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 33. **PRIVATE SALE OF SURPLUS STATE LAND; MARTIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Martin County and is described as: the North 700 feet of a strip of land 100 feet in width extending over and across the West Half of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 25, Township 101 North, Range 32 West, Martin County, Minnesota. The centerline of said strip being the centerline of the main track (now removed) of the Minnesota and Iowa Railway Company, as said centerline was originally located and established over and across said Section 25. This parcel contains 1.6 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were conveyed to the adjacent landowner to improve access to the landowner's property.

Sec. 34. **EXCHANGE OF STATE LAND WITHIN LAKE MARIA WILDLIFE MANAGEMENT AREA; MURRAY COUNTY.**

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

(b) The land that may be exchanged is located in Murray County and is described as:

(1) the North 866 feet of the South 1555 feet of the Southwest Quarter of Section 7, Township 108, Range 41, lying West of the East 450 feet thereof;

(2) the South 689 feet of the Southwest Quarter of Section 7, Township 108, Range 41; and

(3) that part of the Northeast Quarter of Section 18, Township 108, Range 41, described as follows: Commencing at the northwest corner of said Section 7, Township 108, Range 41; thence running easterly along the north line of said Section 7 a distance of 2,769.50 feet to the intersection with the centerline of the township road; thence southerly along the centerline of said township road a distance of 2,653.75 feet; thence deflecting 00 degrees 31 minutes right and continuing along the centerline of said township road a distance of 2,051.75 feet; thence easterly and parallel to the south line of the Southwest Quarter of the Southeast Quarter of said Section 7, a distance

of 464 feet; thence South and parallel to the west line of the Northeast Quarter of said Section 18, a distance of 3,198.00 feet, to the south line of the Northeast Quarter of said Section 18, and the point of beginning of the land to be described; thence return northerly, along the last described course, a distance of 2,635 feet to the north line of said Northeast Quarter; thence southwesterly, a distance of 999 feet, to a point on the west line of said Northeast Quarter, distant 421.5 feet South of the northwest corner of said Northeast Quarter, thence South along said west line, to the southwest corner of said Northeast Quarter; thence East, along the south line of said Northeast Quarter, a distance of 910 feet to the point of beginning.

(c) The land was acquired in part with bonding appropriations. The exchange with the adjacent landowner will provide additional wildlife acres and additional water frontage to the state.

Sec. 35. **CONVEYANCE OF SURPLUS STATE LAND; ACQUISITION; NICOLLET COUNTY.**

Subdivision 1. **Conveyance of surplus land.** (a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.287, the commissioner of administration may upon recommendation of the commissioner of human services, convey to the city of St. Peter for no consideration the surplus land or any state interest in land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The commissioner of administration may grant utility easements for no consideration in conjunction with the conveyances under this section.

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

(1) all that part of the following described parcel lying westerly of the westerly right-of-way of Freeman Drive, formerly the Saint Peter and Belgrade Road.

Said parcel described as follows:

That part of Government Lot 6 in Section 29, Township 110 North, Range 26 West, city of Saint Peter, Nicollet County, Minnesota, described as:

Commencing at the northeast corner of said Section 29; thence South 00 degrees 29 minutes 46 seconds East, an assumed bearing on the east line of said Northeast Quarter, a distance of 1317.06 feet to the southeast corner of the Northeast Quarter of said Northeast Quarter; thence South 89 degrees 30 minutes 18 seconds West, on the south line of said Northeast Quarter of the Northeast Quarter, a distance of 918.73 feet to the point of beginning; thence South 64 degrees 37 minutes 16 seconds East, a distance of 178.6 feet, more or less, to the centerline of Freeman Drive, formerly the Saint Peter and Belgrade Road; thence northeasterly, on said centerline, a distance of 98.3 feet, more or less, to the north line of said Government Lot 6; thence South 89 degrees 30 minutes 18 seconds West, on said north line; a distance of 220.5 feet, more or less, to the point of beginning;

(2) all that part of the following described parcel lying easterly of the westerly right-of-way of Freeman Drive, formerly the Saint Peter and Belgrade Road.

Said parcel described as follows:

That part of Government Lot 6 in Section 29, Township 110 North, Range 26 West, city of Saint Peter, Nicollet County, Minnesota, described as:

Commencing at the northeast corner of said Section 29; thence South 00 degrees 29 minutes 46 seconds East, an assumed bearing on the east line of said Northeast Quarter, a distance of 1317.06 feet to the southeast corner of the Northeast Quarter of said Northeast Quarter; thence South 89 degrees 30 minutes 18 seconds West, on the south line of said Northeast Quarter of the Northeast Quarter, a distance of 918.73 feet to the point of beginning; thence South

64 degrees 37 minutes 16 seconds East, a distance of 178.6 feet, more or less, to the centerline of Freeman Drive, formerly the Saint Peter and Belgrade Road; thence northeasterly, on said centerline, a distance of 98.3 feet, more or less, to the north line of said Government Lot 6; thence South 89 degrees 30 minutes 18 seconds West, on said north line; a distance of 220.5 feet, more or less, to the point of beginning; and

(3) that part of the East 25.00 of a 150.00 foot wide railroad right-of-way acquired in Book R page 338, in the Northeast Quarter of the Northeast Quarter of Section 29, Township 110 North, Range 26 West, city of Saint Peter, Nicollet County, Minnesota, lying South of the southerly right-of-way line of Minnesota Trunk Highway No. 99, per MN/DOT Right-of-Way Map 31-68 and North of the following described line:

Commencing at the northeast corner of said Section 29; thence South 00 degrees 29 minutes 46 seconds East, an assumed bearing on the east line of said Northeast Quarter, a distance of 1317.06 feet to the southeast corner of the Northeast Quarter of said Northeast Quarter; thence South 89 degrees 30 minutes 18 seconds West, on the south line of said Northeast Quarter of the Northeast Quarter, a distance of 918.73 feet; thence North 64 degrees 37 minutes 16 seconds West, a distance of 86.15 feet; thence northwesterly 127.21 feet on a tangential curve to the right, having a radius of 280.00 feet and a central angle of 26 degrees 01 minutes 59 seconds to the point of beginning of the line to be described; thence continuing northwesterly 31.24 feet on said tangential curve to the right, having a radius of 280.00 feet and a central angle of 06 degrees 23 minutes 34 seconds and there terminating.

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

Subd. 2. **Acquisition authority.** (a) Notwithstanding any law to the contrary, the commissioner of administration, upon recommendation of the commissioner of human services, may acquire from the city of St. Peter, without monetary consideration, land located in Nicollet County, described as follows:

(1) that part of the Northeast Quarter of the Northeast Quarter of Section 29, Township 110 North, Range 26 West, city of Saint Peter, Nicollet County, Minnesota:

Lying East of the east line of the 150.007 foot wide railroad right-of-way acquired in Book R page 338, in said Northeast Quarter of the Northeast Quarter of Section 29;

AND

Lying South of the following described line:

Commencing at the northeast corner of said Section 29; thence South 00 degrees 29 minutes 46 seconds East, an assumed bearing on the east line of said Northeast Quarter, a distance of 1317.06 feet to the southeast corner of the Northeast Quarter of said Northeast Quarter; thence South 89 degrees 30 minutes 18 seconds West, on the south line of said Northeast Quarter of the Northeast Quarter, a distance of 918.73 feet to the point of beginning; thence North 64 degrees 37 minutes 16 seconds West, a distance of 86.15 feet; thence northwesterly 127.21 feet on a tangential curve to the right, having a radius of 280.00 feet and a central angle of 26 degrees 01 minutes 51 seconds to the point of termination. Said point of termination being on the east line of the previously referenced railroad right-of-way and there terminating; and

(2) that part of Government Lot 6 in Section 29, Township 110 North, Range 26 West, city of Saint Peter, Nicollet County, Minnesota described as:

Commencing at the northeast corner of said Section 29; thence South 00 degrees 29 minutes 46 seconds East, an assumed bearing on the east line of said Northeast Quarter, a distance of 1317.06 feet to the southeast corner of the Northeast Quarter of said Northeast Quarter; thence South 89 degrees 30 minutes 18 seconds West, on the south line

of said Northeast Quarter of the Northeast Quarter, a distance of 918.73 feet; thence South 64 degrees 37 minutes 16 seconds East, a distance of 179 feet, more or less, to the centerline of Freeman Drive, formerly the Saint Peter and Belgrade Road, and the point of beginning; thence continuing South 64 degrees 37 minutes 16 seconds East, a distance of 25.8 feet, more or less, to the existing right-of-way of U.S. Highway No. 169, per Map 14-80; thence southwesterly along said right-of-way a distance of 91.7 feet, more or less, to the northerly line of a parcel recorded as Document No. 274882, Nicollet County records; thence northwesterly along the northerly line of said parcel a distance of 27.5 feet, more or less, to the centerline of said Freeman Drive; thence northeasterly along said centerline a distance of 93.2 feet, more or less, to the point of beginning.

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

Sec. 36. **PUBLIC SALE OF SURPLUS STATE LAND; NOBLES COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Nobles County and is described as:

(1) the North 500 feet of the West 450 feet of the East 1,650 feet of the North Half of the Northeast Quarter of Section 32, Township 102 North, Range 43 West, subject to the public road running on the north line of said North Half of the Northeast Quarter. Containing 4.83 acres, more or less; and

(2) the westerly 500 feet of the southerly 468.6 feet of the Southeast Quarter of the Southeast Quarter of Section 17, Township 101 North, Range 43 West, subject to the public road running on the south line of said Southeast Quarter of the Southeast Quarter, containing 5.00 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 37. **CONVEYANCE OF SURPLUS STATE LAND; OLMSTED COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources shall convey to the city of Oronoco for no consideration the surplus land that is described in paragraph (c).

(b) The conveyance shall occur upon the operation of the reversion clause contained in the deed for the land described in paragraph (c) in accordance with Minnesota Statutes 1965, section 85.188, and after the passage of resolutions by the Olmsted County Board and the Oronoco City Council, each acknowledging that the requirements set forth in the Agreement for Transfer of Oronoco Park in the City of Oronoco to the City of Oronoco by Olmsted County have been sufficiently met to proceed with the conveyance. The conveyance must be in a form approved by the attorney general, the Olmsted County Board, and the Oronoco City Council. The conveyance must provide that the land reverts to the state if the city of Oronoco fails to maintain and operate the land as a public park. The attorney general may make changes to the land description to correct errors and ensure accuracy.

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

(1) the East Half of the West Half of the Southeast Quarter of the Southeast Quarter, Section 7, Township 108 North, Range 14 West, subject to flowage rights in favor of Olmsted County; and

(2) the East Half of the Southeast Quarter of the Southeast Quarter, Section 7, Township 108 North, Range 14 West.

(d) The land is currently owned by Olmsted County and used as a public park, having been conveyed by the state according to Laws 1965, chapter 810, section 9. The 1965 law and the corresponding conveyance document require reversion to the state if the county stops operating the land as a public park. Olmsted County no longer wishes to operate the public park, but the city of Oronoco has agreed to pay consideration to Olmsted County to continue the park operation. The commissioner has determined that the state's land management interests would best be served if, upon the land's reversion to the state, the land was conveyed to and used by the city of Oronoco as a public park.

Sec. 38. **PUBLIC SALE OF SURPLUS STATE LAND; PIPESTONE COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Pipestone County and is described as: that part of the South Half of the Northwest Quarter of Section 27, Township 107 North, Range 45 West, described as follows:

From the intersection of the east and west quarter line of said Section 27 with the southeasterly right-of-way line of Trunk Highway 39 as same is now located and established over and across said tract; run East along said east and west quarter line for a distance of 1,037 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 540 feet to the point of beginning; thence deflect to the right at an angle of 90 degrees 00 minutes for a distance of 125 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 249 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 350 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 249 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 225 feet to the point of beginning;

Together with all that part of the following described tract:

That part of the Southwest Quarter of the Northwest Quarter of Section 27, Township 107 North, Range 45 West, described as follows: Beginning at the intersection of the east and west quarter line of said Section 27 with the southeasterly right-of-way line of Trunk Highway 39, as same is now located and established over and across said tract; thence run East along said east and west quarter line for a distance of 1,037 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 540 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for a distance of 577 feet to the southeasterly right-of-way line of said Trunk Highway 39; thence run southeasterly along said right-of-way line to the point of beginning.

Which lies southeasterly of a line run parallel with and distant 100 feet southeasterly of the following described line:

Beginning at a point on the west line of Section 33, Township 107 North, Range 45 West, distant 1,623.8 feet North of the southwest corner thereof; thence run northeasterly at an angle of 39 degrees 49 minutes with said section line for 2,631.4 feet; thence deflect to the right on a 0 degree 30 minute curve (delta angle 4 degrees 52 minutes) for 973.3 feet; thence on a tangent to said curve for 27.9 feet; thence deflect to the left on a 0 degree 30 minute curve (delta angle 4 degrees 52 minutes) for 973.3 feet; thence on a tangent to said curve for 6,129.0 feet and there terminating.

Containing 11.36 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 39. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ROSEAU COUNTY.**

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

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

(c) The land that may be sold is located in Roseau County and is described as: Government Lot 9, Section 30, Township 163 North, Range 36 West, containing 0.15 acres, more or less.

(d) The land borders the Warroad River and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 40. **PUBLIC OR PRIVATE SALE OF CONSOLIDATED CONSERVATION LAND; ROSEAU COUNTY.**

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

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

(c) The land that may be sold is located in Roseau County and is described as:

(1) that part of Government Lot 1, Section 4, Township 162 North, Range 36 West, lying southwesterly of the southwesterly right-of-way of the Canadian National Railway. Subject to the right-of-way of State Highway 11. Contains 0.75 acres, more or less; and

(2) the South Half of the South Half of the Southeast Quarter of the Northwest Quarter, Section 34, Township 159 North, Range 39 West, containing 10 acres, more or less.

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

Sec. 41. **PRIVATE SALE OF TAX-FORFEITED LAND; ROSEAU COUNTY.**

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

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

(c) The land to be sold is located in Roseau County and is described as: the Northwest Quarter of the Northeast Quarter and the Southeast Quarter of the Southeast Quarter, Section 20, Township 163, Range 36.

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

Sec. 42. **PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.**

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

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

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

(1) Lot 90, Block 75, Duluth Proper Third Division, except the West six feet of the South 50 feet of the West Half, Section 28, Township 50 North, Range 14 West;

(2) the northerly 100 feet of the Southwest Quarter of the Southwest Quarter, except the westerly 233 feet, and except the easterly 50 feet of the westerly 283 feet, Section 14, Township 51 North, Range 13 West;

(3) the South 150 feet of the Northeast Quarter of the Southeast Quarter, Section 5, Township 55 North, Range 18 West;

(4) the West 33 feet of the North 208 feet of the South 1,040 feet of the Northwest Quarter of the Northeast Quarter, Section 7, Township 60 North, Range 13 West;

(5) the North 36 feet of the North 1,076 feet of the West 449 feet of the Northwest Quarter of the Northeast Quarter, Section 7, Township 60 North, Range 13 West;

(6) the West 33 feet of the North 208 feet of the South 832 feet of the Northwest Quarter of the Northeast Quarter, Section 7, Township 60 North, Range 13 West;

(7) the West 33 feet of the North 208 feet of the South 624 feet of the Northwest Quarter of the Northeast Quarter, Section 7, Township 60 North, Range 13 West;

(8) the West 33 feet of the South 416 feet of the Northwest Quarter of the Northeast Quarter, Section 7, Township 60 North, Range 13 West; and

(9) part of the South Half of the Southwest Quarter, Section 20, Township 58 North, Range 15 West.

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

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

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

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

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

(1) Lot 4, Block 4, Greenwood Beach, town of Duluth, Section 19, Township 51 North, Range 19 West;

(2) beginning at the southwest corner of Lot 4, running thence East 450 feet; thence North 200 feet; thence West 450 feet; thence South along the section line 200 feet to the point of beginning, except the northerly 40 feet, Section 7, Township 54 North, Range 19 West;

(3) the South 560 feet of the East 300 feet of the Northeast Quarter of the Southeast Quarter, except the highway right-of-way and except the North 315 feet, Section 22, Township 61 North, Range 20 West;

(4) an undivided 1/24 interest in the Southeast Quarter of the Northwest Quarter, Section 8, Township 50 North, Range 18 West;

(5) an undivided 2/15 interest in the Southwest Quarter of the Northwest Quarter, Section 20, Township 50 North, Range 18 West;

(6) an undivided 1/3 interest in the Southwest Quarter of the Southeast Quarter, Section 21, Township 50 North, Range 18 West;

(7) an undivided 1/45 interest in the Northeast Quarter of the Southeast Quarter, Section 29, Township 50 North, Range 18 West;

(8) an undivided 1/12 interest in the Northeast Quarter of the Northwest Quarter, Section 25, Township 50 North, Range 19 West;

(9) an undivided 1/12 interest in the Southeast Quarter of the Northwest Quarter, Section 25, Township 50 North, Range 19 West;

(10) an undivided 1369/68040 interest in Lot 8, except the railway right-of-way, Section 28, Township 51 North, Range 18 West; and

(11) that part of the Southeast Quarter of the Northeast Quarter of Section 10, Township 63 North, Range 18 West, St. Louis County, Minnesota, described as follows:

Assuming the northeast line of Lot 9 in the plat of MANNIKKO (PINE RIDGE) to bear North 54 degrees 11 minutes 00 seconds West, and COMMENCING from the most northerly corner of said Lot 9 run North 28 degrees 12 minutes 30 seconds East, a distance of 107.39 feet; thence South 28 degrees 12 minutes 30 seconds West, a distance of 28.19 feet; thence South 86 degrees 24 minutes 10 seconds West, a distance of 82.17 feet; thence South 77 degrees 07 minutes 31 seconds West, a distance of 77.70 feet; thence South 82 degrees 40 minutes 33 seconds West, a distance of 83.09 feet; thence South 71 degrees 26 minutes 45 seconds West, a distance of 190.55 feet; thence North 70 degrees 55 minutes 26 seconds West, a distance of 76.14 feet to a point on a nontangential curve, the center of which bears North 35 degrees 10 minutes 49 seconds West, being also a point on the east right-of-way of "Phillips Road" as it exists in January of 1995; thence northerly along said east right-of-way, on said nontangential curve, concave to the West, central angle of 88 degrees 57 minutes 37 seconds, radius of 90.00 feet, a distance of 139.74 feet; thence North 34 degrees 08 minutes 26 seconds west, along said east right-of-way, a distance of 105.00 feet to a tangential curve; thence northerly along said east right-of-way on said tangential curve, concave to the East, central angle 69 degrees 38 minutes 31 seconds, radius 68.00 feet, a distance of 82.65 feet to a

point of reverse curve; thence northerly along said east right-of-way, on said reverse curve, concave to the West, central angle of 18 degrees, more or less, radius of 116.25 feet, a distance of 36.5 feet, more or less, to the south line of said Southeast Quarter of the Northeast Quarter and the POINT OF BEGINNING of the land being described; thence northerly, continuing along said curve, a distance of 96.2 feet; thence North 29 degrees 54 minutes 20 seconds West, tangent to said curve and along said east right-of-way, a distance of 16.32 feet; thence South 89 degrees 42 minutes 44 seconds East, a distance of 943.3 feet, more or less, to the east line of said Southeast Quarter of the Northeast Quarter; thence southerly, along said east line, a distance of 30 feet, more or less, to the shore of Lake Vermilion; thence southerly, along said shore, a distance of 100 feet, more or less, to the south line of said Southeast Quarter of the Northeast Quarter; thence westerly, along said south line, a distance of 880 feet, more or less, to the POINT OF BEGINNING. Containing 2.5 acres, more or less.

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

Sec. 44. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy. Prior to the sales, the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37. The easements shall be up to 200 feet in width, lying 100 feet, to the extent possible given the location of property lines, on each side of the centerline of the designated trout stream to provide riparian protection and angler access.

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

(1) Lot 22, Block 1, Wonderland 1st Addition, town of Duluth, except the highway right-of-way and including part of the adjacent vacated road, Section 17, Township 51 North, Range 12 West; and

(2) that part of the southerly 135 feet of the northerly 543 feet of the Northwest Quarter of the Southwest Quarter lying East of the westerly 968 feet and West of the Sucker River, Section 30, Township 52 North, Range 12 West.

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

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

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

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

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

(1) the East Half of the Northwest Quarter of the Northeast Quarter of the Northwest Quarter, Section 25, Township 51 North, Range 14 West, subject to an existing easement;

(2) the North 407 feet of that part of Lot 4 lying South of the east and west centerline of Section 20, Section 20, Township 51 North, Range 16 West;

(3) Lots 1, 2, and 3, Childs Birch Grove Tracts, Grand Lake, Section 20, Township 51 North, Range 16 West;

(4) Lots 28 and 29, Briar Lake Shores 3rd Addition, North Star, Section 15, Township 53 North, Range 13 West; and

(5) the East Half of the Southeast Quarter of the Northwest Quarter, Section 26, Township 60 North, Range 17 West.

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

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

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy. Prior to the sales, the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37. The easements shall be up to 200 feet in width, lying 100 feet, to the extent possible given the location of property lines, on each side of the centerline of the designated trout stream to provide riparian protection and angler access. For the parcels described in paragraph (c), clauses (6) and (7), a 33-foot strip across the easement shall be allowed for road access and utilities.

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

(1) the Southwest Quarter of the Southeast Quarter, except 4.56 acres for a road and except that part lying South and West of Highway 2, Section 8, Township 50 North, Range 16 West;

(2) the East Half of the Northeast Quarter of the Northwest Quarter, except the railway right-of-way and except the highway right-of-way, Section 17, Township 51 North, Range 12 West;

(3) the West Half of the Northwest Quarter of the Northeast Quarter of the Northwest Quarter, Section 25, Township 51 North, Range 14 West;

(4) the West Half of the Southwest Quarter of the Northeast Quarter of the Northwest Quarter, Section 25, Township 51 North, Range 14 West;

(5) the West five acres of the South 15 acres of the North 30 acres of the Northeast Quarter of the Southeast Quarter, Section 27, Township 51 North, Range 14 West;

(6) the East Half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter, Section 27, Township 51 North, Range 14 West; and

(7) the East Half of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, except the West 25 feet, Section 27, Township 51 North, Range 14 West.

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

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

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy. Prior to the sales, the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37. The easements shall be 150 feet in width, lying 75 feet on each side of the centerline of the stream to provide riparian protection and angler access. For the parcel described in paragraph (c), clause (4), a 33-foot strip across the easement shall be allowed for road access and utilities.

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

(1) the Northwest Quarter of the Southeast Quarter, except the North Half, Section 15, Township 50 North, Range 15 West;

(2) the Southeast Quarter of the Northeast Quarter, Section 19, Township 53 North, Range 20 West;

(3) the westerly 330 feet of the South Half of the Northwest Quarter of the Southwest Quarter, Section 11, Township 56 North, Range 20 West; and

(4) the Southwest Quarter of the Southwest Quarter, except the South Half of the Southwest Quarter of the Southwest Quarter and except the North ten acres, Section 34, Township 50 North, Range 15 West.

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

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

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

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy. Prior to the sales, the commissioner of revenue shall grant permanent conservation easements according to Minnesota Statutes, section 282.37. For the parcel described in paragraph (c), clause (1), the easement must be 100 feet in width from the centerline of the designated trout stream to provide riparian protection and angler access. For the parcel described in paragraph (c), clause (2), the easement must be 200 feet in width from the centerline of the stream to provide riparian protection and angler access.

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

(1) Lots 511 through 515, Homcroft Park, town of Rice Lake, Section 34, Township 51 North, Range 14 West; and

(2) that part of the Lot 2 lying East of a line parallel with and 150 feet East of the centerline of the Duluth, Missabe and Iron Range Railway, Section 17, Township 51 North, Range 17 West.

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

Sec. 49. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

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

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyance must include a deed restriction that prohibits buildings, structures, tree cutting, removal of vegetation, and shoreland alterations within an area 100 feet in width, lying 50 feet on each side of the centerline of streams that are tributaries to the Sand River.

(c) The land to be sold is located in St. Louis County and is described as: the North 416 feet of the East 416 feet of the Southwest Quarter of the Southwest Quarter, Section 10, Township 59 North, Range 17 West.

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

Sec. 50. PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.

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

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

(c) The land to be sold is located in St. Louis County and is adjacent to a parcel described as: that part of the Northeast Quarter of the Southwest Quarter beginning on the east line at the southerly road right-of-way; thence southerly along the east line 760.07 feet; thence South 89 degrees 3 minutes 23 seconds West 290 feet; thence North 1 degree 12 minutes 54 seconds East 764.79 feet; thence East along the southerly road right-of-way 290 feet to the point of beginning, Section 20, Township 58 North, Range 15 West. St. Louis County shall sell an adjoining amount of land, determined by the county to rectify an inadvertent trespass. The sale will ensure that the buildings causing the inadvertent trespass will meet all setback requirements.

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

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

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Wadena County and is described as: the Southwest Quarter of the Southeast Quarter of Section 28, Township 138 North, Range 33 West, containing 40 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 52. PRIVATE SALE OF SURPLUS STATE LAND; WASHINGTON COUNTY.

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

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

(c) The land that may be sold is located in Washington County and is described as:

(1) that part of the Northwest Quarter of the Northwest Quarter of Section 19, Township 32, Range 21, lying South of the centerline of Highway 97; and

(2) that part of the Southwest Quarter of Section 19, Township 32 North, Range 21 West, Washington County, Minnesota, described as follows: beginning at the southwest corner of said Southwest Quarter; thence on an assumed bearing of South 89 degrees 50 minutes 33 seconds East along the south line of said Southwest Quarter 1555.59 feet; thence North 11 degrees 40 minutes 58 seconds East 720.70 feet; thence North 53 degrees 20 minutes 40 seconds West 436.77 feet; thence North 45 degrees 10 minutes 18 seconds West 222.72 feet to the southerly boundary of the recorded plat of BASSWOOD ESTATES, on file and of record in the Office of the County Recorder; thence westerly along the southerly boundary of said BASSWOOD ESTATES to the southwesterly corner thereof; thence northerly along the westerly boundary of said BASSWOOD ESTATES to the most northerly corner of Lot 2 of Block 3 of said BASSWOOD ESTATES; thence westerly to a point on the west line of said Southwest Quarter 407.50 feet southerly of the northwest corner of said Southwest Quarter; thence South 00 degrees 23 minutes 19 seconds East along the west line of said Southwest Quarter 2238.63 feet to the point of beginning.

These parcels contain 57.2 acres, more or less.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to a local unit of government. A local unit of government would like to use these parcels as wetland mitigation sites.

Sec. 53. PRIVATE SALE OF SURPLUS STATE LAND; WASHINGTON COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Washington County and is described as: the West 750 feet of the East 1,130.6 feet of the North 786.72 feet of the Northwest Quarter of the Northeast Quarter of Section 15, Township 29 North, Range 20 West, containing 13.5 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes. The state's land management interests would best be served if the land was sold to an adjacent landowner, as the property described in paragraph (c) does not have legal access to a public road.

Sec. 54. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.

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

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

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

(1) Parcel A (PIN 29.031.19.22.0001): Section 29, Township 31, Range 19, Government Lot 5;

(2) Parcel B (PIN 20.031.19.22.0001): Section 20, Township 31, Range 19, Government Lot 5;

(3) Parcel C (PIN 17.031.19.32.0001): Section 17, Township 31, Range 19, Government Lot 4;

(4) Parcel D (PIN 18.032.19.11.0001): Section 18, Township 32, Range 19, Government Lot 2; and

(5) Parcel E (PIN 18.032.19.14.0001): Section 18, Township 32, Range 19, Government Lot 3.

(d) The county has determined that the county's land management interests would best be served if the lands were sold to the United States of America and managed by the National Park Service.

Sec. 55. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.

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

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

(c) The land to be sold is located in Washington County and is described as: Parcel A (PIN 09.032.21.43.0070): Lot 8, Block 3, excepting therefrom the East 200 feet thereof of Skoglund's Park Addition, as surveyed and platted and now on file and of record in the Office of the Registrar of Titles of said County of Washington, State of Minnesota.

(d) The sale would be to an adjacent landowner and the Department of Natural Resources has determined that the land is not appropriate for the department to manage. The county may split the parcel described in paragraph (c), as allowed in Minnesota Statutes, section 282.01, and sell the resulting parcels if the county finds a split to be advantageous for the purpose of sale.

Sec. 56. **PUBLIC SALE OF SURPLUS STATE LAND; WILKIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 86A.055, the commissioner of natural resources may sell by public sale the surplus land described in paragraph (c) and direct the net proceeds to the general fund.

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

(c) The land that may be sold is located in Wilkin County and is described as: that part of the West Half of the Northeast Quarter of Section 11, Township 136 North, Range 48 West, described as follows:

Beginning at a point on the north and south quarter line of said Section 11, distant 1,470 feet North of the center thereof; thence run southerly along said north and south quarter line for a distance of 700 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for 150 feet; thence deflect to the left at an angle of 90 degrees 00 minutes for 700 feet; thence deflect to the left on an angle of 90 degrees 00 minutes for 150 feet to the point of beginning.

Together with the westerly 33 feet of the southerly 770 feet of the Southwest Quarter of the Northeast Quarter of said Section 11, to be used for road purposes.

Containing 3.00 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 57. **CONVEYANCE OF DRAINAGE DISTRICT LAND; WINONA COUNTY.**

The Rushford Area Drainage and Conservancy District, established by order of the Tenth Judicial District Court on February 20, 1953, was terminated on January 1, 1988, by Laws 1987, chapter 239, section 140. The land that was owned by the Rushford Area Drainage and Conservancy District in Winona County is now owned by the state of Minnesota and is hereby transferred to the commissioner of natural resources for administration and management for conservation purposes.

Sec. 58. **EFFECTIVE DATE.**

Sections 14 to 57 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state lands; modifying method of determining value of acquired stream easements; providing for designation of certain state forest boundaries; providing for certain historic property exemption; modifying state forest acquisition provisions; permitting the exchange of riparian lands within the Boundary Waters

Canoe Area Wilderness; establishing a moratorium on public access acquisition for public waters without a public access; providing for acquisition of Lake Vermilion State Park; adding to and deleting from state parks and state forests; authorizing and modifying public and private sales, conveyances, and exchanges of certain state land; amending Minnesota Statutes 2008, sections 84.0272, subdivision 2; 85.012, subdivision 40; 89.021, by adding a subdivision; 89.032, subdivision 2; 94.342, by adding a subdivision; 97A.141, subdivision 1; Laws 2009, chapter 176, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapter 85."

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

The report was adopted.

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

H. F. No. 3056, A bill for an act relating to health; establishing a quality improvement program for physician clinics and hospitals; amending Minnesota Statutes 2008, section 62U.04, subdivisions 3, 6, 9, by adding a subdivision; repealing Minnesota Statutes 2009 Supplement, section 256B.032.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 62U.04, subdivision 3, is amended to read:

Subd. 3. **Provider peer grouping.** (a) The commissioner shall develop a peer grouping system for providers based on a combined measure that incorporates both provider risk-adjusted cost of care and quality of care, and for specific conditions as determined by the commissioner. In developing this system, the commissioner shall consult and coordinate with health care providers, health plan companies, state agencies, and organizations that work to improve health care quality in Minnesota. For purposes of the final establishment of the peer grouping system, the commissioner shall not contract with any private entity, organization, or consortium of entities that has or will have a direct financial interest in the outcome of the system.

(b) Beginning ~~June 1~~ October 8, 2010, the commissioner shall disseminate information to providers on their cost of care, resource use, quality of care, and the results of the grouping developed under this subdivision in comparison to an appropriate peer group. Any analyses or reports that identify providers may only be published after the provider has been provided the opportunity by the commissioner to review the underlying data and submit comments. The provider shall have ~~21~~ 90 days to review the data for accuracy.

(c) The commissioner shall establish an appeals process to resolve disputes from providers regarding the accuracy of the data used to develop analyses or reports.

(d) Beginning September 1, ~~2010~~ 2011, the commissioner shall, no less than annually, publish information on providers' cost, quality, and the results of the peer grouping process. The results that are published must be on a risk-adjusted basis.

Sec. 2. Minnesota Statutes 2008, section 62U.04, is amended by adding a subdivision to read:

Subd. 3a. **Quality improvement.** Beginning June 1, 2010, the commissioner shall contract with a private entity or consortium of entities to establish and implement a quality improvement program for physician clinics and hospitals that utilizes the underlying data and results generated from the provider peer grouping system. The

program shall annually provide physician clinics and hospitals with appropriate tools to understand their performance and to improve their results. The quality improvement program shall focus on those physician clinics and hospitals that deviate from identified thresholds of performance. The entity or consortium shall include statewide associations representing physicians and hospitals.

Sec. 3. Minnesota Statutes 2008, section 62U.04, subdivision 9, is amended to read:

Subd. 9. **Uses of information.** (a) By January 1, ~~2011~~ 2012:

(1) the commissioner of management and budget shall use the information and methods developed under subdivision 3 to strengthen incentives for members of the state employee group insurance program to use high-quality, low-cost providers;

(2) all political subdivisions, as defined in section 13.02, subdivision 11, that offer health benefits to their employees must offer plans that differentiate providers on their cost and quality performance and create incentives for members to use better-performing providers;

(3) all health plan companies shall use the information and methods developed under subdivision 3 to develop products that encourage consumers to use high-quality, low-cost providers; and

(4) health plan companies that issue health plans in the individual market or the small employer market must offer at least one health plan that uses the information developed under subdivision 3 to establish financial incentives for consumers to choose higher-quality, lower-cost providers through enrollee cost-sharing or selective provider networks.

(b) By January 1, ~~2011~~ 2012, the commissioner of health shall report to the governor and the legislature on recommendations to encourage health plan companies to promote widespread adoption of products that encourage the use of high-quality, low-cost providers. The commissioner's recommendations may include tax incentives, public reporting of health plan performance, regulatory incentives or changes, and other strategies.

Sec. 4. **REPEALER.**

Minnesota Statutes 2009 Supplement, section 256B.032, is repealed."

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3079, A bill for an act relating to state government; providing for certain permitting efficiency; modifying environmental review provisions; amending Minnesota Statutes 2008, sections 17.03, by adding a subdivision; 84.027, by adding a subdivision; 116.03, by adding a subdivision; 116D.04, subdivisions 2a, 10, by adding a subdivision.

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3084, A resolution memorializing Congress and the Secretary of Agriculture to appropriate money and negotiate with the State of Minnesota on the sale and exchange of school trust lands.

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

The report was adopted.

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

H. F. No. 3088, A bill for an act relating to human services; making changes to children and family services technical and policy provisions; Minnesota family investment program and adult supports; early childhood development; child welfare; amending Minnesota Statutes 2008, sections 119B.189, by adding subdivisions; 119B.19, subdivision 7; 119B.21, as amended; 245A.04, subdivision 11; 256.01, by adding a subdivision; 256.046, subdivision 1; 256.82, subdivision 3; 256.98, subdivision 8; 256J.24, subdivisions 3, 5a, 10; 256J.37, subdivision 3a; 256J.425, subdivision 5; 260C.007, subdivision 4; 260C.193, subdivision 6; 260C.201, subdivision 10; 260C.451; 626.556, subdivision 10; Minnesota Statutes 2009 Supplement, sections 256D.44, subdivision 3; 256J.24, subdivision 5; 256J.425, subdivision 2; 256J.521, subdivision 2; 256J.561, subdivision 3; 256J.66, subdivision 1; 256J.95, subdivisions 3, 11; 260.012; 260C.212, subdivision 7; repealing Minnesota Statutes 2008, section 256.82, subdivision 5; Minnesota Rules, part 9560.0660.

Reported the same back with the recommendation that the bill pass and be re-referred to the Early Childhood Finance and Policy Division.

The report was adopted.

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

H. F. No. 3098, A bill for an act relating to health; modifying provisions for the statewide trauma system; amending Minnesota Statutes 2008, sections 144.603; 144.605, subdivisions 2, 3, by adding a subdivision; 144.608, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 2008, section 144.607.

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. 3099, A bill for an act relating to transportation; directing commissioner of transportation to require bids for federally assisted contracts to include information on inclusion of disadvantaged business enterprises; requiring commissioner of transportation to provide training for disadvantaged business enterprises; imposing reporting requirements; requiring application for waiver; proposing coding for new law in Minnesota Statutes, chapters 161; 174; repealing Minnesota Statutes 2008, section 174.03, subdivision 11.

Reported the same back with the following amendments:

Page 2, delete subdivision 2

Page 2, line 21, delete "3" and insert "2"

Page 3, line 1, delete "in various"

Page 3, line 2, delete "metropolitan area locations" and insert "throughout the state"

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

The report was adopted.

Hilstrom from the Committee on Public Safety Policy and Oversight to which was referred:

H. F. No. 3106, A bill for an act relating to public safety; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

Reported the same back with the following amendments:

Page 3, line 1, reinstate the stricken language and delete "not less than 180"

Page 3, lines 2 and 4, delete "0.15" and insert "0.20"

Page 4, line 4, reinstate "30" and delete "90"

Page 5, lines 5 and 8, delete "0.15" and reinstate "0.20"

Page 6, line 26, delete "0.15" and reinstate "0.20"

Page 7, line 7, after the period, insert "The commissioner shall not issue a license restriction of no use of alcohol or controlled substances."

Page 7, line 20, strike "crime as follows:" and insert "misdemeanor."

Page 7, strike lines 21 to 23

Page 9, line 8, reinstate the stricken language

Page 9, line 9, reinstate the stricken language and before "violation" insert "first or second"

Page 9, line 10, reinstate the stricken language

Page 9, line 11, reinstate "(2)"

Page 9, line 21, delete "(2)" and insert "(3)"

Page 11, line 33, after "that" insert "": (1)"

Page 11, line 35, before the period, insert "and (2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. The commissioner shall require the participant to present an insurance identification card, policy, or written statement as proof of insurance coverage, and may require the insurance identification card provided be certified by the insurance company to be noncancelable for a period not to exceed 12 months"

Page 13, line 16, before the period, insert "if the person lending, renting, or leasing the vehicle knows of the ignition interlock restriction"

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

The report was adopted.

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

H. F. No. 3117, A bill for an act relating to transportation; regulating contracts; prohibiting indemnification provisions; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the following amendments:

Page 1, line 13, after the period, insert: "This subdivision is limited to the extent provided in subdivision 2."

Page 1, after line 13, insert:

"Subd. 2. **Agreements to insure.** (a) Subdivision 1 does not affect the validity of agreements whereby a promisor agrees to provide specific insurance coverage for the benefit of others.

(b) If:

(1) a promisor agrees to provide specific types and limits of insurance; and

(2) a claim arises within the scope of the specified insurance; and

(3) the promisor did not obtain and keep in force the specified insurance;

then, as to that claim and regardless of subdivision 1, the promisee shall have indemnification from the promisor to the same extent as the specified insurance.

(c) The indemnification stated in paragraph (b) is not available if:

(1) the specified insurance was not reasonably available in the market; and

(2) the promisor so informed the other party to the agreement to insure before signing the agreement, or signed the agreement subject to a written exception as to the nonavailable insurance.

(d) If:

(1) a promisor agrees to provide specific types and limits of insurance; and

(2) a claim arises within the scope of the specified insurance; and

(3) the insurance provided by the promisor includes a self-insured retention or a deductible amount;

then, as to that claim and regardless of subdivision 1, the promisee shall have indemnification from the promisor to the full extent of the deductible amount or self-insured retention.

(e) A promisor's obligation to provide specified insurance is not waived by a promisee's failure to require or insist upon certificates or other evidence of insurance."

Page 1, line 14, delete "2" and insert "3"

Page 1, delete lines 18 to 19 and insert:

"(ii) entrance on property by a motor carrier or a private carrier for the purpose of loading, unloading, or transporting property; or"

Page 2, line 3, delete "3" and insert "4"

Page 2, line 5, delete everything after "America" and insert "or other agreements providing for the interchange, use, or possession of intermodal chassis, containers, or other intermodal equipment."

Page 2, delete lines 6 and 7

Renumber the subdivisions in sequence

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.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3124, A bill for an act relating to game and fish; modifying aquaculture provisions; modifying provisions for taking, possessing, and transporting wild animals; modifying requirements for fish and wildlife management plans; modifying game and fish license provisions; amending Minnesota Statutes 2008, sections 17.4982, subdivision 12, by adding a subdivision; 17.4991, subdivision 3; 17.4994; 84.942, subdivision 1; 84D.03, subdivision 3; 97A.015, subdivision 52, by adding a subdivision; 97A.101, subdivision 3; 97A.311, subdivision 5; 97A.421, subdivision 4a; 97A.433, by adding a subdivision; 97A.435, subdivision 1; 97A.545, subdivision 5; 97B.022, subdivision 2; 97B.031, subdivision 5; 97B.075; 97B.106, subdivision 1; 97B.515, by adding a subdivision; 97B.803; 97C.005, subdivision 3; 97C.087, subdivision 2; 97C.205; 97C.341; Minnesota Statutes 2009 Supplement, sections 84.95, subdivision 2; 97A.445, subdivision 1a; 97B.055, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 2008, sections 84.942, subdivisions 2, 3, 4; 97A.435, subdivision 5; 97B.022, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 17.4982, is amended by adding a subdivision to read:

Subd. 10a. **Fish collector.** "Fish collector" means an individual who has been certified under section 17.4989 to oversee the collection of fish samples from a facility or a water body for disease testing by a certified laboratory.

Sec. 2. Minnesota Statutes 2008, section 17.4982, subdivision 12, is amended to read:

Subd. 12. **Fish health inspection.** (a) "Fish health inspection" means an on-site, statistically based sampling, collection, and testing of fish in accordance with processes in the Fish Health Blue Book for all lots of fish in a facility or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE) to test for causative pathogens. The samples for inspection must be collected by a fish health inspector or a fish collector in cooperation with the producer. Testing of samples must be done by an approved laboratory.

(b) The inspection for viral hemorrhagic septicemia (VHS), infectious pancreatic necrosis (IPN), and infectious hematopoietic necrosis (IHN) in salmonids and for VHS in nonsalmonids must include at least a minimum viral testing of ovarian fluids at the 95 percent confidence level of detecting two percent incidence of disease (ovarian fluids must be sampled for certification of viral hemorrhagic septicemia and infectious hematopoietic necrosis). Bacterial diseases must be sampled at the 95 percent confidence level with a five percent incidence of disease. The inspection must be performed by a fish health inspector in cooperation with the producer with subsequent examination of the collected tissues and fluids for the detection of certifiable diseases.

(c) The inspection for certifiable diseases for wild fish must follow the guidelines of the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases.

Sec. 3. **[17.4989] FISH SAMPLE COLLECTING.**

Subdivision 1. **Training.** Fish collector training may be offered by any organization or agency that has had its class and practicum syllabus approved by the commissioner. The class and practicum must include the following components:

(1) accurate identification of licensed water bodies listed according to section 17.4984 and ensuring that collection is taking place at the correct site;

(2) identification of fish internal organs;

(3) fish dissection and sample preparation as identified by the Department of Natural Resources based on specific testing requirements or as outlined in the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE);

(4) recording and reporting data;

(5) sample preparation and shipping;

(6) a field collection site test to demonstrate mastery of the necessary skills, overseen by a certified fish health inspector; and

(7) a certificate of successful completion signed by a certified fish health inspector on a form provided by the commissioner.

Subd. 2. **Certification time period.** Fish collector certification is valid for five years and is not transferable. A person may renew certification only by successfully completing certification training. Certification shall be revoked if the certified person is convicted of violating any of the statutes or rules governing testing for aquatic species diseases. Certification may be suspended during an investigation associated with misconduct or violations of fish health testing and collection. The commissioner shall notify the person that certification is being revoked or suspended.

Subd. 3. **Conflict of interest.** A fish collector may not oversee the collection of fish from a facility or a water body when the collector has a conflict of interest in connection with the outcome of the testing.

Sec. 4. Minnesota Statutes 2008, section 17.4991, subdivision 3, is amended to read:

Subd. 3. **Fish health inspection.** (a) An aquatic farm propagating ~~trout, salmon, salmonids~~ or catfish and having an effluent discharge from the aquatic farm into public waters must have a fish health inspection conducted at least once every 12 months by a certified fish health inspector. Testing must be conducted according to ~~approved~~ the Fish Health Blue Book laboratory methods.

(b) An aquatic farm propagating any species on the viral hemorrhagic septicemia (VHS) susceptible list and having an effluent discharge from the aquatic farm into public waters must test for VHS virus using the guidelines of the Fish Health Blue Book or the Diagnostic Manual for Aquatic Animal Diseases, published by the International Office of Epizootics (OIE). The commissioner may, by written order published in the State Register, prescribe alternative testing time periods and methods from those prescribed in the Fish Health Blue Book or the OIE Diagnostic Manual if the commissioner determines that biosecurity measures will not be compromised. These alternatives are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The commissioner must provide reasonable notice to affected parties of any changes in testing requirements.

(c) Results of fish health inspections must be provided to the commissioner for all fish that remain in the state. All data used to prepare and issue a fish health certificate must be maintained for three years by the issuing fish health inspector, approved laboratory, or accredited veterinarian.

~~(b)~~ (d) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the Department of Natural Resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

~~(c)~~ (e) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book by a person certified as a fish health inspector.

~~(d)~~ (f) All aquatic life in transit or held at transfer stations within the state may be inspected by the commissioner. This inspection may include the collection of stock for purposes of pathological analysis. Sample size necessary for analysis will follow guidelines listed in the Fish Health Blue Book.

~~(e)~~ (g) Salmonids and catfish must have a fish health inspection before being transported from a containment facility, unless the fish are being transported directly to an outlet for processing or other food purposes or unless the commissioner determines that an inspection is not needed. A fish health inspection conducted for this purpose need only be done on the lot or lots of fish that will be transported. The commissioner must conduct a fish health inspection requested for this purpose within five working days of receiving written notice. Salmonids and catfish may be immediately transported from a containment facility to another containment facility once a sample has been obtained for a health inspection or once the five-day notice period has expired.

Sec. 5. Minnesota Statutes 2008, section 17.4994, is amended to read:

17.4994 SUCKER EGGS.

Sucker eggs may be taken from public waters with a sucker egg license endorsement, ~~which authorizes sucker eggs to be taken at a rate of one quart of eggs for each 1-1/2 acres of licensed surface waters except that for intensive culture systems, sucker eggs may be taken at a rate of two quarts per 1,000 muskellunge fry being reared for the fee prescribed in section 97A.475, subdivision 29.~~ The Taking of sucker eggs from public waters is subject to chapter 97C and may be supervised by the commissioner. The commissioner may limit the amount of sucker eggs that a person with a sucker egg license endorsement may take based on the number of sucker eggs taken historically by the licensee, new requests for eggs, and the condition of the spawning runs at those historical streams and rivers that have produced previous annual quotas.

Sec. 6. Minnesota Statutes 2008, section 84.942, subdivision 1, is amended to read:

Subdivision 1. **Preparation.** The commissioner of natural resources shall prepare ~~a comprehensive fish and wildlife management plan~~ plans designed to accomplish the policy of section 84.941. ~~The comprehensive fish and wildlife management plan shall include a strategic plan as outlined in subdivision 2. The strategic plan must be completed by July 1, 1986. The management plan must also include the long range and operational plans as described in subdivisions 3 and 4. The management plan must be completed by July 1, 1988.~~

Sec. 7. Minnesota Statutes 2009 Supplement, section 84.95, subdivision 2, is amended to read:

Subd. 2. **Purposes and expenditures.** Money from the reinvest in Minnesota resources fund may only be spent for the following fish and wildlife conservation enhancement purposes:

(1) development and implementation of the ~~comprehensive fish and wildlife management plan~~ plans under section 84.942;

(2) implementation of the reinvest in Minnesota reserve program established by section 103F.515;

(3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;

(4) enhancement or restoration of fish and wildlife habitat on lakes, streams, wetlands, and public and private forest lands;

(5) acquisition and development of public access sites and recreation easements to lakes, streams, and rivers for fish and wildlife oriented recreation;

(6) matching funds with government agencies, federally recognized Indian tribes and bands, and the private sector for acquisition and improvement of fish and wildlife habitat;

(7) research and surveys of fish and wildlife species and habitat;

(8) enforcement of natural resource laws and rules;

(9) information and education;

(10) implementing the aspen recycling program under section 88.80 and for other forest wildlife management projects; and

(11) necessary support services to carry out these purposes.

Sec. 8. Minnesota Statutes 2008, section 84D.03, subdivision 3, is amended to read:

Subd. 3. **Bait harvest from infested waters.** (a) ~~The~~ Taking of wild animals from infested waters for bait or aquatic farm purposes is prohibited, except as provided in paragraph (b).

(b) In waters that are designated as infested waters, except those designated because they contain prohibited invasive species of fish, the taking of wild animals may be permitted for:

(1) commercial taking of wild animals for bait and aquatic farm purposes according to a permit issued under section 84D.11, subject to rules adopted by the commissioner; and

(2) bait purposes for noncommercial personal use in waters that contain Eurasian water milfoil, when the infested waters are designated solely because they contain Eurasian water milfoil and if the equipment for taking is limited to cylindrical minnow traps not exceeding 16 inches in diameter and 32 inches in length.

(c) Nets, traps, buoys, anchors, stakes, and lines used for minnow harvest in an infested water that is designated because it contains invasive fish, invasive invertebrates, or certifiable diseases, as defined in section 17.4982, may not be used in any other waters.

Sec. 9. Minnesota Statutes 2008, section 97A.015, subdivision 52, is amended to read:

Subd. 52. **Unprotected birds.** "Unprotected birds" means English sparrow, blackbird, starling, magpie, cormorant, common pigeon, Eurasian collared dove, chukar partridge, quail other than bobwhite quail, and mute swan.

Sec. 10. Minnesota Statutes 2008, section 97A.101, subdivision 3, is amended to read:

Subd. 3. **Fishing may not be restricted.** Seasons or methods of taking fish other than minnows may not be restricted under this section.

Sec. 11. Minnesota Statutes 2008, section 97A.311, subdivision 5, is amended to read:

Subd. 5. **Refunds.** (a) The commissioner may issue a refund on a license, not including any issuing fees paid under section 97A.485, subdivision 6, if the request is received within 90 days of the original license purchase and:

(1) the licensee dies before the opening of the licensed season. The original license and a copy of the death certificate must be provided to the commissioner;

(2) the licensee is unable to participate in the licensed activity because the licensee is called to active military duty or military leave is canceled during the entire open season of the licensed activity. The original license and a copy of the military orders or notice of cancellation of leave must be provided to the commissioner; ~~or~~

(3) the licensee purchased two licenses for the same license season in error; or

(4) the licensee was not legally required to purchase the license to participate in the activity.

(b) This subdivision does not apply to lifetime licenses.

Sec. 12. Minnesota Statutes 2008, section 97A.405, subdivision 2, is amended to read:

Subd. 2. **Personal possession.** (a) A person acting under a license or traveling from an area where a licensed activity was performed must have in personal possession either: (1) the proper license, if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

(b) If possession of a license or a license identification number is required, a person must exhibit, as requested by a conservation officer or peace officer, either: (1) the proper license if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation and a valid state driver's license, state identification card, or other form of identification provided by the commissioner, if the license has been sold to the person by electronic means but the actual license has not been issued and received. A person charged with violating the license possession requirement shall not be convicted if the person produces in court or the office of the arresting officer, the actual license previously issued to that person, which was valid at the time of arrest, or satisfactory proof that at the time of the arrest the person was validly licensed. Upon request of a conservation officer or peace officer, a licensee shall write the licensee's name in the presence of the officer to determine the identity of the licensee.

(c) If the actual license has been issued and received, a receipt for license fees, a copy of a license, or evidence showing the issuance of a license, including the license identification number or stamp validation, does not entitle a licensee to exercise the rights or privileges conferred by a license.

(d) A license issued electronically and not immediately provided to the licensee shall be mailed to the licensee within 30 days of purchase of the license. A pictorial migratory waterfowl, pheasant, trout and salmon, or walleye stamp shall be provided to the licensee after purchase of a stamp validation only if the licensee pays an additional \$2 fee that covers the costs of producing and mailing a pictorial stamp. A pictorial turkey stamp may be purchased for a \$2 fee that covers the costs of producing and mailing the pictorial stamp. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees for providing the pictorial stamps. The fees must be set in an amount that does not recover significantly more or less than the cost of producing and mailing the stamps. The fees are not subject to the rulemaking provisions of chapter 14, and section 14.386 does not apply.

Sec. 13. Minnesota Statutes 2008, section 97A.421, subdivision 4a, is amended to read:

Subd. 4a. **Suspension for failure to appear in court or pay a fine or surcharge.** When a court reports to the commissioner that a person (1) has failed to appear in court ~~under the summons issued in response to a notice to appear or fails to comply with other orders of the court regarding the appearance or proceedings~~ for a violation of the game and fish laws or (2) has been convicted of violating a provision of the game and fish laws, has been sentenced to the payment of a fine or had a surcharge levied against them, and refused or failed to comply with that sentence or to pay the fine or surcharge, the commissioner shall suspend the game and fish license and permit privileges of the person until notified by the court that the person has appeared in court under clause (1) or that any fine or surcharge due the court has been paid under clause (2).

Sec. 14. Minnesota Statutes 2008, section 97A.433, is amended by adding a subdivision to read:

Subd. 5. **Mandatory separate selection.** The commissioner must conduct a separate selection for 20 percent of the elk licenses to be issued each year. Only individuals who have applied at least ten times for an elk license and who have never received a license are eligible for this separate selection.

Sec. 15. Minnesota Statutes 2008, section 97A.435, subdivision 1, is amended to read:

Subdivision 1. ~~Number of licenses to be issued~~ **License issuance.** The commissioner shall include in a rule ~~setting the dates for a turkey season the number of licenses to be issued~~ rules setting turkey seasons the methods for issuing licenses for those seasons.

Sec. 16. Minnesota Statutes 2008, section 97A.435, subdivision 4, is amended to read:

Subd. 4. **Separate selection of eligible licensees.** (a) The commissioner may conduct a separate selection for up to 20 percent of the turkey licenses to be issued for any area. Only persons who are owners or tenants of and who live on at least 40 acres of land in the area, and their immediate family members, are eligible applicants for turkey licenses for the separate selection. The qualifying land may be noncontiguous. Persons who are unsuccessful in a separate selection must be included in the selection for the remaining licenses. Persons who obtain a license in a separate selection must allow public turkey hunting on their land during that turkey season. A license issued under this subdivision is restricted to the permit area where the qualifying land is located.

(b) The commissioner may by rule establish criteria for determining eligible family members under this subdivision.

Sec. 17. Minnesota Statutes 2009 Supplement, section 97A.445, subdivision 1a, is amended to read:

Subd. 1a. **Angling in a state park.** (a) A resident may take fish by angling without an angling license;

(1) when shore fishing or wading on state-owned land within a state park; ~~or~~

(2) when angling from a boat or float, ~~this subdivision applies only to those~~ or through the ice on water bodies completely encompassed within the statutory boundary of the state park.

(b) The exemption from an angling license does not apply to waters where a trout stamp is required.

Sec. 18. Minnesota Statutes 2008, section 97A.502, is amended to read:

97A.502 DEER KILLED BY MOTOR VEHICLES.

(a) Deer killed by a motor vehicle on a public road must be removed by the road authority, as defined by section 160.02, subdivision 25, unless the driver of the motor vehicle is allowed to possess the deer under paragraph (b). The commissioner of natural resources must provide to all road authorities standard forms for statistical purposes and the tracking of wild animals.

(b) The driver of a motor vehicle that has collided with and killed a deer on a public road has priority for a possession permit for the entire deer if the facts indicate that the deer was not taken illegally.

Sec. 19. Minnesota Statutes 2008, section 97A.535, subdivision 2a, is amended to read:

Subd. 2a. **Quartering of deer allowed.** A deer that has been tagged as required in subdivision 1 may be quartered at the site of the kill. The animal's head or genitalia must remain attached to one of the quarters for male deer taken in a lottery deer area or areas with antler point restrictions the animal's head must remain attached to one of the quarters. The quarters must be presented together for registration under subdivision 2 and must remain together until the deer is processed for storage.

Sec. 20. Minnesota Statutes 2008, section 97A.545, subdivision 5, is amended to read:

Subd. 5. **Birds must be in undressed condition; exceptions.** (a) Except as provided in paragraph (b), a person may ship or otherwise transport game birds in an undressed condition only.

(b) Paragraph (a) does not apply if the birds being shipped or otherwise transported:

(1) were taken on a shooting preserve and are marked or identified in accordance with section 97A.121, subdivision 5;

(2) were taken, dressed, and lawfully shipped or otherwise transported in another state; ~~or~~

(3) are migratory game birds that were lawfully tagged and packed by a federally permitted migratory bird preservation facility; or

(4) are doves shipped or transported in accordance with federal law.

Sec. 21. Minnesota Statutes 2008, section 97B.022, subdivision 2, is amended to read:

Subd. 2. **Apprentice hunter validation requirements.** A resident born after December 31, 1979, who is age ~~12~~ 13 or ~~older~~ over and who does not possess a hunter education firearms safety certificate may be issued an apprentice hunter validation. An apprentice hunter validation is valid for only ~~one~~ two license ~~year~~ years in a lifetime. An individual in possession of an apprentice hunter validation may hunt small game ~~and~~ deer, and bear only when accompanied by an adult licensed to hunt in Minnesota whose license was not obtained using an apprentice hunter validation. An apprentice hunter validation holder must obtain all required licenses and stamps.

Sec. 22. Minnesota Statutes 2008, section 97B.031, subdivision 5, is amended to read:

Subd. 5. **Scopes; visually impaired hunters.** (a) Notwithstanding any other law to the contrary, the commissioner may issue a special permit, without a fee, to use a muzzleloader with a scope to take deer during the muzzleloader season to a person who obtains the required licenses and who has a visual impairment. The scope may not have magnification capabilities.

(b) The visual impairment must be to the extent that the applicant is unable to identify targets and the rifle sights at the same time without a scope. The visual impairment and specific conditions must be established by medical evidence verified in writing by (1) a licensed physician; or a certified nurse practitioner or certified physician assistant acting under the direction of a licensed physician; (2) a licensed ophthalmologist; or (3) a licensed optometrist. The commissioner may request additional information from the physician if needed to verify the applicant's eligibility for the permit.

(c) A permit issued under this subdivision may be valid for up to five years, based on the permanence of the visual impairment as determined by the licensed physician, ophthalmologist, or optometrist.

(d) The permit must be in the immediate possession of the permittee when hunting under the special permit.

(e) The commissioner may deny, modify, suspend, or revoke a permit issued under this subdivision for cause, including a violation of the game and fish laws or rules.

(f) A person who knowingly makes a false application or assists another in making a false application for a permit under this subdivision is guilty of a misdemeanor. A physician, certified nurse practitioner, certified physician assistant, ophthalmologist, or optometrist who fraudulently certifies to the commissioner that a person is visually impaired as described in this subdivision is guilty of a misdemeanor.

Sec. 23. Minnesota Statutes 2009 Supplement, section 97B.055, subdivision 3, is amended to read:

Subd. 3. **Hunting from vehicle by disabled hunters.** (a) The commissioner may issue a special permit, without a fee, to discharge a firearm or bow and arrow from a stationary motor vehicle to a person who obtains the required licenses and who has a permanent physical disability that is more substantial than discomfort from walking. The permit recipient must be:

(1) unable to step from a vehicle without aid of a wheelchair, crutches, braces, or other mechanical support or prosthetic device; or

(2) unable to walk any distance because of a permanent lung, heart, or other internal disease that requires the person to use supplemental oxygen to assist breathing.

(b) The permanent physical disability must be established by medical evidence verified in writing by a licensed physician or, chiropractor, or certified nurse practitioner or certified physician assistant acting under the direction of a licensed physician. The commissioner may request additional information from the physician or chiropractor if needed to verify the applicant's eligibility for the permit. Notwithstanding section 97A.418, the commissioner may, in consultation with appropriate advocacy groups, establish reasonable minimum standards for permits to be issued under this section. In addition to providing the medical evidence of a permanent disability, the applicant must possess a valid disability parking certificate authorized by section 169.345 or license plates issued under section 168.021.

(c) A person issued a special permit under this subdivision and hunting deer may take a deer of either sex, except in those antlerless permit areas and seasons where no antlerless permits are offered. This subdivision does not authorize another member of a party to take an antlerless deer under section 97B.301, subdivision 3.

(d) A permit issued under this subdivision is valid for five years.

(e) The commissioner may deny, modify, suspend, or revoke a permit issued under this section for cause, including a violation of the game and fish laws or rules.

(f) A person who knowingly makes a false application or assists another in making a false application for a permit under this section is guilty of a misdemeanor. A physician, certified nurse practitioner, certified physician assistant, or chiropractor who fraudulently certifies to the commissioner that a person is permanently disabled as described in this section is guilty of a misdemeanor.

(g) Notwithstanding paragraph (d), the commissioner may issue a permit valid for the entire life of the applicant if the commissioner determines that there is no chance that an applicant will become ineligible for a permit under this section and the applicant requests a lifetime permit.

Sec. 24. Minnesota Statutes 2008, section 97B.075, is amended to read:

97B.075 HUNTING RESTRICTED BETWEEN EVENING AND MORNING.

(a) A person may not take protected wild animals, except raccoon and fox, with a firearm between the evening and morning times established by commissioner's rule, except as provided in this section.

(b) Big game may be taken from one-half hour before sunrise until one-half hour after sunset.

(c) Except as otherwise prescribed by the commissioner on or before the Saturday nearest October 8, waterfowl may be taken from one-half hour before sunrise until sunset during the entire season prescribed by the commissioner. On the opening day of the duck season, shooting hours for migratory game birds, except woodcock and doves, begin at 9:00 a.m.

Sec. 25. Minnesota Statutes 2008, section 97B.106, subdivision 1, is amended to read:

Subdivision 1. **Qualifications for crossbow permits.** (a) The commissioner may issue a special permit, without a fee, to take big game, small game, or rough fish with a crossbow to a person that is unable to hunt or take rough fish by archery because of a permanent or temporary physical disability. A crossbow permit issued under this section also allows the permittee to use a bow with a mechanical device that draws, releases, or holds the bow at full draw as provided in section 97B.035, subdivision 1, paragraph (a).

(b) To qualify for a crossbow permit under this section, a temporary disability must render the person unable to hunt or fish by archery for a minimum of two years after application for the permit is made. The permanent or temporary disability must be established by medical evidence, and the inability to hunt or fish by archery for the required period of time must be verified in writing by (1) a licensed physician or a certified nurse practitioner or certified physician assistant acting under the direction of a licensed physician; or (2) a licensed chiropractor. A person who has received a special permit under this section because of a permanent disability is eligible for subsequent special permits without providing medical evidence and verification of the disability.

(c) The person must obtain the appropriate license.

Sec. 26. Minnesota Statutes 2008, section 97B.325, is amended to read:

97B.325 DEER STAND RESTRICTIONS.

A person may not take deer from a constructed platform or other structure that is located within the right-of-way of an improved public highway ~~or is higher than 16 feet above the ground. The height restriction does not apply to a portable stand that is chained, belted, clamped, or tied with rope.~~

Sec. 27. Minnesota Statutes 2008, section 97B.405, is amended to read:

97B.405 COMMISSIONER MAY LIMIT NUMBER OF BEAR HUNTERS.

(a) The commissioner may limit the number of persons that may hunt bear in an area, if it is necessary to prevent an overharvest or improve the distribution of hunters. The commissioner may establish, by rule, a method, including a drawing, to impartially select the hunters for an area. The commissioner shall give preference to hunters that have previously applied and have not been selected.

(b) In the case of a drawing, the commissioner shall allow a person to apply for a permit in more than one area at the same time and rank the person's choice of area.

(c) A person selected through a drawing must purchase a license by the Friday closest to July 31. Any remaining available licenses not purchased shall be issued beginning the following Wednesday to those who applied unsuccessfully. Any remaining available licenses not purchased by unsuccessful applicants may then be issued the following week beginning on Wednesday to any eligible person as prescribed by the commissioner on a first-come, first-served basis.

Sec. 28. **97B.4251 BAITING BEAR; USE OF DRUM.**

Notwithstanding section 97B.425, a private landowner or person authorized by the private landowner may use a drum to bait bear on the person's private land. The drum must be securely chained or cabled to a tree so that it cannot be moved from the site by a bear and the drum may not include a mechanical device for dispensing feed. The drum must be marked with the name and address of the person who registered the bait site. For purposes of this section, "drum" means a 30 gallon or larger drum.

Sec. 29. Minnesota Statutes 2008, section 97B.515, is amended by adding a subdivision to read:

Subd. 4. **Taking elk causing damage or nuisance.** The commissioner may authorize the taking of elk that are causing damage or nuisance by licensed hunters from September 1 to March 1 under rules prescribed by the commissioner. The commissioner may select and issue licenses to hunters from lists of license applicants based on their interest, proximity, and availability to quickly respond to the damage or nuisance situation. A person receiving a license to hunt elk under this subdivision is not subject to the requirements of section 97A.433, subdivision 2, clause (2), and does not lose eligibility for future elk hunts.

Sec. 30. Minnesota Statutes 2009 Supplement, section 97B.811, subdivision 3, is amended to read:

Subd. 3. **Restrictions on leaving decoys unattended.** During the open season for waterfowl, a person may not leave decoys in public waters between sunset and two hours before lawful shooting hours or leave decoys unattended during other times for more than three consecutive hours unless:

~~(1) the decoys are in waters adjacent to completely surrounded by private land under the control of the hunter; and~~

~~(2) there is not natural vegetation growing in water sufficient to partially conceal a hunter and there is no public access to the water.~~

Sec. 31. Minnesota Statutes 2008, section 97B.911, is amended to read:

97B.911 MUSKRAT SEASONS.

(a) Except as provided in paragraph (b), the commissioner may establish open seasons and restrictions for taking muskrat.

(b) The fall open season for muskrat shall begin the third Saturday in October in the forest trapping zone.

Sec. 32. Minnesota Statutes 2008, section 97B.915, is amended to read:

97B.915 MINK SEASONS.

(a) Except as provided in paragraph (b), the commissioner may establish open seasons and restrictions for taking mink.

(b) The fall open season for mink shall begin the third Saturday in October in the forest trapping zone.

Sec. 33. Minnesota Statutes 2008, section 97B.921, is amended to read:

97B.921 OTTER SEASONS.

(a) Except as provided in paragraph (b), the commissioner may establish open seasons and restrictions for taking otter.

(b) The fall open season for otter shall begin the third Saturday in October in the forest trapping zone.

Sec. 34. Minnesota Statutes 2008, section 97B.925, is amended to read:

97B.925 BEAVER SEASONS.

(a) Except as provided in paragraph (b), the commissioner may establish open seasons and restrictions for taking beaver.

(b) The fall open season for beaver shall begin the third Saturday in October in the forest trapping zone.

Sec. 35. **97B.927 INCIDENTAL TAKINGS.**

A person who incidentally takes a muskrat or otter in a beaver trap during the beaver season shall tag the animal with the person's name, license number, and the date, time, and place where the animal was taken. The person must notify a conservation officer no later than 24 hours after the taking. The person shall give the pelt of the animal to the Minnesota Trappers Association. All proceeds from the sale of the pelts must be used to support the association's education efforts.

Sec. 36. Minnesota Statutes 2008, section 97C.005, subdivision 3, is amended to read:

Subd. 3. **Seasons, limits, and other rules.** The commissioner may, in accordance with the procedures in subdivision 2, paragraphs (c) and (e), or by rule under chapter 14, establish open seasons, limits, methods, and other requirements for taking fish on special management waters. The commissioner may, by written order published in the State Register, amend daily, possession, or size limits to make midseason adjustments that are necessary based on available harvest, angling pressure, and population data to manage the fisheries in the 1837 Ceded Territory in compliance with the court orders in Mille Lacs Band of Chippewa v. Minnesota, 119 S. Ct. 1187 (1999). The midseason adjustments in daily, possession, or size limits are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Sec. 37. Minnesota Statutes 2008, section 97C.087, subdivision 2, is amended to read:

Subd. 2. **Application for tag.** Application for special fish management tags must be accompanied by a \$5, nonrefundable application fee for each tag. A person may not make more than one tag application each calendar year. If a person makes more than one application, the person is ineligible for a special fish management tag for that ~~season~~ calendar year after determination by the commissioner, without a hearing.

Sec. 38. Minnesota Statutes 2008, section 97C.205, is amended to read:

97C.205 TRANSPORTING AND STOCKING FISH.

(a) Except on the water body where taken, a person may not transport a live fish in a quantity of water sufficient to keep the fish alive, unless the fish:

- (1) is being transported under an aquaculture license as authorized under sections 17.4985 and 17.4986;
- (2) is being transported for a fishing contest weigh-in under section 97C.081;
- (3) is a minnow being transported under section 97C.505 or 97C.515;
- (4) is being transported by a commercial fishing license holder under section 97C.821; or

(5) is being transported as otherwise authorized in this section or as prescribed for certifiable diseases under sections 17.46 to 17.4999.

(b) The commissioner may adopt rules to allow and regulate:

- (1) the transportation of fish and fish eggs; and
- (2) the stocking of waters with fish or fish eggs.

(c) The commissioner must allow the possession of fish on special management or experimental waters to be prepared as a meal on the ice or on the shore of that water body if the fish:

- (1) were lawfully taken;
- (2) have been packaged by a licensed fish packer; and
- (3) do not otherwise exceed the statewide possession limits.

(d) The commissioner shall prescribe rules designed to encourage local sporting organizations to propagate game fish by using rearing ponds. The rules must:

- (1) prescribe methods to acquire brood stock for the ponds by seining public waters;
- (2) allow the sporting organizations to own and use seines and other necessary equipment; and

(3) prescribe methods for stocking the fish in public waters that give priority to the needs of the community where the fish are reared and the desires of the organization operating the rearing pond.

(e) A person age 16 or under may, for purposes of display in a home aquarium, transport largemouth bass, smallmouth bass, yellow perch, rock bass, black crappie, white crappie, bluegill pumpkinseed, green sunfish, orange spotted sunfish, and black, yellow, and brown bullheads taken by angling, except as otherwise ordered by the commissioner upon documentation of an emergency fish disease in Minnesota waters, as defined in section 17.4982, subdivision 9. No more than four of each species may be transported at any one time, and any individual fish can be no longer than ten inches in total length. The commissioner may, by written order published in the State Register, prohibit transportation of live fish under this paragraph to help prevent spread of an emergency fish disease documented to occur in Minnesota waters. The order is exempt from the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Sec. 39. Minnesota Statutes 2008, section 97C.315, subdivision 1, is amended to read:

Subdivision 1. **Lines.** An angler may not use more than one line except two lines may be used to take fish:

- (1) ~~two lines may be used to take fish~~ through the ice; and or
- (2) ~~the commissioner may, by rule, authorize the use of two lines in areas designated by the commissioner in Lake Superior if the angler purchases a second line endorsement for \$10.~~

Sec. 40. Minnesota Statutes 2008, section 97C.341, is amended to read:

97C.341 CERTAIN AQUATIC LIFE PROHIBITED FOR BAIT.

(a) A person may not use live minnows imported from outside of the state, game fish, goldfish, or carp for bait. The commissioner may authorize use of game fish eggs as bait and prescribe restrictions on their use.

(b) A person may not import or possess live, frozen, or processed bait from known waters where viral hemorrhagic septicemia has been identified as being present. For purposes of this paragraph, "bait" includes fish, aquatic worms, amphibians, invertebrates, and insects used for ~~angling~~ taking wild animals.

Sec. 41. **[348.125] COYOTE CONFLICT MANAGEMENT OPTION.**

A county board may, by resolution, offer a bounty for the taking of coyotes (Canis latrans) by all legal methods. The resolution may be made applicable to the whole or any part of the county. The bounty must apply during the months specified in the resolution and be in an amount determined by the board.

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

Sec. 42. **LAKE FLORIDA FISHING RESTRICTIONS.**

The commissioner shall prohibit fishing on Lake Florida in the area surrounding the outlet and carp trap one month prior to the open season for walleye, sauger, northern pike, muskellunge, largemouth bass, and smallmouth bass, as provided under Minnesota Statutes, section 97C.395, subdivision 1, paragraph (a), clause (1).

Sec. 43. **RULEMAKING; SPEARING ON CASS LAKE.**

The commissioner of natural resources shall amend Minnesota Rules, part 6264.0400, subpart 69, to allow a person to take fish by spearing on Cass Lake. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

Sec. 44. **REPEALER.**

Minnesota Statutes 2008, sections 84.942, subdivisions 2, 3, and 4; 97A.435, subdivision 5; 97B.511; 97B.515, subdivision 3; and 97B.811, subdivision 4, are repealed."

Correct the title numbers accordingly

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

The report was adopted.

Hilstrom from the Committee on Public Safety Policy and Oversight to which was referred:

H. F. No. 3131, A bill for an act relating to corrections; adopting the Interstate Compact for Juveniles; proposing coding for new law in Minnesota Statutes, chapter 260.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

The report was adopted.

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

H. F. No. 3134, A bill for an act relating to probate; establishing probate and intestate rights for domestic partners; amending Minnesota Statutes 2008, sections 524.1-201; 524.2-101; 524.2-102; 524.2-103; 524.2-201; 524.2-213; 524.2-301; 524.2-402; 524.2-403; 524.2-404; 524.2-405; 524.2-803; 524.2-804; 524.3-301; 524.3-403; 524.3-703; 524.3-706; 524.3-715; 524.3-901; 524.3-906; 524.3-1203, subdivisions 1, 3; Minnesota Statutes 2009 Supplement, section 524.3-1203, subdivision 5.

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

The report was adopted.

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

H. F. No. 3135, A bill for an act relating to judicial proceedings; providing for wrongful death actions by domestic partners; establishing a witness privilege and crime victim rights for domestic partners; amending Minnesota Statutes 2008, sections 3.736, subdivision 6; 466.05, subdivision 2; 573.02, subdivisions 1, 3; 595.02, subdivision 1; 611A.01; 611A.036, subdivision 2; 611A.52, subdivision 8.

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

The report was adopted.

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

H. F. No. 3143, A bill for an act relating to tourism; amending council membership requirements; amending Minnesota Statutes 2008, section 116U.25.

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

The report was adopted.

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

H. F. No. 3151, A bill for an act relating to mortuary science; modifying provisions related to viewing, transporting, and removal of a dead human body; amending Minnesota Statutes 2008, sections 149A.01, subdivision 3; 149A.71, subdivision 2; 149A.72, subdivision 2; 149A.90, subdivisions 4, 6, 7; 149A.91, subdivisions 2, 3; 149A.93, subdivisions 6, 7; 149A.94, subdivision 1; Minnesota Statutes 2009 Supplement, section 149A.80, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 22, strike "and" and after "casketing" insert ", and public transportation"

Page 10, line 4, delete the new language and insert ", pursuant to section 149A.93, subdivision 7"

Page 10, line 5, delete the new language

Page 10, line 22, strike "public transportation" and insert "private vehicle or private aircraft,"

Page 10, line 23, strike "or by any private vehicle or aircraft"

Page 11, line 6, delete ", refrigerated, or packed with dry ice,"

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. 3168, A bill for an act relating to transportation; allowing escort drivers of overdimensional loads to control traffic; directing commissioner of public safety to establish escort driver training and certification program; amending Minnesota Statutes 2008, sections 169.06, subdivision 4; 169.86, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299D.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

The report was adopted.

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

H. F. No. 3173, A bill for an act relating to railroads; exempting certain railroad property from storm sewer or storm water utility assessments, levies, or charges; amending Minnesota Statutes 2008, sections 218.011, by adding a subdivision; 444.075, by adding a subdivision; 444.20; proposing coding for new law in Minnesota Statutes, chapter 429.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 1, line 16, delete "community-based railroad, as defined in section 218.011, subdivision 10a" and insert "railroad company, as defined in section 270.80, subdivision 2"

Page 1, line 22, delete "community-based"

Page 2, line 1, delete "railroad, as defined in section 218.011, subdivision 10a" and insert "railroad company, as defined in section 270.80, subdivision 2"

Page 2, line 13, delete "community-based railroad, as defined in section 218.011," and insert "railroad company, as defined in section 270.80, subdivision 2"

Page 2, line 14, delete "subdivision 10a"

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

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

H. F. No. 3187, A bill for an act relating to civil commitments; providing for oaths or affirmations without notarization and the acceptability of electronic signatures and documents; amending Minnesota Statutes 2008, section 253B.23, by adding a subdivision.

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3188, A resolution calling on the Congressional Delegation of the Great State of Minnesota to fully support and fund passage of the Agent Orange Equity Act of 2009.

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

The report was adopted.

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

H. F. No. 3237, A bill for an act relating to human services; changing health care eligibility provisions; making changes to individualized education plan requirements; state health access program; children's health insurance reauthorization act; long-term care partnership; asset transfers; community clinics; dental benefits; prior authorization for health services; drug formulary committee; preferred drug list; multisource drugs; administrative uniformity committee; health plans; claims against the state; amending Minnesota Statutes 2008, sections 62A.045; 62Q.80; 62S.24, subdivision 8; 256B.055, subdivision 10; 256B.057, subdivision 1; 256B.0571, subdivision 6; 256B.0625, subdivisions 13c, 13g, 25, 30, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections 15C.13; 256B.0571, subdivision 8; 256B.0625, subdivisions 9, 13e, 26; proposing coding for new law in Minnesota Statutes, chapter 62S; repealing Minnesota Statutes 2008, sections 256B.0571, subdivision 10; 256B.0595, subdivisions 1b, 2b, 3b, 4b, 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

INDIVIDUALIZED EDUCATION PLAN SERVICES

Section 1. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 26, is amended to read:

Subd. 26. **Special education services.** (a) Medical assistance covers medical services identified in a recipient's individualized education plan and covered under the medical assistance state plan. Covered services include occupational therapy, physical therapy, speech-language therapy, clinical psychological services, nursing services, school psychological services, school social work services, personal care assistants serving as management aides, assistive technology devices, transportation services, health assessments, and other services covered under the medical assistance state plan. Mental health services eligible for medical assistance reimbursement must be provided or coordinated through a children's mental health collaborative where a collaborative exists if the child is included in the collaborative operational target population. The provision or coordination of services does not require that the individual education plan be developed by the collaborative.

The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity, physician's orders, documentation, personnel qualifications, and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individual education plan are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

(b) Approval of health-related services for inclusion in the individual education plan does not require prior authorization for purposes of reimbursement under this chapter. The commissioner may require physician review and approval of the plan not more than once annually or upon any modification of the individual education plan that reflects a change in health-related services.

(c) Services of a speech-language pathologist provided under this section are covered notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

(1) holds a masters degree in speech-language pathology;

(2) is licensed by the Minnesota Board of Teaching as an educational speech-language pathologist; and

(3) either has a certificate of clinical competence from the American Speech and Hearing Association, has completed the equivalent educational requirements and work experience necessary for the certificate or has completed the academic program and is acquiring supervised work experience to qualify for the certificate.

(d) Medical assistance coverage for medically necessary services provided under other subdivisions in this section may not be denied solely on the basis that the same or similar services are covered under this subdivision.

(e) The commissioner shall develop and implement package rates, bundled rates, or per diem rates for special education services under which separately covered services are grouped together and billed as a unit in order to reduce administrative complexity.

(f) The commissioner shall develop a cost-based payment structure for payment of these services. Only costs reported through the designated Minnesota Department of Education data systems in distinct service categories qualify for inclusion in the cost-based payment structure. The commissioner shall reimburse claims submitted based on an interim rate, and shall settle at a final rate once the department has determined it. The commissioner shall notify the school district of the final rate. The school district has 60 days to appeal the final rate. To appeal the final rate, the school district shall file a written appeal request to the commissioner within 60 days of the date the final rate determination was mailed. The appeal request shall specify (1) the disputed items and (2) the name and address of the person to contact regarding the appeal.

(g) Effective July 1, 2000, medical assistance services provided under an individual education plan or an individual family service plan by local school districts shall not count against medical assistance authorization thresholds for that child.

(h) Nursing services as defined in section 148.171, subdivision 15, and provided as an individual education plan health-related service, are eligible for medical assistance payment if they are otherwise a covered service under the medical assistance program. Medical assistance covers the administration of prescription medications by a licensed nurse who is employed by or under contract with a school district when the administration of medications is identified in the child's individualized education plan. The simple administration of medications alone is not covered under medical assistance when administered by a provider other than a school district or when it is not identified in the child's individualized education plan.

ARTICLE 2

STATE HEALTH ACCESS PROGRAM

Section 1. **62Q.545 COVERAGE OF PRIVATE DUTY NURSING SERVICES.**

(a) A health plan must cover private duty nursing services when an inpatient hospital stay would otherwise be required.

(b) For purposes of this section, a period of private duty nursing services may be subject to the same co-pay, coinsurance, deductible, or other enrollee cost-sharing provisions provided under the health plan for an inpatient hospital stay, provided that a period of private duty nursing services must be treated as a single course of treatment not subject to separate enrollee cost-sharing for each day, hour, or other incremental time period; for each provider; for each location at which the nursing services are provided; for any gap of less than one week in the receipt of services, including a gap due to an inpatient hospital stay; or for any other division of the private duty nursing services.

EFFECTIVE DATE. This section is effective July 1, 2010, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 2. Minnesota Statutes 2008, section 62Q.80, is amended to read:

62Q.80 COMMUNITY-BASED HEALTH CARE COVERAGE PROGRAM.

Subdivision 1. **Scope.** (a) ~~A~~ Any community-based health care initiative may develop and operate a community-based health care coverage ~~program~~ programs that ~~offers~~ offer to eligible individuals and their dependents the option of purchasing through their employer health care coverage on a fixed prepaid basis without meeting the requirements of chapter 60A, 62A, 62C, 62D, 62M, 62N, 62Q, ~~or 62T,~~ or 62U, or any other law or rule that applies to entities licensed under these chapters.

(b) ~~The~~ Each initiative shall establish health outcomes to be achieved through the ~~program~~ programs and performance measurements in order to determine whether these outcomes have been met. The outcomes must include, but are not limited to:

(1) a reduction in uncompensated care provided by providers participating in the community-based health network;

(2) an increase in the delivery of preventive health care services; and

(3) health improvement for enrollees with chronic health conditions through the management of these conditions.

In establishing performance measurements, the initiative shall use measures that are consistent with measures published by nonprofit Minnesota or national organizations that produce and disseminate health care quality measures.

(c) Any program established under this section shall not constitute a financial liability for the state, in that any financial risk involved in the operation or termination of the program shall be borne by the community-based initiative and the participating health care providers.

Subd. 1a. **Demonstration project.** The commissioner of health ~~and the commissioner of human services~~ shall award a demonstration project ~~grant grants~~ to a community-based health care ~~initiative initiatives~~ to develop and operate a community-based health care coverage ~~program to operate within Carlton, Cook, Lake, and St. Louis Counties programs in Minnesota.~~ The demonstration ~~project projects~~ shall extend for five years and must comply with the requirements of this section.

Subd. 2. **Definitions.** For purposes of this section, the following definitions apply:

(a) "Community-based" means located in or primarily relating to the community ~~of geographically contiguous political subdivisions~~, as determined by the board of a community-based health initiative that is served by the community-based health care coverage program.

(b) "Community-based health care coverage program" or "program" means a program administered by a community-based health initiative that provides health care services through provider members of a community-based network or combination of networks to eligible individuals and their dependents who are enrolled in the program.

(c) "Community-based health initiative" or "initiative" means a nonprofit corporation that is governed by a board that has at least 80 percent of its members residing in the community and includes representatives of the participating network providers and employers, or a county-based purchasing organization as defined in section 256B.692.

(d) "Community-based health network" means a contract-based network of health care providers organized by the community-based health initiative to provide or support the delivery of health care services to enrollees of the community-based health care coverage program on a risk-sharing or nonrisk-sharing basis.

(e) "Dependent" means an eligible employee's spouse or unmarried child who is under the age of 19 years.

Subd. 3. **Approval.** (a) Prior to the operation of a community-based health care coverage program, a community-based health initiative, defined in subdivision 2, paragraph (c), and receiving funds from the Department of Health, shall submit to the commissioner of health for approval the community-based health care coverage program developed by the initiative. Each community-based health initiative as defined in subdivision 2, paragraph (c), and receiving State Health Access Program (SHAP) grant funding shall submit to the commissioner of human services for approval prior to its operation the community-based health care coverage programs developed by the initiatives. ~~The commissioner~~ commissioners shall ensure that ~~the~~ each program meets the federal grant requirements and any requirements described in this section and is actuarially sound based on a review of appropriate records and methods utilized by the community-based health initiative in establishing premium rates for the community-based health care coverage ~~program programs~~.

(b) Prior to approval, the commissioner shall also ensure that:

(1) the benefits offered comply with subdivision 8 and that there are adequate numbers of health care providers participating in the community-based health network to deliver the benefits offered under the program;

(2) the activities of the program are limited to activities that are exempt under this section or otherwise from regulation by the commissioner of commerce;

(3) the complaint resolution process meets the requirements of subdivision 10; and

(4) the data privacy policies and procedures comply with state and federal law.

Subd. 4. **Establishment.** The initiative shall establish and operate upon approval by the ~~commissioner~~ commissioners of health and human services community-based health care coverage ~~program programs~~. The operational structure established by the initiative shall include, but is not limited to:

(1) establishing a process for enrolling eligible individuals and their dependents;

(2) collecting and coordinating premiums from enrollees and employers of enrollees;

(3) providing payment to participating providers;

(4) establishing a benefit set according to subdivision 8 and establishing premium rates and cost-sharing requirements;

(5) creating incentives to encourage primary care and wellness services; and

(6) initiating disease management services, as appropriate.

Subd. 5. **Qualifying employees.** To be eligible for the community-based health care coverage program, an individual must:

(1) reside in or work within the designated community-based geographic area served by the program;

(2) be employed by a qualifying employer ~~or~~ be an employee's dependent, or be self-employed on a full-time basis;

(3) not be enrolled in or have currently available health coverage, except for catastrophic health care coverage; and

(4) not be eligible for or enrolled in medical assistance, or general assistance medical care, and not be enrolled in MinnesotaCare; or Medicare.

Subd. 6. **Qualifying employers.** (a) To qualify for participation in the community-based health care coverage program, an employer must:

(1) employ at least one but no more than 50 employees at the time of initial enrollment in the program;

(2) pay its employees a median wage ~~of \$12.50 per hour~~ that equals 350 percent of the federal poverty guidelines or less; and

(3) not have offered employer-subsidized health coverage to its employees for at least 12 months prior to the initial enrollment in the program. For purposes of this section, "employer-subsidized health coverage" means health care coverage for which the employer pays at least 50 percent of the cost of coverage for the employee.

(b) To participate in the program, a qualifying employer agrees to:

(1) offer health care coverage through the program to all eligible employees and their dependents regardless of health status;

(2) participate in the program for an initial term of at least one year;

(3) pay a percentage of the premium established by the initiative for the employee; and

(4) provide the initiative with any employee information deemed necessary by the initiative to determine eligibility and premium payments.

Subd. 7. Participating providers. Any health care provider participating in the community-based health network must accept as payment in full the payment rate established by the ~~initiative~~ initiatives and may not charge to or collect from an enrollee any amount in excess of this amount for any service covered under the program.

Subd. 8. Coverage. (a) The ~~initiative~~ initiatives shall establish the health care benefits offered through the community-based health care coverage ~~program~~ programs. The benefits established shall include, at a minimum:

(1) child health supervision services up to age 18, as defined under section 62A.047; and

(2) preventive services, including:

(i) health education and wellness services;

(ii) health supervision, evaluation, and follow-up;

(iii) immunizations; and

(iv) early disease detection.

(b) Coverage of health care services offered by the program may be limited to participating health care providers or health networks. All services covered under the ~~program~~ programs must be services that are offered within the scope of practice of the participating health care providers.

(c) The ~~initiative~~ initiatives may establish cost-sharing requirements. Any co-payment or deductible provisions established may not discriminate on the basis of age, sex, race, disability, economic status, or length of enrollment in the ~~program~~ programs.

(d) If any of the ~~the~~ initiative ~~that~~ initiatives amends or alters the benefits offered through the program from the initial offering, ~~the~~ that initiative must notify the ~~commissioner~~ commissioners of health and human services and all enrollees of the benefit change.

Subd. 9. Enrollee information. (a) The ~~initiative~~ initiatives must provide an individual or family who enrolls in the program a clear and concise written statement that includes the following information:

(1) health care services that are ~~provided~~ covered under the program;

(2) any exclusions or limitations on the health care services ~~offered~~ covered, including any cost-sharing arrangements or prior authorization requirements;

(3) a list of where the health care services can be obtained and that all health care services must be provided by or through a participating health care provider or community-based health network;

(4) a description of the program's complaint resolution process, including how to submit a complaint; how to file a complaint with the commissioner of health; and how to obtain an external review of any adverse decisions as provided under subdivision 10;

(5) the conditions under which the program or coverage under the program may be canceled or terminated; and

(6) a precise statement specifying that this program is not an insurance product and, as such, is exempt from state regulation of insurance products.

(b) The ~~commissioner~~ commissioners of health and human services must approve a copy of the written statement prior to the operation of the program.

Subd. 10. **Complaint resolution process.** (a) The ~~initiative~~ initiatives must establish a complaint resolution process. The process must make reasonable efforts to resolve complaints and to inform complainants in writing of the initiative's decision within 60 days of receiving the complaint. Any decision that is adverse to the enrollee shall include a description of the right to an external review as provided in paragraph (c) and how to exercise this right.

(b) The ~~initiative~~ initiatives must report any complaint that is not resolved within 60 days to the commissioner of health.

(c) The ~~initiative~~ initiatives must include in the complaint resolution process the ability of an enrollee to pursue the external review process provided under section 62Q.73 with any decision rendered under this external review process binding on the ~~initiative~~ initiatives.

Subd. 11. **Data privacy.** The ~~initiative~~ initiatives shall establish data privacy policies and procedures for the program that comply with state and federal data privacy laws.

Subd. 12. **Limitations on enrollment.** (a) The ~~initiative~~ initiatives may limit enrollment in the program. If enrollment is limited, a waiting list must be established.

(b) The ~~initiative~~ initiatives shall not restrict or deny enrollment in the program except for nonpayment of premiums, fraud or misrepresentation, or as otherwise permitted under this section.

(c) The ~~initiative~~ initiatives may require a certain percentage of participation from eligible employees of a qualifying employer before coverage can be offered through the program.

Subd. 13. **Report.** ~~(a) The~~ Each initiative shall submit quarterly status reports to the commissioner of health on January 15, April 15, July 15, and October 15 of each year, with the first report due January 15, 2008. ~~The~~ Each initiative receiving funding from the Department of Human Services shall submit status reports to the commissioner of human services as defined in the terms of contract with the Department of Human Services. Each status report shall include:

(1) the financial status of the program, including the premium rates, cost per member per month, claims paid out, premiums received, and administrative expenses;

(2) a description of the health care benefits offered and the services utilized;

(3) the number of employers participating, the number of employees and dependents covered under the program, and the number of health care providers participating;

(4) a description of the health outcomes to be achieved by the program and a status report on the performance measurements to be used and collected; and

(5) any other information requested by the ~~commissioner~~ commissioners of health, human services, or commerce or the legislature.

~~(b) The initiative shall contract with an independent entity to conduct an evaluation of the program to be submitted to the commissioners of health and commerce and the legislature by January 15, 2010. The evaluation shall include:~~

~~(1) an analysis of the health outcomes established by the initiative and the performance measurements to determine whether the outcomes are being achieved;~~

~~(2) an analysis of the financial status of the program, including the claims to premiums loss ratio and utilization and cost experience;~~

~~(3) the demographics of the enrollees, including their age, gender, family income, and the number of dependents;~~

~~(4) the number of employers and employees who have been denied access to the program and the basis for the denial;~~

~~(5) specific analysis on enrollees who have aggregate medical claims totaling over \$5,000 per year, including data on the enrollee's main diagnosis and whether all the medical claims were covered by the program;~~

~~(6) number of enrollees referred to state public assistance programs;~~

~~(7) a comparison of employer subsidized health coverage provided in a comparable geographic area to the designated community-based geographic area served by the program, including, to the extent available:~~

~~(i) the difference in the number of employers with 50 or fewer employees offering employer subsidized health coverage;~~

~~(ii) the difference in uncompensated care being provided in each area; and~~

~~(iii) a comparison of health care outcomes and measurements established by the initiative; and~~

~~(8) any other information requested by the commissioner of health or commerce.~~

Subd. 14. **Sunset.** This section expires ~~December 31, 2012~~ August 31, 2014.

ARTICLE 3

CHILDREN'S HEALTH INSURANCE REAUTHORIZATION ACT (CHIPRA)

Section 1. Minnesota Statutes 2008, section 256B.055, subdivision 10, is amended to read:

Subd. 10. **Infants.** Medical assistance may be paid for an infant less than one year of age, whose mother was eligible for and receiving medical assistance at the time of birth ~~and who remains in the mother's household~~ or who is in a family with countable income that is equal to or less than the income standard established under section 256B.057, subdivision 1.

Sec. 2. Minnesota Statutes 2008, section 256B.057, subdivision 1, is amended to read:

Subdivision 1. **Infants and pregnant women.** (a)(1) An infant less than one year of age or a pregnant woman who has written verification of a positive pregnancy test from a physician or licensed registered nurse is eligible for medical assistance if countable family income is equal to or less than 275 percent of the federal poverty guideline for the same family size. For purposes of this subdivision, "countable family income" means the amount of income considered available using the methodology of the AFDC program under the state's AFDC plan as of July 16, 1996, as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, except for the earned income disregard and employment deductions.

(2) For applications processed within one calendar month prior to the effective date, eligibility shall be determined by applying the income standards and methodologies in effect prior to the effective date for any months in the six-month budget period before that date and the income standards and methodologies in effect on the effective date for any months in the six-month budget period on or after that date. The income standards for each month shall be added together and compared to the applicant's total countable income for the six-month budget period to determine eligibility.

(b)(1) [Expired, 1Sp2003 c 14 art 12 s 19]

(2) For applications processed within one calendar month prior to July 1, 2003, eligibility shall be determined by applying the income standards and methodologies in effect prior to July 1, 2003, for any months in the six-month budget period before July 1, 2003, and the income standards and methodologies in effect on the expiration date for any months in the six-month budget period on or after July 1, 2003. The income standards for each month shall be added together and compared to the applicant's total countable income for the six-month budget period to determine eligibility.

(3) An amount equal to the amount of earned income exceeding 275 percent of the federal poverty guideline, up to a maximum of the amount by which the combined total of 185 percent of the federal poverty guideline plus the earned income disregards and deductions allowed under the state's AFDC plan as of July 16, 1996, as required by the Personal Responsibility and Work Opportunity Act of 1996 (PRWORA), Public Law 104-193, exceeds 275 percent of the federal poverty guideline will be deducted for pregnant women and infants less than one year of age.

(c) Dependent care and child support paid under court order shall be deducted from the countable income of pregnant women.

(d) An infant born ~~on or after January 1, 1991,~~ to a woman who was eligible for and receiving medical assistance on the date of the child's birth shall continue to be eligible for medical assistance without redetermination until the child's first birthday, ~~as long as the child remains in the woman's household.~~

ARTICLE 4

LONG-TERM CARE PARTNERSHIP

Section 1. 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: (1) a policy rider, or amendment; or (2) a disclosure statement, the issuer of the policy is authorized to add the rider, 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. 2. **[62S.312] CONSUMER PROTECTION STANDARDS FOR LONG-TERM CARE PARTNERSHIP POLICIES.**

To qualify as a long-term care partnership policy under this chapter, long-term care insurance policies must meet the requirements for being tax qualified as defined in section 7702B(b) of the Internal Revenue Code and meet certain consumer protection requirements in Section 6021(a)(1)(B)(5)(A) of the Deficit Reduction Act of 2005, Public Law 109-171, which are taken from the National Association of Insurance Commissioners (NAIC) Model Act and Regulation of 2000. Insurance carriers must certify for each policy form to be included in the long-term care partnership that the form complies with the requirements of the NAIC Model Act and Regulation of 2000 as implemented in sections 62S.05 to 62S.11; 62S.13 to 62S.18; 62S.19; 62S.20, subdivisions 1 to 5; 62S.21; 62S.22; 62S.24; 62S.25; 62S.266; 62S.28; 62S.29; 62S.30; and 62S.31.

Sec. 3. Minnesota Statutes 2008, section 256B.0571, subdivision 6, is amended to read:

Subd. 6. **Partnership policy.** ~~"Partnership policy" means a long-term care insurance policy that meets the requirements under subdivision 10 and criteria in sections 62S.23, subdivision 1, paragraph (b), and 62S.312 and was issued on or after the effective date of the state plan amendment implementing the partnership program in Minnesota. Policies that are exchanged or that have riders or endorsements added on or after the effective date of the state plan amendment as authorized by the commissioner of commerce qualify as a partnership policy July 1, 2006, or exchanged on or after July 1, 2006, under the provisions of section 62S.24, subdivision 8.~~

Sec. 4. Minnesota Statutes 2009 Supplement, section 256B.0571, subdivision 8, is amended to read:

Subd. 8. **Program established.** (a) The commissioner, in cooperation with the commissioner of commerce, shall establish the Minnesota partnership for long-term care program to provide for the financing of long-term care through a combination of private insurance and medical assistance.

(b) An individual becomes eligible to participate in the partnership program by meeting the requirements of either clause (1) or (2):

(1) the individual may qualify as a beneficiary of a partnership policy that ~~either (i) is issued on or after the effective date of the state plan amendment implementing the partnership plan in Minnesota, or (ii) qualifies as a partnership policy as authorized by the commissioner of commerce~~ meets the criteria under subdivision 6. To be eligible under this clause, the individual must be a Minnesota resident at the time coverage first became effective under the partnership policy; or

(2) the individual may qualify as a beneficiary of a policy recognized under subdivision 17.

Sec. 5. **REPEALER.**

Minnesota Statutes 2008, section 256B.0571, subdivision 10, is repealed.

ARTICLE 5

MODIFICATION TO PROHIBITIONS ON ASSET TRANSFERS

Section 1. **REPEALER.**

Minnesota Statutes 2008, section 256B.0595, subdivisions 1b, 2b, 3b, 4b, and 5, are repealed.

ARTICLE 6

COMMUNITY CLINICS

Section 1. Minnesota Statutes 2009 Supplement, section 256B.032, is amended to read:

256B.032 ELIGIBLE VENDORS OF MEDICAL CARE.

(a) Effective January 1, 2011, the commissioner shall establish performance thresholds for health care providers included in the provider peer grouping system developed by the commissioner of health under section 62U.04. The thresholds shall be set at the 10th percentile of the combined cost and quality measure used for provider peer grouping, and separate thresholds shall be set for hospital and physician services.

(b) Beginning January 1, 2012, any health care provider with a combined cost and quality score below the threshold set in paragraph (a) shall be prohibited from enrolling as a vendor of medical care in the medical assistance, general assistance medical care, or MinnesotaCare programs, and shall not be eligible for direct payments under those programs or for payments made by managed care plans under their contracts with the commissioner under section 256B.69 or 256L.12. A health care provider that is prohibited from enrolling as a vendor or receiving payments under this paragraph may reenroll effective January 1 of any subsequent year if the provider's most recent combined cost and quality score exceeds the threshold established in paragraph (a).

(c) Notwithstanding paragraph (b), a provider may continue to participate as a vendor or as part of a managed care plan provider network if the commissioner determines that a contract with the provider is necessary to ensure adequate access to health care services.

(d) By January 15, 2013, the commissioner shall report to the legislature on the impact of this section. The commissioner's report shall include information on:

(1) the providers falling below the thresholds as of January 1, 2012;

(2) the volume of services and cost of care provided to enrollees in the medical assistance, general assistance medical care, or MinnesotaCare programs in the 12 months prior to January 1, 2012, by providers falling below the thresholds;

(3) providers who fell below the thresholds but continued to be eligible vendors under ~~paragraph~~ paragraphs (c) and (e);

(4) the estimated cost savings achieved by not contracting with providers who do not meet the performance thresholds; and

(5) recommendations for increasing the threshold levels of performance over time.

(e) Federally qualified health centers and rural health clinics are exempt from the requirements of paragraph (b).

Sec. 2. Minnesota Statutes 2008, section 256B.0625, subdivision 30, is amended to read:

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

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

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

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

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

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

(g) For purposes of this section, "nonprofit community clinic" is a clinic that:

- (1) has nonprofit status as specified in chapter 317A;
- (2) has tax exempt status as provided in Internal Revenue Code, section 501(c)(3);
- (3) is established to provide health services to low-income population groups, uninsured, high-risk and special needs populations, underserved and other special needs populations;
- (4) employs professional staff at least one-half of which are familiar with the cultural background of their clients;
- (5) charges for services on a sliding fee scale designed to provide assistance to low-income clients based on current poverty income guidelines and family size; and
- (6) does not restrict access or services because of a client's financial limitations or public assistance status and provides no-cost care as needed.

ARTICLE 7

DENTAL BENEFIT SET

Section 1. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 9, is amended to read:

Subd. 9. **Dental services.** (a) Medical assistance covers dental services.

(b) Medical assistance dental coverage for nonpregnant adults is limited to the following services:

- (1) comprehensive exams, limited to once every five years;
- (2) periodic exams, limited to one per year;
- (3) limited exams;
- (4) bitewing x-rays, limited to one per year;
- (5) periapical x-rays;
- (6) panoramic x-rays, limited to one every five years, ~~and only if provided in conjunction with a posterior extraction or scheduled outpatient facility procedure, or as~~ except (1) when medically necessary for the diagnosis and follow-up of oral and maxillofacial pathology and trauma. Panoramic x-rays may be taken or (2) once every two years for patients who cannot cooperate for intraoral film due to a developmental disability or medical condition that does not allow for intraoral film placement;
- (7) prophylaxis, limited to one per year;
- (8) application of fluoride varnish, limited to one per year;
- (9) posterior fillings, all at the amalgam rate;
- (10) anterior fillings;
- (11) endodontics, limited to root canals on the anterior and premolars only;

- (12) removable prostheses, each dental arch limited to one every six years;
- (13) oral surgery, limited to extractions, biopsies, and incision and drainage of abscesses;
- (14) palliative treatment and sedative fillings for relief of pain; and
- (15) full-mouth debridement, limited to one every five years.

(c) In addition to the services specified in paragraph (b), medical assistance covers the following services for adults, if provided in an outpatient hospital setting or freestanding ambulatory surgical center as part of outpatient dental surgery:

- (1) periodontics, limited to periodontal scaling and root planing once every two years;
- (2) general anesthesia; and
- (3) full-mouth survey once every five years.

(d) Medical assistance covers medically necessary dental services for children ~~that are medically necessary and pregnant women~~. The following guidelines apply:

- (1) posterior fillings are paid at the amalgam rate;
- (2) application of sealants are covered once every five years per permanent molar for children only; ~~and~~
- (3) application of fluoride varnish is covered once every six months; and
- (4) orthodontia is eligible for coverage for children only.

ARTICLE 8

PRIOR AUTHORIZATION FOR HEALTH SERVICES

Section 1. Minnesota Statutes 2008, section 256B.0625, subdivision 25, is amended to read:

Subd. 25. **Prior authorization required.** The commissioner shall publish in the ~~State Register~~ Minnesota health care programs provider manual and on the department's Web site a list of health services that require prior authorization, as well as the criteria and standards used to select health services on the list. The list and the criteria and standards used to formulate it are not subject to the requirements of sections 14.001 to 14.69. The commissioner's decision whether prior authorization is required for a health service is not subject to administrative appeal.

ARTICLE 9

DRUG FORMULARY COMMITTEE

Section 1. Minnesota Statutes 2008, section 256B.0625, subdivision 13c, is amended to read:

Subd. 13c. **Formulary committee.** The commissioner, after receiving recommendations from professional medical associations and professional pharmacy associations, and consumer groups shall designate a Formulary Committee to carry out duties as described in subdivisions 13 to 13g. The Formulary Committee shall be comprised

of four licensed physicians actively engaged in the practice of medicine in Minnesota one of whom must be actively engaged in the treatment of persons with mental illness; at least three licensed pharmacists actively engaged in the practice of pharmacy in Minnesota; and one consumer representative; the remainder to be made up of health care professionals who are licensed in their field and have recognized knowledge in the clinically appropriate prescribing, dispensing, and monitoring of covered outpatient drugs. Members of the Formulary Committee shall not be employed by the Department of Human Services, but the committee shall be staffed by an employee of the department who shall serve as an ex officio, nonvoting member of the committee. The department's medical director shall also serve as an ex officio, nonvoting member for the committee. Committee members shall serve three-year terms and may be reappointed by the commissioner. The Formulary Committee shall meet at least ~~quarterly~~ twice per year. The commissioner may require more frequent Formulary Committee meetings as needed. An honorarium of \$100 per meeting and reimbursement for mileage shall be paid to each committee member in attendance.

ARTICLE 10

PREFERRED DRUG LIST

Section 1. Minnesota Statutes 2008, section 256B.0625, subdivision 13g, is amended to read:

Subd. 13g. **Preferred drug list.** (a) The commissioner shall adopt and implement a preferred drug list by January 1, 2004. The commissioner may enter into a contract with a vendor for the purpose of participating in a preferred drug list and supplemental rebate program. The commissioner shall ensure that any contract meets all federal requirements and maximizes federal financial participation. The commissioner shall publish the preferred drug list annually in the State Register and shall maintain an accurate and up-to-date list on the agency Web site.

(b) The commissioner may add to, delete from, and otherwise modify the preferred drug list, after consulting with the Formulary Committee and appropriate medical specialists and providing public notice and the opportunity for public comment.

(c) The commissioner shall adopt and administer the preferred drug list as part of the administration of the supplemental drug rebate program. Reimbursement for prescription drugs not on the preferred drug list may be subject to prior authorization, ~~unless the drug manufacturer signs a supplemental rebate contract.~~

(d) For purposes of this subdivision, "preferred drug list" means a list of prescription drugs within designated therapeutic classes selected by the commissioner, for which prior authorization based on the identity of the drug or class is not required.

(e) The commissioner shall seek any federal waivers or approvals necessary to implement this subdivision.

ARTICLE 11

MULTISOURCE DRUGS

Section 1. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 13e, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee; the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee; or the usual and customary price charged to the public. The amount of payment basis must be reduced to reflect all discount amounts applied to the charge by any provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The pharmacy dispensing fee shall be \$3.65,

except that the dispensing fee for intravenous solutions which must be compounded by the pharmacist shall be \$8 per bag, \$14 per bag for cancer chemotherapy products, and \$30 per bag for total parenteral nutritional products dispensed in one liter quantities, or \$44 per bag for total parenteral nutritional products dispensed in quantities greater than one liter. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Effective July 1, 2009, the actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus 15 percent. The actual acquisition cost of antihemophilic factor drugs shall be estimated at the average wholesale price minus 30 percent. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third-party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act.

(b) An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply.

(c) ~~Whenever a generically equivalent product is available~~ maximum allowable cost has been set for a multisource drug, payment shall be on the basis of the actual acquisition cost of the generic drug, or on the maximum allowable cost established by the commissioner unless prior authorization for the brand name product has been granted according to the criteria established by the Drug Formulary Committee as required by subdivision 13f, paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in a manner consistent with section 151.21, subdivision 2.

(d) The basis for determining the amount of payment for drugs administered in an outpatient setting shall be the lower of the usual and customary cost submitted by the provider or the amount established for Medicare by the United States Department of Health and Human Services pursuant to title XVIII, section 1847a of the federal Social Security Act.

(e) The commissioner may negotiate lower reimbursement rates for specialty pharmacy products than the rates specified in paragraph (a). The commissioner may require individuals enrolled in the health care programs administered by the department to obtain specialty pharmacy products from providers with whom the commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are defined as those used by a small number of recipients or recipients with complex and chronic diseases that require expensive and challenging drug regimens. Examples of these conditions include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C, growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of cancer. Specialty pharmaceutical products include injectable and infusion therapies, biotechnology drugs, high-cost therapies, and therapies that require complex care. The commissioner shall consult with the formulary committee to develop a list of specialty pharmacy products subject to this paragraph. In consulting with the formulary committee in developing this list, the commissioner shall take into consideration the population served by specialty pharmacy products, the current delivery system and standard of care in the state, and access to care issues. The commissioner shall have the discretion to adjust the reimbursement rate to prevent access to care issues.

ARTICLE 12

ADMINISTRATIVE UNIFORMITY COMMITTEE

Section 1. Minnesota Statutes 2008, section 256B.0625, is amended by adding a subdivision to read:

Subd. 8d. **Home infusion therapy services.** Home infusion therapy services provided by home infusion therapy pharmacies must be paid the lower of the submitted charge or the combined payment rates for component services typically provided.

EFFECTIVE DATE. This section is effective upon federal approval.

Sec. 2. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 13e, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee; the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee; or the usual and customary price charged to the public. The amount of payment basis must be reduced to reflect all discount amounts applied to the charge by any provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The pharmacy dispensing fee shall be \$3.65, except that the dispensing fee for intravenous solutions which must be compounded by the pharmacist shall be \$8 per bag, \$14 per bag for cancer chemotherapy products, and \$30 per bag for total parenteral nutritional products dispensed in one liter quantities, or \$44 per bag for total parenteral nutritional products dispensed in quantities greater than one liter. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Effective July 1, 2009, the actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus 15 percent. The actual acquisition cost of antihemophilic factor drugs shall be estimated at the average wholesale price minus 30 percent. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third-party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act.

(b) An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply.

(c) Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, or on the maximum allowable cost established by the commissioner.

(d) The basis for determining the amount of payment for drugs administered in an outpatient setting shall be the lower of the usual and customary cost submitted by the provider or the amount established for Medicare by the United States Department of Health and Human Services pursuant to title XVIII, section 1847a of the federal Social Security Act.

(e) The commissioner may negotiate lower reimbursement rates for specialty pharmacy products than the rates specified in paragraph (a). The commissioner may require individuals enrolled in the health care programs administered by the department to obtain specialty pharmacy products from providers with whom the commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are defined as those used by a small number of recipients or recipients with complex and chronic diseases that require expensive and challenging drug regimens. Examples of these conditions include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C, growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of cancer. Specialty pharmaceutical products include injectable and infusion therapies, biotechnology drugs, high-cost

therapies, and therapies that require complex care. The commissioner shall consult with the formulary committee to develop a list of specialty pharmacy products subject to this paragraph. In consulting with the formulary committee in developing this list, the commissioner shall take into consideration the population served by specialty pharmacy products, the current delivery system and standard of care in the state, and access to care issues. The commissioner shall have the discretion to adjust the reimbursement rate to prevent access to care issues.

(f) Home infusion therapy services provided by home infusion therapy pharmacies must be paid at rates according to subdivision 8d.

EFFECTIVE DATE. This section is effective upon federal approval.

ARTICLE 13

HEALTH PLANS

Section 1. Minnesota Statutes 2008, section 62A.045, is amended to read:

62A.045 PAYMENTS ON BEHALF OF ENROLLEES IN GOVERNMENT HEALTH PROGRAMS.

(a) As a condition of doing business in Minnesota or providing coverage to residents of Minnesota covered by this section, each health insurer shall comply with the requirements of the federal Deficit Reduction Act of 2005, Public Law 109-171, including any federal regulations adopted under that act, to the extent that it imposes a requirement that applies in this state and that is not also required by the laws of this state. This section does not require compliance with any provision of the federal act prior to the effective date provided for that provision in the federal act. The commissioner shall enforce this section.

For the purpose of this section, "health insurer" includes self-insured plans, group health plans (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974), service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are by contract legally responsible to pay a claim for a healthcare item or service for an individual receiving benefits under paragraph (b).

(b) No ~~health~~ health plan offered by a health insurer issued or renewed to provide coverage to a Minnesota resident shall contain any provision denying or reducing benefits because services are rendered to a person who is eligible for or receiving medical benefits pursuant to title XIX of the Social Security Act (Medicaid) in this or any other state; chapter 256; 256B; or 256D or services pursuant to section 252.27; 256L.01 to 256L.10; 260B.331, subdivision 2; 260C.331, subdivision 2; or 393.07, subdivision 1 or 2. No health ~~carrier~~ insurer providing benefits under plans covered by this section shall use eligibility for medical programs named in this section as an underwriting guideline or reason for nonacceptance of the risk.

(c) If payment for covered expenses has been made under state medical programs for health care items or services provided to an individual, and a third party has a legal liability to make payments, the rights of payment and appeal of an adverse coverage decision for the individual, or in the case of a child their responsible relative or caretaker, will be subrogated to the state agency. The state agency may assert its rights under this section within three years of the date the service was rendered. For purposes of this section, "state agency" includes prepaid health plans under contract with the commissioner according to sections 256B.69, 256D.03, subdivision 4, paragraph (c), and 256L.12; children's mental health collaboratives under section 245.493; demonstration projects for persons with disabilities under section 256B.77; nursing homes under the alternative payment demonstration project under section 256B.434; and county-based purchasing entities under section 256B.692.

(d) Notwithstanding any law to the contrary, when a person covered by a ~~health plan offered by a health insurer~~ receives medical benefits according to any statute listed in this section, payment for covered services or notice of denial for services billed by the provider must be issued directly to the provider. If a person was receiving medical benefits through the Department of Human Services at the time a service was provided, the provider must indicate this benefit coverage on any claim forms submitted by the provider to the health ~~carrier insurer~~ for those services. If the commissioner of human services notifies the health ~~carrier insurer~~ that the commissioner has made payments to the provider, payment for benefits or notices of denials issued by the health ~~carrier insurer~~ must be issued directly to the commissioner. Submission by the department to the health ~~carrier insurer~~ of the claim on a Department of Human Services claim form is proper notice and shall be considered proof of payment of the claim to the provider and supersedes any contract requirements of the health ~~carrier insurer~~ relating to the form of submission. Liability to the insured for coverage is satisfied to the extent that payments for those benefits are made by the health ~~carrier insurer~~ to the provider or the commissioner as required by this section.

(e) When a state agency has acquired the rights of an individual eligible for medical programs named in this section and has health benefits coverage through a health ~~carrier insurer~~, the health ~~carrier insurer~~ shall not impose requirements that are different from requirements applicable to an agent or assignee of any other individual covered.

~~(f) For the purpose of this section, health plan includes coverage offered by community integrated service networks, any plan governed under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, sections 1001 to 1461, and coverage offered under the exclusions listed in section 62A.011, subdivision 3, clauses (2), (6), (9), (10), and (12).~~

ARTICLE 14

CLAIMS AGAINST THE STATE

Section 1. Minnesota Statutes 2009 Supplement, section 15C.13, is amended to read:

15C.13 DISTRIBUTION TO PRIVATE PLAINTIFF IN CERTAIN ACTIONS.

If the prosecuting attorney intervenes at the outset in an action brought by a person under section 15C.05, the person is entitled to receive not less than 15 percent or more than 25 percent of any recovery in proportion to the person's contribution to the conduct of the action. If the prosecuting attorney does not intervene in the action at any time, the person is entitled to receive not less than 25 percent or more than 30 percent of any recovery of the civil penalty and damages, or settlement, as the court determines is reasonable. If the prosecuting attorney does not intervene in the action at the outset but subsequently intervenes, the person is entitled to receive not less than 15 percent or more than 30 percent of any recovery, as the court determines is reasonable based on the person's participation in the action before the prosecuting attorney intervened. For recoveries whose distribution is governed by federal code or rule, the basis for calculating the portion of the recovery the person is entitled to receive shall not include amounts reserved for distribution to the federal government or designated in their use by federal code or rule.

ARTICLE 15

PREPAID HEALTH PLANS

Section 1. Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 5a, is amended to read:

Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year basis beginning January 1, 1996. Managed care contracts which were in effect on June 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995 through December 31, 1995 at the same terms that were in effect on June 30, 1995. The commissioner may issue separate contracts with requirements specific to services to medical assistance recipients age 65 and older.

(b) A prepaid health plan providing covered health services for eligible persons pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms of its contract with the commissioner. Requirements applicable to managed care programs under chapters 256B, 256D, and 256L, established after the effective date of a contract with the commissioner take effect when the contract is next issued or renewed.

(c) Effective for services rendered on or after January 1, 2003, the commissioner shall withhold five percent of managed care plan payments under this section and county-based purchasing plan's payment rate under section 256B.692 for the prepaid medical assistance and general assistance medical care programs pending completion of performance targets. Each performance target must be quantifiable, objective, measurable, and reasonably attainable, except in the case of a performance target based on a federal or state law or rule. Criteria for assessment of each performance target must be outlined in writing prior to the contract effective date. The managed care plan must demonstrate, to the commissioner's satisfaction, that the data submitted regarding attainment of the performance target is accurate. The commissioner shall periodically change the administrative measures used as performance targets in order to improve plan performance across a broader range of administrative services. The performance targets must include measurement of plan efforts to contain spending on health care services and administrative activities. The commissioner may adopt plan-specific performance targets that take into account factors affecting only one plan, including characteristics of the plan's enrollee population. The withheld funds must be returned no sooner than July of the following year if performance targets in the contract are achieved. The commissioner may exclude special demonstration projects under subdivision 23.

(d) Effective for services rendered on or after January 1, 2009, through December 31, 2009, the commissioner shall withhold three percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance and general assistance medical care programs. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

~~The return of the withhold under this paragraph is not subject to the requirements of paragraph (e).~~

(e) Effective for services provided on or after January 1, 2010, the commissioner shall require that managed care plans use the assessment and authorization processes, forms, timelines, standards, documentation, and data reporting requirements, protocols, billing processes, and policies consistent with medical assistance fee-for-service or the Department of Human Services contract requirements consistent with medical assistance fee-for-service or the Department of Human Services contract requirements for all personal care assistance services under section 256B.0659.

(f) Effective for services rendered on or after January 1, 2010, through December 31, 2010, the commissioner shall withhold 3.5 percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance program. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(g) Effective for services rendered on or after January 1, 2011, through December 31, 2011, the commissioner shall withhold four percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance program. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(h) Effective for services rendered on or after January 1, 2012, through December 31, 2012, the commissioner shall withhold 4.5 percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance program. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(i) Effective for services rendered on or after January 1, 2013, through December 31, 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance program. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(j) Effective for services rendered on or after January 1, 2014, the commissioner shall withhold three percent of managed care plan payments under this section and county-based purchasing plan payments under section 256B.692 for the prepaid medical assistance and prepaid general assistance medical care programs. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the following year. The commissioner may exclude special demonstration projects under subdivision 23.

(k) A managed care plan or a county-based purchasing plan under section 256B.692 may include as admitted assets under section 62D.044 any amount withheld under this section that is reasonably expected to be returned.

(l) Contracts between the commissioner and a prepaid health plan are exempt from the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a), and 7.

(m) The return of the withhold under paragraph (d) and paragraphs (f) to (j) is not subject to the requirements of paragraph (c).

ARTICLE 16

INCOME STANDARDS FOR ELIGIBILITY

Section 1. Minnesota Statutes 2009 Supplement, section 256B.056, subdivision 1c, is amended to read:

Subd. 1c. **Families with children income methodology.** (a)(1) [Expired, 1Sp2003 c 14 art 12 s 17]

(2) For applications processed within one calendar month prior to July 1, 2003, eligibility shall be determined by applying the income standards and methodologies in effect prior to July 1, 2003, for any months in the six-month budget period before July 1, 2003, and the income standards and methodologies in effect on July 1, 2003, for any months in the six-month budget period on or after that date. The income standards for each month shall be added together and compared to the applicant's total countable income for the six-month budget period to determine eligibility.

(3) For children ages one through 18 whose eligibility is determined under section 256B.057, subdivision 2, the following deductions shall be applied to income counted toward the child's eligibility as allowed under the state's AFDC plan in effect as of July 16, 1996: \$90 work expense, dependent care, and child support paid under court order. This clause is effective October 1, 2003.

(b) For families with children whose eligibility is determined using the standard specified in section 256B.056, subdivision 4, paragraph (c), 17 percent of countable earned income shall be disregarded for up to four months and the following deductions shall be applied to each individual's income counted toward eligibility as allowed under the state's AFDC plan in effect as of July 16, 1996: dependent care and child support paid under court order.

(c) If the four-month disregard in paragraph (b) has been applied to the wage earner's income for four months, the disregard shall not be applied again until the wage earner's income has not been considered in determining medical assistance eligibility for 12 consecutive months.

(d) The commissioner shall adjust the income standards under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services except that the income standards shall not go below those in effect on July 1, 2009.

(e) For children age 18 or under, annual gifts of \$2,000 or less by a tax-exempt organization to or for the benefit of the child with a life-threatening illness must be disregarded from income.

Sec. 2. Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3, is amended to read:

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

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

(2) who is a resident of Minnesota; and

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

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

(b) The commissioner shall adjust the income standards under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services except that the income standards shall not go below those in effect on July 1, 2009.

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

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

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

(f) Applicants and recipients eligible under paragraph (a), clause (2), item (i), are exempt from the MinnesotaCare enrollment requirements in this subdivision if they:

(1) have applied for and are awaiting a determination of blindness or disability by the state medical review team or a determination of eligibility for Supplemental Security Income or Social Security Disability Insurance by the Social Security Administration;

(2) fail to meet the requirements of section 256L.09, subdivision 2;

(3) are homeless as defined by United States Code, title 42, section 11301, et seq.;

(4) are classified as end-stage renal disease beneficiaries in the Medicare program;

(5) are enrolled in private health care coverage as defined in section 256B.02, subdivision 9;

(6) are eligible under paragraph (k);

(7) receive treatment funded pursuant to section 254B.02; or

(8) reside in the Minnesota sex offender program defined in chapter 246B.

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

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

(i) The date of an initial Minnesota health care program application necessary to begin a determination of eligibility shall be the date the applicant has provided a name, address, and Social Security number, signed and dated, to the county agency or the Department of Human Services. If the applicant is unable to provide a name, address, Social Security number, and signature when health care is delivered due to a medical condition or disability, a health care provider may act on an applicant's behalf to establish the date of an initial Minnesota health care program application by providing the county agency or Department of Human Services with provider identification and a temporary unique identifier for the applicant. The applicant must complete the remainder of the application and provide necessary verification before eligibility can be determined. The applicant must complete the application within the time periods required under the medical assistance program as specified in Minnesota Rules, parts 9505.0015, subpart 5, and 9505.0090, subpart 2. The county agency must assist the applicant in obtaining verification if necessary.

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

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

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

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

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

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

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

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

Sec. 3. Minnesota Statutes 2008, section 256L.04, subdivision 7b, is amended to read:

Subd. 7b. **Annual income limits adjustment.** The commissioner shall adjust the income limits under this section each July 1 by the annual update of the federal poverty guidelines following publication by the United States Department of Health and Human Services except that the income standards shall not go below those in effect on July 1, 2009."

Delete the title and insert:

"A bill for an act relating to human services; changing health care eligibility provisions; making changes to individualized education plan requirements; state health access program; coverage of private duty nursing services; children's health insurance reauthorization act; long-term care partnership; asset transfers; community clinics; dental benefits; prior authorization for health services; drug formulary committee; preferred drug list; multisource drugs; administrative uniformity committee; health plans; claims against the state; income standards for eligibility; prepaid health plans; amending Minnesota Statutes 2008, sections 62A.045; 62Q.80; 62S.24, subdivision 8; 256B.055, subdivision 10; 256B.057, subdivision 1; 256B.0571, subdivision 6; 256B.0625, subdivisions 13c, 13g, 25, 30, by adding a subdivision; 256L.04, subdivision 7b; Minnesota Statutes 2009 Supplement, sections 15C.13; 256B.032; 256B.056, subdivision 1c; 256B.0571, subdivision 8; 256B.0625, subdivisions 9, 13e, 26; 256B.69, subdivision 5a; 256D.03, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 62Q; 62S; repealing Minnesota Statutes 2008, sections 256B.0571, subdivision 10; 256B.0595, subdivisions 1b, 2b, 3b, 4b, 5."

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.

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

H. F. No. 3239, A bill for an act relating to human services; making changes to licensing provisions; modifying background study requirements, disqualifications, and data classification; amending Minnesota Statutes 2008, sections 245A.07, subdivision 2a; 245A.30; 245B.05, subdivision 7; 245C.02, subdivision 18; Minnesota Statutes 2009 Supplement, sections 245A.03, subdivision 2; 245A.04, subdivisions 5, 7; 245A.07, subdivisions 1, 3; 245A.144; 245A.50, subdivision 5; 245C.15, subdivision 2; 245C.20; 245C.22, subdivision 7; repealing Minnesota Rules, part 2500.5000.

Reported the same back with the recommendation that the bill pass and be re-referred to the Early Childhood Finance and Policy Division.

The report was adopted.

Hilty from the Energy Finance and Policy Division to which was referred:

H. F. No. 3259, A bill for an act relating to energy; modifying utility's requirement to post notice of impending disconnection of utility services to a rental building due to landlord's failure to pay for service; amending Minnesota Statutes 2008, section 504B.215, subdivision 3.

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3262, A bill for an act relating to agriculture; modifying the compensation program for livestock crippled or destroyed by a gray wolf; amending Minnesota Statutes 2008, section 3.737, subdivision 4; Minnesota Statutes 2009 Supplement, section 3.737, subdivision 1.

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 3267, A bill for an act relating to education; establishing an advisory task force on school desegregation and integration.

Reported the same back with the following amendments:

Page 1, line 13, delete "15-member council" and insert "17-member task force"

Page 1, line 21, after "superintendents" insert ", collaborative coordinators,"

Page 2, line 1, delete "two" and insert "four"

Page 2, line 2, delete the first "one" and insert "two" and delete "one house member is" and insert "two house members are"

Page 2, line 3, delete "the second house member is" and insert "two house members are"

Page 2, line 6, after "superintendents" insert ", collaborative coordinators,"

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

The report was adopted.

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

H. F. No. 3277, A bill for an act relating to commerce; specifying that advertising of deceptive local telephone numbers for floral and locksmith businesses is a deceptive trade practice; amending Minnesota Statutes 2008, section 325D.46, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 325D.46, is amended by adding a subdivision to read:

Subd. 3. Deceptive telephone-related directory listings and print advertisements. (a) The practices described in this subdivision are practices described in section 325D.44, clauses (2) and (4).

(b) For purposes of this subdivision, "business is located within the geographic area," "geographic location of the business," or similar term means that at least one owner or employee of the business regularly performs services on behalf of the business at that location. Renting use of a street address, post office box, or mail-drop does not constitute having a business at that location.

(c) A person operating a business misrepresents the geographic location of the business in a listing of the business in a telephone directory, other directory assistance database, or on the Internet, if the name of the business, or the name under which the business is listed, indicates that the business is located within a geographic area and all of the following apply:

(1) the business is not located within the geographic area indicated;

(2) the listing fails to identify the actual municipality and state of the business's geographic location; and

(3) telephone calls to the local telephone number listed in the telephone directory, directory assistance database, or on the Internet routinely are forwarded or transferred to a location that is outside the calling area covered by the telephone directory or directory assistance database in which the number is listed, or outside the local calling area for the local telephone number posted on the Internet.

(d) A person operating a business misrepresents the geographic location of the business in print advertisement if a fictitious or assumed business name is listed in print advertisement and both of the following apply:

(1) the name used misrepresents the geographic location of the business; and

(2) a telephone call to the local telephone number listed in the print advertisement routinely is forwarded or transferred to a location that is outside the calling area for the local telephone number listed.

(e) This subdivision does not limit the application of sections 325D.43 to 325D.48.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to any telephone directory, directory assistance database, Internet Web site, or print advertisement provided, published, or posted on or after that date."

Delete the title and insert:

"A bill for an act relating to commerce; specifying that advertising of deceptive local telephone numbers for businesses is a deceptive trade practice; amending Minnesota Statutes 2008, section 325D.46, by adding a subdivision."

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

The report was adopted.

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

H. F. No. 3279, A bill for an act relating to health; amending provisions for electronic health record technology; providing for administrative penalties; appropriating money; amending Minnesota Statutes 2009 Supplement, section 62J.495, subdivisions 1a, 3; proposing coding for new law in Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Page 6, line 12, before "When" insert "(1)"

Page 6, after line 16, insert:

"(2) The Health Information Exchange Oversight Board may disclose data classified as protected nonpublic or confidential under this paragraph if the Health Information Exchange Oversight Board and the commissioner jointly determine that disclosing the data will protect the health or safety of patients."

Page 6, delete lines 21 to 24

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3295, A bill for an act relating to agriculture; changing certain pesticide control provisions; authorizing waiver of a fee; providing for control of bovine tuberculosis; eliminating the native grasses and wildflower seed production and incentive program; authorizing ownership of agricultural land by certain nonprofit corporations; amending Minnesota Statutes 2008, sections 18B.31, subdivision 5; 18B.36, subdivision 1; 18B.37, subdivision 4; 28A.082, subdivision 1; 35.244, subdivisions 1, 2; 500.24, subdivision 2; Minnesota Statutes 2009 Supplement, section 18B.316, subdivision 10; repealing Minnesota Statutes 2008, section 17.231.

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

The report was adopted.

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

H. F. No. 3299, A bill for an act relating to child support enforcement; updating provisions on access to certain information; authorizing certain actions by a public authority; requiring a notice; imposing certain duties; amending Minnesota Statutes 2008, sections 256.978, subdivision 2; 518A.46, subdivision 5, by adding a subdivision; repealing Minnesota Statutes 2008, sections 548.091, subdivision 3b; 548.092.

Reported the same back with the following amendments:

Pages 1 to 2, delete section 1

Page 5, line 14, delete the third "or"

Page 5, line 17, delete the period and insert "; or"

Page 5, after line 17, insert:

"(3) the redirection of child support is not in the best interests of the child or children."

Page 6, line 3, after "date" insert "when the public authority determines"

Page 6, after line 6, insert:

"(g) The public authority must provide the obligee, obligor, and caregiver with 14 calendar days notice of the termination of the redirection of basic support, medical support, and child care support by mailing written notice to the parties and the caregiver at their last known addresses. The termination of the redirection of basic support, medical support, and child care support shall be effective the first day of the month following the completion of the 14 calendar day period."

Page 6, delete section 4

Page 6, line 11, delete "2 to 4" and insert "1 and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete "information;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 3300, A bill for an act relating to human services; amending provisions relating to judicial holds in commitment cases; amending Minnesota Statutes 2008, section 253B.07, subdivision 2b.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 246B.01, subdivision 1a, is amended to read:

Subd. 1a. ~~Client~~ **Civilly committed sex offender.** "~~Client~~" "Civilly committed sex offender" means a person who is admitted to the Minnesota sex offender program ~~or subject to a court hold order~~ under section 253B.185 for the purpose of assessment, diagnosis, care, treatment, supervision, or other services provided by the Minnesota sex offender program.

Sec. 2. Minnesota Statutes 2009 Supplement, section 246B.01, subdivision 1b, is amended to read:

Subd. 1b. ~~Client's~~ **Civilly committed sex offender's county.** "~~Client's~~" "Civilly committed sex offender's county" means the county of the ~~client's~~ civilly committed sex offender's legal settlement for poor relief purposes at the time of commitment. If the ~~client~~ civilly committed sex offender has no legal settlement for poor relief in this

state, it means the county of commitment, except that when a ~~client~~ civily committed sex offender with no legal settlement for poor relief is committed while serving a sentence at a penal institution, it means the county from which the ~~client~~ civily committed sex offender was sentenced.

Sec. 3. Minnesota Statutes 2008, section 246B.01, is amended by adding a subdivision to read:

Subd. 1c. **Judicial hold.** "Judicial hold" means any person who is subject to a judicial hold order under section 253B.185.

Sec. 4. Minnesota Statutes 2009 Supplement, section 246B.01, subdivision 2a, is amended to read:

Subd. 2a. **Community preparation services.** Community preparation services are specialized residential services or programs operated or administered by the Minnesota sex offender program outside of a secure treatment facility. Community preparation services are designed to assist ~~clients~~ civily committed sex offenders in developing the appropriate skills and resources necessary for an eventual successful reintegration into a community. A ~~client~~ civily committed sex offender may be placed in community preparation services only upon an order of the judicial appeal panel under section 253B.19.

Sec. 5. Minnesota Statutes 2009 Supplement, section 246B.01, subdivision 2d, is amended to read:

Subd. 2d. **Local social services agency.** "Local social services agency" means the local social services agency of the ~~client's~~ civily committed sex offender's county as defined in subdivision 1b and of the county of commitment, and any other local social services agency possessing information regarding, or requested by the commissioner to investigate, the financial circumstances of a ~~client~~ civily committed sex offender.

Sec. 6. Minnesota Statutes 2009 Supplement, section 246B.02, is amended to read:

246B.02 ESTABLISHMENT OF MINNESOTA SEX OFFENDER PROGRAM.

The commissioner of human services shall establish and maintain the Minnesota sex offender program. The program shall provide specialized sex offender assessment, diagnosis, care, treatment, supervision, and other services to ~~clients~~ civily committed sex offenders as defined in section 246B.01, subdivision 1a. Services may include specialized programs at secure treatment facilities as defined in section 253B.02, subdivision 18a, consultative services, aftercare services, community-based services and programs, transition services, or other services consistent with the mission of the Department of Human Services.

Sec. 7. Minnesota Statutes 2009 Supplement, section 246B.03, subdivision 2, is amended to read:

Subd. 2. **Minnesota sex offender program evaluation.** (a) The commissioner shall contract with national sex offender experts to evaluate the sex offender treatment program. The consultant group shall consist of four national experts, including:

(1) three experts who are licensed psychologists, psychiatrists, clinical therapists, or other mental health treatment providers with established and recognized training and experience in the assessment and treatment of sexual offenders; and

(2) one nontreatment professional with relevant training and experience regarding the oversight or licensing of sex offender treatment programs or other relevant mental health treatment programs.

(b) These experts shall, in consultation with the executive clinical director of the sex offender treatment program:

(1) review and identify relevant information and evidence-based best practices and methodologies for effectively assessing, diagnosing, and treating ~~clients~~ civily committed sex offenders;

(2) on at least an annual basis, complete a site visit and comprehensive program evaluation that may include a review of program policies and procedures to determine the program's level of compliance, address specific areas of concern brought to the panel's attention by the executive clinical director or executive director, offer recommendations, and complete a written report of its findings to the executive director and clinical director; and

(3) in addition to the annual site visit and review, provide advice, input, and assistance as requested by the executive clinical director or executive director.

(c) The commissioner or commissioner's designee shall enter into contracts as necessary to fulfill the responsibilities under this subdivision.

Sec. 8. Minnesota Statutes 2009 Supplement, section 246B.03, subdivision 3, is amended to read:

Subd. 3. **Client Civily committed sex offender grievance resolution process.** (a) The executive director shall establish a grievance policy and related procedures that address and attempt to resolve ~~client~~ civily committed sex offender concerns and complaints. The grievance resolution process must include procedures for assessing or investigating a ~~client's~~ civily committed sex offender's concerns or complaints, for attempting to resolve issues informally, and for appealing for a review and determination by the executive director or designee.

(b) Any ~~client~~ civily committed sex offender who believes a right that is applicable to a ~~client~~ an individual under section 144.651 has been violated may file a grievance under paragraph (a) and attempt to resolve the issue internally, or by a complaint with the Minnesota Department of Health, Office of Health Facility Complaints, or both. Complaints filed with the Office of Health Facility Complaints under this paragraph must be processed according to section 144.652.

Sec. 9. Minnesota Statutes 2009 Supplement, section 246B.04, subdivision 3, is amended to read:

Subd. 3. **Access to data.** The Minnesota sex offender program shall have access to private data contained in the statewide supervision system under section 241.065, as necessary for the administration and management of current ~~Minnesota sex offender clients~~ civily committed sex offenders for the purposes of admissions, treatment, security, and supervision. The program shall develop a policy to allow individuals who conduct assessment, develop treatment plans, oversee security, or develop reintegration plans to have access to the data. The commissioner of corrections shall conduct periodic audits to determine whether the policy is being followed.

Sec. 10. Minnesota Statutes 2009 Supplement, section 246B.05, subdivision 1, is amended to read:

Subdivision 1. **Vocational work program option.** The commissioner of human services shall develop a vocational work program for persons admitted to the Minnesota sex offender program. The ~~vocation~~ vocational work program is an extension of therapeutic treatment in order for ~~clients~~ civily committed sex offenders to learn valuable work skills and work habits while contributing to their cost of care. The vocational work program may include work maintaining the center or work that is brought to the center by an outside source. The earnings generated from the vocational work program must be deposited into the account created in subdivision 2.

Sec. 11. Minnesota Statutes 2009 Supplement, section 246B.06, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** (a) The commissioner of human services may establish, equip, maintain, and operate a vocational work program at any Minnesota sex offender program facility under this chapter. The commissioner may establish vocational activities for sex offender treatment ~~clients~~ for civily committed sex

offenders as the commissioner deems necessary and suitable to the meaningful work skills training, educational training, and development of proper work habits and extended treatment services for clients civilly committed sex offenders consistent with the requirements in section 246B.05. The industrial and commercial activities authorized by this section are designated Minnesota State Industries and must be for the primary purpose of sustaining and ensuring Minnesota State Industries' self-sufficiency, providing educational training, meaningful employment, and the teaching of proper work habits to the patients of individuals in the Minnesota sex offender program under this chapter, and not solely as competitive business ventures.

(b) The net profits from the vocational work program must be used for the benefit of the clients civilly committed sex offenders as it relates to building education and self-sufficiency skills. Prior to the establishment of any vocational activity, the commissioner of human services shall consult with stakeholders including representatives of business, industry, organized labor, the commissioner of education, the state Apprenticeship Council, the commissioner of labor and industry, the commissioner of employment and economic development, the commissioner of administration, and other stakeholders the commissioner deems qualified. The purpose of the stakeholder consultation is to determine the quantity and nature of the goods, wares, merchandise, and services to be made or provided, and the types of processes to be used in their manufacture, processing, repair, and production consistent with the greatest opportunity for the reform and educational training of the clients civilly committed sex offenders, and with the best interests of the state, business, industry, and labor.

(c) The commissioner of human services shall, at all times in the conduct of any vocational activity authorized by this section, utilize client civilly committed sex offender labor to the greatest extent feasible, provided that the commissioner may employ all administrative, supervisory, and other skilled workers necessary to the proper instruction of the clients civilly committed sex offenders and the efficient operation of the vocational activities authorized by this section.

(d) The commissioner of human services may authorize the director of any Minnesota sex offender treatment facility under the commissioner's control to accept work projects from outside sources for processing, fabrication, or repair, provided that preference is given to the performance of work projects for state departments and agencies.

Sec. 12. Minnesota Statutes 2009 Supplement, section 246B.06, subdivision 6, is amended to read:

Subd. 6. **Wages.** Notwithstanding section 177.24 or any other law to the contrary, the commissioner of human services has the discretion to set the pay rate for clients individuals participating in the vocational work program. The commissioner has the authority to retain up to 50 percent of any payments made to ~~a client~~ an individual participating in the vocational work program for the purpose of reducing state costs associated with operating the Minnesota sex offender program.

Sec. 13. Minnesota Statutes 2009 Supplement, section 246B.06, subdivision 7, is amended to read:

Subd. 7. **Status of clients civilly committed sex offenders.** ~~Clients~~ Civily committed sex offenders participating in the vocational work program are not employees of the Minnesota sex offender program, the Department of Human Services, or the state, and are not subject to fair labor standards under sections 177.21 to 177.35; workers compensation under sections 176.011 to 176.862; the Minnesota Human Rights Act under sections 363A.001 to 363A.41; laws governing state employees under chapter 43A; labor relations under chapter 179A; or the successors to any of these sections and any other laws pertaining to employees and employment.

Sec. 14. Minnesota Statutes 2009 Supplement, section 246B.06, subdivision 8, is amended to read:

Subd. 8. **Claims.** Claims and demands arising out of injury to or death of a client civilly committed sex offender while that client individual is participating in the vocational work program or performing a work assignment maintaining the facility must be presented to, heard, and determined exclusively by the legislature as provided in section 3.738.

Sec. 15. Minnesota Statutes 2009 Supplement, section 246B.07, subdivision 1, is amended to read:

Subdivision 1. **Procedures.** The commissioner shall determine or redetermine, if necessary, what amount of the cost of care, if any, the client civilly committed sex offender is able to pay. The client civilly committed sex offender shall provide to the commissioner documents and proof necessary to determine the ability to pay. Failure to provide the commissioner with sufficient information to determine ability to pay may make the client civilly committed sex offender liable for the full cost of care until the time when sufficient information is provided.

Sec. 16. Minnesota Statutes 2009 Supplement, section 246B.07, subdivision 2, is amended to read:

Subd. 2. **Rules.** The commissioner shall use the standards in section 246.51, subdivision 2, to determine the client's civilly committed sex offender's liability for the care provided by the Minnesota sex offender program.

Sec. 17. Minnesota Statutes 2009 Supplement, section 246B.08, is amended to read:

246B.08 PAYMENT FOR CARE; ORDER; ACTION.

The commissioner shall issue an order to the client civilly committed sex offender or the guardian of the estate, if there is one, requiring the client civilly committed sex offender or guardian to pay to the state the amounts determined, the total of which must not exceed the full cost of care. The order must specifically state the commissioner's determination and must be conclusive, unless appealed. If a client civilly committed sex offender fails to pay the amount due, the attorney general, upon request of the commissioner, may institute, or direct the appropriate county attorney to institute, a civil action to recover the amount.

Sec. 18. Minnesota Statutes 2009 Supplement, section 246B.09, is amended to read:

246B.09 CLAIM AGAINST ESTATE OF DECEASED CLIENT CIVILLY COMMITTED SEX OFFENDER.

Subdivision 1. **Client's Estate of a civilly committed sex offender.** Upon the death of a client civilly committed sex offender, or a former client civilly committed sex offender, the total cost of care provided to the client individual, less the amount actually paid toward the cost of care by the client civilly committed sex offender, must be filed by the commissioner as a claim against the estate of the client civilly committed sex offender with the court having jurisdiction to probate the estate, and all proceeds collected by the state in the case must be divided between the state and county in proportion to the cost of care each has borne.

Subd. 2. **Preferred status.** An estate claim in subdivision 1 must be considered an expense of the last illness for purposes of section 524.3-805.

If the commissioner determines that the property or estate of a client civilly committed sex offender is not more than needed to care for and maintain the spouse and minor or dependent children of a deceased client civilly committed sex offender, the commissioner has the power to compromise the claim of the state in a manner deemed just and proper.

Subd. 3. **Exception from statute of limitations.** Any statute of limitations that limits the commissioner in recovering the cost of care obligation incurred by a client civilly committed sex offender or former client civilly committed sex offender must not apply to any claim against an estate made under this section to recover cost of care.

Sec. 19. Minnesota Statutes 2009 Supplement, section 246B.10, is amended to read:

246B.10 LIABILITY OF COUNTY; REIMBURSEMENT.

The client's civilly committed sex offender's county shall pay to the state a portion of the cost of care provided in the Minnesota sex offender program to a client civilly committed sex offender who has legally settled in that county. A county's payment must be made from the county's own sources of revenue and payments must equal ten percent

of the cost of care, as determined by the commissioner, for each day or portion of a day, that the client civilly committed sex offender spends at the facility. If payments received by the state under this chapter exceed 90 percent of the cost of care, the county is responsible for paying the state the remaining amount. The county is not entitled to reimbursement from the client civilly committed sex offender, the client's civilly committed sex offender's estate, or from the client's civilly committed sex offender's relatives, except as provided in section 246B.07.

Section 20. Minnesota Statutes 2008, section 253B.05, subdivision 1, is amended to read:

Subdivision 1. **Emergency hold.** (a) Any person may be admitted or held for emergency care and treatment in a treatment facility, except to a facility operated by the Minnesota sex offender program, with the consent of the head of the treatment facility upon a written statement by an examiner that:

(1) the examiner has examined the person not more than 15 days prior to admission;

(2) the examiner is of the opinion, for stated reasons, that the person is mentally ill, developmentally disabled, or chemically dependent, and is in danger of causing injury to self or others if not immediately detained; and

(3) an order of the court cannot be obtained in time to prevent the anticipated injury.

(b) If the proposed patient has been brought to the treatment facility by another person, the examiner shall make a good faith effort to obtain a statement of information that is available from that person, which must be taken into consideration in deciding whether to place the proposed patient on an emergency hold. The statement of information must include, to the extent available, direct observations of the proposed patient's behaviors, reliable knowledge of recent and past behavior, and information regarding psychiatric history, past treatment, and current mental health providers. The examiner shall also inquire into the existence of health care directives under chapter 145, and advance psychiatric directives under section 253B.03, subdivision 6d.

(c) The examiner's statement shall be: (1) sufficient authority for a peace or health officer to transport a patient to a treatment facility, (2) stated in behavioral terms and not in conclusory language, and (3) of sufficient specificity to provide an adequate record for review. If danger to specific individuals is a basis for the emergency hold, the statement must identify those individuals, to the extent practicable. A copy of the examiner's statement shall be personally served on the person immediately upon admission and a copy shall be maintained by the treatment facility."

Page 2, after line 3, insert:

"Sec. 22. Minnesota Statutes 2008, section 253B.10, subdivision 5, is amended to read:

Subd. 5. **Transfer to voluntary status.** At any time prior to the expiration of the initial commitment period, a patient who has not been committed as mentally ill and dangerous to the public or as a sexually dangerous person or as a sexual psychopathic personality may be transferred to voluntary status upon the patient's application in writing with the consent of the head of the facility. Upon transfer, the head of the treatment facility shall immediately notify the court in writing and the court shall terminate the proceedings.

Sec. 23. Minnesota Statutes 2009 Supplement, section 253B.14, is amended to read:

253B.14 TRANSFER OF COMMITTED PERSONS.

The commissioner may transfer any committed person, other than a person committed as mentally ill and dangerous to the public, or as a sexually dangerous person or as a sexual psychopathic personality, from one regional treatment center to any other treatment facility under the commissioner's jurisdiction which is capable of

providing proper care and treatment. When a committed person is transferred from one treatment facility to another, written notice shall be given to the committing court, the county attorney, the patient's counsel, and to the person's parent, health care agent, or spouse or, if none is known, to an interested person, and the designated agency.

Sec. 24. Minnesota Statutes 2008, section 253B.15, subdivision 1, is amended to read:

Subdivision 1. **Provisional discharge.** The head of the treatment facility may provisionally discharge any patient without discharging the commitment, unless the patient was found by the committing court to be a person who is mentally ill and dangerous to the public, or a sexually dangerous person or a sexual psychopathic personality.

Each patient released on provisional discharge shall have a written aftercare plan developed which specifies the services and treatment to be provided as part of the aftercare plan, the financial resources available to pay for the services specified, the expected period of provisional discharge, the precise goals for the granting of a final discharge, and conditions or restrictions on the patient during the period of the provisional discharge. The aftercare plan shall be provided to the patient, the patient's attorney, and the designated agency.

The aftercare plan shall be reviewed on a quarterly basis by the patient, designated agency and other appropriate persons. The aftercare plan shall contain the grounds upon which a provisional discharge may be revoked. The provisional discharge shall terminate on the date specified in the plan unless specific action is taken to revoke or extend it.

Sec. 25. Minnesota Statutes 2008, section 253B.18, subdivision 5a, is amended to read:

Subd. 5a. **Victim notification of petition and release; right to submit statement.** (a) As used in this subdivision:

(1) "crime" has the meaning given to "violent crime" in section 609.1095, and includes criminal sexual conduct in the fifth degree and offenses within the definition of "crime against the person" in section 253B.02, subdivision 4a, and also includes offenses listed in section 253B.02, subdivision 7a, paragraph (b), regardless of whether they are sexually motivated;

(2) "victim" means a person who has incurred loss or harm as a result of a crime the behavior for which forms the basis for a commitment under this section or section 253B.185; and

(3) "convicted" and "conviction" have the meanings given in section 609.02, subdivision 5, and also include juvenile court adjudications, findings under Minnesota Rules of Criminal Procedure, rule 20.02, that the elements of a crime have been proved, and findings in commitment cases under this section or section 253B.185 that an act or acts constituting a crime occurred.

(b) A county attorney who files a petition to commit a person under this section or section 253B.185 shall make a reasonable effort to provide prompt notice of filing the petition to any victim of a crime for which the person was convicted. In addition, the county attorney shall make a reasonable effort to promptly notify the victim of the resolution of the petition.

(c) Before provisionally discharging, discharging, granting pass-eligible status, approving a pass plan, or otherwise permanently or temporarily releasing a person committed under this section or section 253B.185 from a treatment facility, the head of the treatment facility shall make a reasonable effort to notify any victim of a crime for which the person was convicted that the person may be discharged or released and that the victim has a right to submit a written statement regarding decisions of the medical director, special review board, or commissioner with respect to the person. To the extent possible, the notice must be provided at least 14 days before any special review board hearing or before a determination on a pass plan. Notwithstanding section 611A.06, subdivision 4, the

commissioner shall provide the judicial appeal panel with victim information in order to comply with the provisions of this section. The judicial appeal panel shall ensure that the data on victims remains private as provided for in section 611A.06, subdivision 4.

(d) This subdivision applies only to victims who have requested notification by contacting, in writing, the county attorney in the county where the conviction for the crime occurred. A county attorney who receives a request for notification under this paragraph shall promptly forward the request to the commissioner of human services.

(e) The rights under this subdivision are in addition to rights available to a victim under chapter 611A. This provision does not give a victim all the rights of a "notified person" or a person "entitled to statutory notice" under subdivision 4a, 4b, or 5 or section 253B.185, subdivision 10.

Sec. 26. Minnesota Statutes 2008, section 253B.185, is amended to read:

253B.185 SEXUAL PSYCHOPATHIC PERSONALITY; SEXUALLY DANGEROUS.

Subdivision 1. **Commitment generally.** (a) Except as otherwise provided in this section, the provisions of this chapter pertaining to persons who are mentally ill and dangerous to the public apply with like force and effect to persons who are alleged or found to be sexually dangerous persons or persons with a sexual psychopathic personality. For purposes of this section, "sexual psychopathic personality" includes any individual committed as a "psychopathic personality" under Minnesota Statutes 1992, section 526.10.

(b) Before commitment proceedings are instituted, the facts shall first be submitted to the county attorney, who, if satisfied that good cause exists, will prepare the petition. The county attorney may request a prepetition screening report. The petition is to be executed by a person having knowledge of the facts and filed with the committing court of the county in which the patient has a settlement or is present. If the patient is in the custody of the commissioner of corrections, the petition may be filed in the county where the conviction for which the person is incarcerated was entered.

(c) Upon the filing of a petition alleging that a proposed patient is a sexually dangerous person or is a person with a sexual psychopathic personality, the court shall hear the petition as provided in section 253B.18, except that section 253B.18, subdivision 2, shall not apply.

(d) In commitments under this section, the court shall commit the patient to a secure treatment facility unless the patient establishes by clear and convincing evidence that a less restrictive treatment program is available that is consistent with the patient's treatment needs and the requirements of public safety.

(e) After a determination that a patient is a sexually dangerous person or sexual psychopathic personality, the court shall order commitment for an indeterminate period of time and the patient shall be transferred, provisionally discharged, or discharged, only as provided in this section.

Subd. 1a. **Temporary confinement.** During any hearing held under this section, or pending emergency revocation of a provisional discharge, the court may order the patient or proposed patient temporarily confined in a jail or lockup but only if:

- (1) there is no other feasible place of confinement for the patient within a reasonable distance;
- (2) the confinement is for less than 24 hours or, if during a hearing, less than 24 hours prior to commencement and after conclusion of the hearing; and
- (3) there are protections in place, including segregation of the patient, to ensure the safety of the patient.

Subd. 1b. **County attorney access to data.** Notwithstanding sections 144.291 to 144.298; 245.467, subdivision 6; 245.4876, subdivision 7; 260B.171; 260B.235, subdivision 8; 260C.171; and 609.749, subdivision 6, or any provision of chapter 13 or other state law, prior to filing a petition for commitment as a sexual psychopathic personality or as a sexually dangerous person, and upon notice to the proposed patient, the county attorney or the county attorney's designee may move the court for an order granting access to any records or data, to the extent it relates to the proposed patient, for the purpose of determining whether good cause exists to file a petition and, if a petition is filed, to support the allegations set forth in the petition.

The court may grant the motion if: (1) the Department of Corrections refers the case for commitment as a sexual psychopathic personality or a sexually dangerous person; or (2) upon a showing that the requested category of data or records may be relevant to the determination by the county attorney or designee. The court shall decide a motion under this subdivision within 48 hours after a hearing on the motion. Notice to the proposed patient need not be given upon a showing that such notice may result in harm or harassment of interested persons or potential witnesses.

Notwithstanding any provision of chapter 13 or other state law, a county attorney considering the civil commitment of a person under this section may obtain records and data from the Department of Corrections or any probation or parole agency in this state upon request, without a court order, for the purpose of determining whether good cause exists to file a petition and, if a petition is filed, to support the allegations set forth in the petition. At the time of the request for the records, the county attorney shall provide notice of the request to the person who is the subject of the records.

Data collected pursuant to this subdivision shall retain their original status and, if not public, are inadmissible in any court proceeding unrelated to civil commitment, unless otherwise permitted.

Subd. 2. **Transfer to correctional facility.** (a) If a person has been committed under this section and later is committed to the custody of the commissioner of corrections for any reason, including but not limited to, being sentenced for a crime or revocation of the person's supervised release or conditional release under section 244.05; 609.3455, subdivision 6, 7, or 8; Minnesota Statutes 2004, section 609.108, subdivision 6; or Minnesota Statutes 2004, section 609.109, subdivision 7, the person shall be transferred to a facility designated by the commissioner of corrections without regard to the procedures provided in section 253B.18.

(b) If a person is committed under this section after a commitment to the commissioner of corrections, the person shall first serve the sentence in a facility designated by the commissioner of corrections. After the person has served the sentence, the person shall be transferred to a treatment program designated by the commissioner of human services.

Subd. 3. **Not to constitute defense.** The existence in any person of a condition of a sexual psychopathic personality or the fact that a person is a sexually dangerous person shall not in any case constitute a defense to a charge of crime, nor relieve such person from liability to be tried upon a criminal charge.

Subd. 4. **Statewide judicial panel; commitment proceedings.** (a) The Supreme Court may establish a panel of district judges with statewide authority to preside over commitment proceedings of sexual psychopathic personalities and sexually dangerous persons. Only one judge of the panel is required to preside over a particular commitment proceeding. Panel members shall serve for one-year terms. One of the judges shall be designated as the chief judge of the panel, and is vested with the power to designate the presiding judge in a particular case, to set the proper venue for the proceedings, and to otherwise supervise and direct the operation of the panel. The chief judge shall designate one of the other judges to act as chief judge whenever the chief judge is unable to act.

(b) If the Supreme Court creates the judicial panel authorized by this section, all petitions for civil commitment brought under subdivision 1 shall be filed with the supreme court instead of with the district court in the county where the proposed patient is present, notwithstanding any provision of subdivision 1 to the contrary. Otherwise, all of the other applicable procedures contained in this chapter apply to commitment proceedings conducted by a judge on the panel.

Subd. 5. **Financial responsibility.** (a) For purposes of this subdivision, "state facility" has the meaning given in section 246.50 and also includes a Department of Corrections facility when the proposed patient is confined in such a facility pursuant to section 253B.045, subdivision 1a.

(b) Notwithstanding sections 246.54, 253B.045, and any other law to the contrary, when a petition is filed for commitment under this section pursuant to the notice required in section 244.05, subdivision 7, the state and county are each responsible for 50 percent of the cost of the person's confinement at a state facility or county jail, prior to commitment.

(c) The county shall submit an invoice to the state court administrator for reimbursement of the state's share of the cost of confinement.

(d) Notwithstanding paragraph (b), the state's responsibility for reimbursement is limited to the amount appropriated for this purpose.

~~Subd. 6. **Aftercare and case management.** The state, in collaboration with the designated agency, is responsible for arranging and funding the aftercare and case management services for persons under commitment as sexual psychopathic personalities and sexually dangerous persons discharged after July 1, 1999.~~

Subd. 7. **Rights of patients committed under this section.** (a) The commissioner or the commissioner's designee may limit the statutory rights described in paragraph (b) for patients committed to the Minnesota sex offender program under this section or with the commissioner's consent under section 246B.02. The statutory rights described in paragraph (b) may be limited only as necessary to maintain a therapeutic environment or the security of the facility or to protect the safety and well-being of patients, staff, and the public.

(b) The statutory rights that may be limited in accordance with paragraph (a) are those set forth in section 144.651, subdivision 19, personal privacy; section 144.651, subdivision 21, private communications; section 144.651, subdivision 22, retain and use of personal property; section 144.651, subdivision 25, manage personal financial affairs; section 144.651, subdivision 26, meet with visitors and participate in groups; section 253B.03, subdivision 2, correspond with others; and section 253B.03, subdivision 3, receive visitors and make telephone calls. Other statutory rights enumerated by sections 144.651 and 253B.03, or any other law, may be limited as provided in those sections.

Subd. 8. **Petition and report required.** (a) Within 120 days of receipt of a preliminary determination from a court under section 609.1351, or a referral from the commissioner of corrections pursuant to section 244.05, subdivision 7, a county attorney shall determine whether good cause under this section exists to file a petition, and if good cause exists, the county attorney or designee shall file the petition with the court.

(b) Failure to meet the requirements of paragraph (a) does not bar filing a petition under subdivision 1 any time the county attorney determines pursuant to subdivision 1 that good cause for such a petition exists.

~~(c) By February 1 of each year, the commissioner of human services shall annually report to the respective chairs of the divisions or committees of the senate and house of representatives that oversee human services finance regarding compliance with this subdivision.~~

Subd. 9. **Petition for reduction in custody.** (a) This subdivision applies only to committed persons as defined in paragraph (b). The procedures in ~~section 253B.18, subdivision 5a,~~ subdivision 10 for victim notification and right to submit a statement ~~under section 253B.18~~ apply to petitions filed and reductions in custody recommended under this subdivision.

(b) As used in this subdivision:

(1) "committed person" means an individual committed under this section, or under this section and under section 253B.18, as mentally ill and dangerous. It does not include persons committed only as mentally ill and dangerous under section 253B.18; and

(2) "reduction in custody" means transfer out of a secure treatment facility, a provisional discharge, or a discharge from commitment. A reduction in custody is considered to be a commitment proceeding under section 8.01.

(c) A petition for a reduction in custody or an appeal of a revocation of provisional discharge may be filed by either the committed person or by the head of the treatment facility and must be filed with and considered by a panel of the special review board authorized under section 253B.18, subdivision 4c. A committed person may not petition the special review board any sooner than six months following either:

(1) the entry of judgment in the district court of the order for commitment issued under section 253B.18, subdivision 3, or upon the exhaustion of all related appeal rights in state court relating to that order, whichever is later; or

(2) any recommendation of the special review board or order of the judicial appeal panel, or upon the exhaustion of all appeal rights in state court, whichever is later. ~~The medical director~~ head of the treatment facility may petition at any time. The special review board proceedings are not contested cases as defined in chapter 14.

(d) The special review board shall hold a hearing on each petition before issuing a recommendation under paragraph (f). Fourteen days before the hearing, the committing court, the county attorney of the county of commitment, the designated agency, an interested person, the petitioner and the petitioner's counsel, and the committed person and the committed person's counsel must be given written notice by the commissioner of the time and place of the hearing before the special review board. Only those entitled to statutory notice of the hearing or those administratively required to attend may be present at the hearing. The patient may designate interested persons to receive notice by providing the names and addresses to the commissioner at least 21 days before the hearing.

(e) A person or agency receiving notice that submits documentary evidence to the special review board before the hearing must also provide copies to the committed person, the committed person's counsel, the county attorney of the county of commitment, the case manager, and the commissioner. The special review board must consider any statements received from victims under ~~section 253B.18, subdivision 5a~~ subdivision 10.

(f) Within 30 days of the hearing, the special review board shall issue written findings of fact and shall recommend denial or approval of the petition to the judicial appeal panel established under section 253B.19. The commissioner shall forward the recommendation of the special review board to the judicial appeal panel and to every person entitled to statutory notice. No reduction in custody or reversal of a revocation of provisional discharge recommended by the special review board is effective until it has been reviewed by the judicial appeal panel and until 15 days after an order from the judicial appeal panel affirming, modifying, or denying the recommendation.

Subd. 10. Victim notification of petition and release; right to submit statement. (a) As used in this subdivision:

(1) "crime" has the meaning given to "violent crime" in section 609.1095, and includes criminal sexual conduct in the fifth degree and offenses within the definition of "crime against the person" in section 253B.02, subdivision 4a, and also includes offenses listed in section 253B.02, subdivision 7a, paragraph (b), regardless of whether they are sexually motivated;

(2) "victim" means a person who has incurred loss or harm as a result of a crime, the behavior for which forms the basis for a commitment under this section or section 253B.18; and

(3) "convicted" and "conviction" have the meanings given in section 609.02, subdivision 5, and also include juvenile court adjudications, findings under Minnesota Rules of Criminal Procedure, rule 20.02, that the elements of a crime have been proved, and findings in commitment cases under this section or section 253B.18, that an act or acts constituting a crime occurred.

(b) A county attorney who files a petition to commit a person under this section shall make a reasonable effort to provide prompt notice of filing the petition to any victim of a crime for which the person was convicted. In addition, the county attorney shall make a reasonable effort to promptly notify the victim of the resolution of the petition.

(c) Before provisionally discharging, discharging, granting pass-eligible status, approving a pass plan, or otherwise permanently or temporarily releasing a person committed under this section from a treatment facility, the head of the treatment facility shall make a reasonable effort to notify any victim of a crime for which the person was convicted that the person may be discharged or released and that the victim has a right to submit a written statement regarding decisions of the head of the treatment facility or designee, or special review board, with respect to the person. To the extent possible, the notice must be provided at least 14 days before any special review board hearing or before a determination on a pass plan. Notwithstanding section 611A.06, subdivision 4, the commissioner shall provide the judicial appeal panel with victim information in order to comply with the provisions of this section. The judicial appeal panel shall ensure that the data on victims remains private as provided for in section 611A.06, subdivision 4.

(d) This subdivision applies only to victims who have requested notification by contacting, in writing, the county attorney in the county where the civil commitment was filed or the head of the treatment facility. A county attorney who receives a request for notification under this paragraph shall promptly forward the request to the head of the treatment facility.

(e) Rights under this subdivision are in addition to rights available to a victim under chapter 611A. This provision does not give a victim all the rights of a "notified person" or a person "entitled to statutory notice" under subdivision 12 or 13 or section 253B.18, subdivision 4a, 4b, or 5.

Subd. 11. **Transfer.** (a) A patient who is committed as a sexually dangerous person or sexual psychopathic personality shall not be transferred out of a secure treatment facility unless it appears to the satisfaction of the judicial appeal panel, after a hearing and recommendation by a majority of the special review board, that the transfer is appropriate. Transfer may be to other treatment programs under the commissioner's control.

(b) The following factors must be considered in determining whether a transfer is appropriate:

(1) the person's clinical progress and present treatment needs;

(2) the need for security to accomplish continuing treatment;

(3) the need for continued institutionalization;

(4) which facility can best meet the person's needs; and

(5) whether transfer can be accomplished with a reasonable degree of safety for the public.

Subd. 12. **Provisional discharge.** A patient who is committed as a sexual psychopathic personality or sexually dangerous person shall not be provisionally discharged unless it appears to the satisfaction of the judicial appeal panel, after a hearing and a recommendation by a majority of the special review board, that the patient is capable of making an acceptable adjustment to open society.

The following factors are to be considered in determining whether a provisional discharge shall be recommended:

(1) whether the patient's course of treatment and present mental status indicate there is no longer a need for treatment and supervision in the patient's current treatment setting; and

(2) whether the conditions of the provisional discharge plan will provide a reasonable degree of protection to the public and will enable the patient to adjust successfully to the community.

Subd. 13. **Provisional discharge plan.** A provisional discharge plan shall be developed, implemented, and monitored by the head of the treatment facility or designee in conjunction with the patient and other appropriate persons. The head of the treatment facility or designee shall, at least quarterly, review the plan with the patient and submit a written report to the designated agency concerning the patient's status and compliance with each term of the plan.

Subd. 14. **Provisional discharge; review.** A provisional discharge pursuant to this section shall not automatically terminate. A full discharge shall occur only as provided in subdivision 18. The commissioner shall notify the patient that the terms of a provisional discharge continue unless the patient requests and is granted a change in the conditions of provisional discharge or unless the patient petitions the special review board for a full discharge and the discharge is granted by the judicial appeal panel.

Subd. 15. **Provisional discharge; revocation.** (a) The head of the treatment facility may revoke a provisional discharge if either of the following grounds exist:

(1) the patient has departed from the conditions of the provisional discharge plan; or

(2) the patient is exhibiting behavior which may be dangerous to self or others.

(b) The head of the treatment facility may revoke the provisional discharge and, either orally or in writing, order that the patient be immediately returned to the treatment facility. A report documenting reasons for revocation shall be issued by the head of the treatment facility within seven days after the patient is returned to the treatment facility. Advance notice to the patient of the revocation is not required.

(c) The patient must be provided a copy of the revocation report and informed, orally and in writing, of the rights of a patient under this section. The revocation report shall be served upon the patient, the patient's counsel, and the designated agency. The report shall outline the specific reasons for the revocation, including but not limited to the specific facts upon which the revocation recommendation is based.

(d) An individual who is revoked from provisional discharge must successfully re-petition the special review board and judicial appeal panel prior to being placed back on provisional discharge.

Subd. 16. **Return of absent patient.** If the patient is absent without authorization, the head of the treatment facility or designee may request a peace officer to return the patient to the treatment facility. The head of the treatment facility shall inform the committing court of the revocation or absence, and the court shall direct a peace officer in the county where the patient is located to return the patient to the treatment facility or to another treatment facility. The expense of returning the patient to a treatment facility shall be paid by the commissioner unless paid by the patient or other persons on the patient's behalf.

Subd. 17. **Appeal.** Any patient aggrieved by a revocation decision or any interested person may petition the special review board within seven days, exclusive of Saturdays, Sundays, and legal holidays, after receipt of the revocation report for a review of the revocation. The matter shall be scheduled within 30 days. The special review

board shall review the circumstances leading to the revocation and shall recommend to the judicial appeal panel whether or not the revocation shall be upheld. The special review board may also recommend a new provisional discharge at the time of the revocation hearing.

Subd. 18. **Discharge.** A patient who is committed as a sexual psychopathic personality or sexually dangerous person shall not be discharged unless it appears to the satisfaction of the judicial appeal panel, after a hearing and recommendation by a majority of the special review board, that the patient is capable of making an acceptable adjustment to open society, is no longer dangerous to the public, and is no longer in need of inpatient treatment and supervision.

In determining whether a discharge shall be recommended, the special review board and judicial appeal panel shall consider whether specific conditions exist to provide a reasonable degree of protection to the public and to assist the patient in adjusting to the community. If the desired conditions do not exist, the discharge shall not be granted.

Subd. 19. **Aftercare services.** The Minnesota sex offender program shall provide the supervision, aftercare, and case management services for a person under commitment as sexual psychopathic personalities and sexually dangerous persons discharged after July 1, 1999. The designated agency shall assist with client eligibility for public welfare benefits and will provide those services that are currently available exclusively through county government.

Prior to the date of discharge or provisional discharge of any patient committed as a sexual psychopathic personality or sexually dangerous person, the head of the treatment facility or designee shall establish a continuing plan of aftercare services for the patient, including a plan for medical and behavioral health services, financial sustainability, housing, social supports, or other assistance the patient needs. The Minnesota sex offender program shall provide case management services and shall assist the patient in finding employment, suitable shelter, and adequate medical and behavioral health services and otherwise assist in the patient's readjustment to the community.

Sec. 27. Minnesota Statutes 2008, section 253B.19, subdivision 2, is amended to read:

Subd. 2. **Petition; hearing.** (a) A person committed as mentally ill and dangerous to the public under section 253B.18, or the county attorney of the county from which the person was committed or the county of financial responsibility, may petition the judicial appeal panel for a rehearing and reconsideration of a decision by the commissioner under section 253B.18, subdivision 5. The judicial appeal panel must not consider petitions for relief other than those considered by the commissioner from which the appeal is taken. The petition must be filed with the Supreme Court within 30 days after the decision of the commissioner is signed. The hearing must be held within 45 days of the filing of the petition unless an extension is granted for good cause.

(b) A person committed as a sexual psychopathic personality or as a sexually dangerous person under section 253B.185, or committed as both mentally ill and dangerous to the public under section 253B.18 and as a sexual psychopathic personality or as a sexually dangerous person under section 253B.185; the county attorney of the county from which the person was committed or the county of financial responsibility; or the commissioner may petition the judicial appeal panel for a rehearing and reconsideration of a decision of the special review board under section 253B.185, subdivision 9. The petition must be filed with the Supreme Court within 30 days after the decision is mailed by the commissioner as required in section 253B.185, subdivision 9, paragraph (f). The hearing must be held within 180 days of the filing of the petition unless an extension is granted for good cause. If no party petitions the judicial appeal panel for a rehearing or reconsideration within 30 days, the judicial appeal panel shall either issue an order adopting the recommendations of the special review board or set the matter on for a hearing pursuant to this paragraph.

(c) For an appeal under paragraph (a) or (b), the Supreme Court shall refer the petition to the chief judge of the judicial appeal panel. The chief judge shall notify the patient, the county attorney of the county of commitment, the designated agency, the commissioner, the head of the treatment facility, any interested person, and other persons the chief judge designates, of the time and place of the hearing on the petition. The notice shall be given at least 14 days prior to the date of the hearing.

(d) Any person may oppose the petition. The patient, the patient's counsel, the county attorney of the committing county or the county of financial responsibility, and the commissioner shall participate as parties to the proceeding pending before the judicial appeal panel and shall, no later than 20 days before the hearing on the petition, inform the judicial appeal panel and the opposing party in writing whether they support or oppose the petition and provide a summary of facts in support of their position. The judicial appeal panel may appoint examiners and may adjourn the hearing from time to time. It shall hear and receive all relevant testimony and evidence and make a record of all proceedings. The patient, the patient's counsel, and the county attorney of the committing county or the county of financial responsibility have the right to be present and may present and cross-examine all witnesses and offer a factual and legal basis in support of their positions. The petitioning party seeking discharge or provisional discharge bears the burden of going forward with the evidence which means presenting a prima facie case with competent evidence on each statutory factor. The party opposing discharge bears the burden of proof by clear and convincing evidence that the respondent is in need of commitment. The burden of persuasion shall be on a party seeking transfer and shall be by a preponderance of the evidence."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying provisions relating to civilly committed sex offenders, sexually dangerous persons, and sexual psychopathic personalities;"

Correct the title numbers accordingly

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3315, A bill for an act relating to natural resources; modifying criminal penalty provisions; providing for participation in comprehensive incident-based reporting system; extending use of silencers for wildlife control; amending Minnesota Statutes 2008, sections 84D.13, subdivision 3; 609.66, subdivision 1h; Minnesota Statutes 2009 Supplement, section 299C.40, subdivision 1.

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

The report was adopted.

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

H. F. No. 3334, A bill for an act relating to transportation; amending trunk highway project bidding procedures; requiring use of alternative bidding for competing paving materials; amending Minnesota Statutes 2008, section 161.32, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 3336, A bill for an act relating to eminent domain; modifying right of first refusal offers for property obtained with federal transit funding; amending Minnesota Statutes 2008, section 117.226.

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3355, A bill for an act relating to natural resources; requiring a person to drain water from watercraft before transportation on public roads; modifying civil penalties; amending Minnesota Statutes 2008, sections 84D.10, by adding a subdivision; 84D.13, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 12, after the period, insert "Drain plugs, bailers, valves, or other devices used to control the draining of water from ballast tanks, bilges, and live wells must be removed or opened while transporting watercraft on a public road. Marine sanitary systems are excluded from this requirement."

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

The report was adopted.

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

H. F. No. 3361, A bill for an act relating to data practices; exempting certain domestic abuse or sexual attack programs from data practices requirements; classifying data; proposing coding for new law in Minnesota Statutes, chapter 13.

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 3362, A bill for an act relating to environment; modifying petroleum tank release provisions; amending Minnesota Statutes 2008, sections 13.7411, subdivision 6; 115C.02, subdivision 14, by adding a subdivision; 115C.07, subdivision 3; 514.671, subdivision 5.

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

The report was adopted.

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

H. F. No. 3383, A bill for an act relating to public safety; establishing data classification of private for vehicle information in orders for protection or no contact orders; amending Minnesota Statutes 2008, sections 13.871, by adding a subdivision; 299C.46, subdivision 6.

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3403, A bill for an act relating to veterans; clarifying eligibility for "IRAQ WAR VET" and "AFGHAN WAR VET" license plates; amending Minnesota Statutes 2008, section 168.123, subdivision 2.

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 3446, A bill for an act relating to education; authorizing the Board of Teaching to amend its licensure rules to permit a tiered teacher licensure structure, revised institutional and program approval requirements, and revised special education licensure requirements; amending Minnesota Statutes 2009 Supplement, section 122A.09, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 22, delete "The"

Page 2, delete line 23

Page 3, line 15, delete the comma and insert a period

Page 3, delete line 16

Page 3, line 17, delete "RULEMAKING" and insert "PROPOSED RULES"

Page 3, line 19, after "rules" insert "under Minnesota Statutes, chapter 14," and delete "three-tiered" and insert "multitiered"

Page 3, line 22, before the period, insert ", and must not proceed to finally adopt such rules without first receiving specific legislative authority to do so"

With the recommendation that when so amended 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. 3450, A bill for an act relating to transportation; modifying certain requirements governing priced highway lanes; amending Minnesota Statutes 2008, section 160.93, by adding subdivisions.

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. 3461, A bill for an act relating to transportation; establishing skyway access requirements for stations on the Central Corridor light rail transit line.

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

The report was adopted.

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

H. F. No. 3469, A bill for an act relating to civil actions; providing time limit for appealing decisions of a governing body or board of adjustment to district court; permitting the posting of a bond for an appeal to Court of Appeals in certain cases; amending Minnesota Statutes 2008, section 462.361, subdivision 1, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete lines 20 to 23, and insert:

"Subd. 3. **Bond upon appeal.** A party may not be ordered to post a surety bond or damages bond as a condition of an appeal under this section."

Page 2, delete lines 1 to 9

Amend the title as follows:

Page 1, line 3, delete "permitting" and insert "prohibiting"

Page 1, line 4, delete "to Court of Appeals in certain cases"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 3478, A bill for an act relating to education finance; reducing school district mandates; allowing additional flexibility; authorizing certain fund transfers; amending Minnesota Statutes 2008, sections 120A.41; 123A.15, subdivision 5; 123A.32, subdivision 5; 123B.12; 123B.29; 123B.38; 123B.51, subdivision 5; 123B.52, subdivisions 1, 1a; 123B.79, by adding a subdivision; 123B.80, subdivision 3; 126C.54; 205A.07; 645.13; Minnesota Statutes 2009 Supplement, section 123B.71, subdivision 12; Laws 2009, chapter 96, article 2, section 64.

Reported the same back with the following amendments:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 120A.40, is amended to read:

120A.40 SCHOOL CALENDAR.

~~(a) Except for learning programs during summer, flexible learning year programs authorized under sections 124D.12 to 124D.127, and learning year programs under section 124D.128, A district must not may commence an elementary or secondary school year before Labor Day, except as provided under paragraph (b) a district must not schedule a student instruction day on the Thursday or Friday immediately preceding Labor Day. Days devoted to teachers' workshops may be held on the Thursday or Friday before Labor Day. Districts that enter into cooperative agreements are encouraged to adopt similar school calendars.~~

~~(b) A district may begin the school year on any day before Labor Day:~~

~~(1) to accommodate a construction or remodeling project of \$400,000 or more affecting a district school facility;~~

~~(2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35 with a district that qualifies under clause (1); or~~

~~(3) if the district agrees to the same schedule with a school district in an adjoining state.~~

EFFECTIVE DATE. This section is effective for the 2010-2011 school year and later."

Page 6, after line 22, insert:

"Sec. 14. Minnesota Statutes 2009 Supplement, section 126C.44, is amended to read:

126C.44 SAFE SCHOOLS LEVY.

(a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to \$30 multiplied by the district's adjusted marginal cost pupil units for the school year. The proceeds of the levy must be

reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools; (2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3) to pay the costs for a gang resistance education training curriculum in the district's schools; (4) to pay the costs for security in the district's schools and on school property; (5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district; or (6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems. For expenditures under clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

(b) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph (a) for intermediate school district programs. This authority must not exceed \$10 times the adjusted marginal cost pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.

(c) A school district must set aside at least \$3 per adjusted marginal cost pupil unit of the safe schools levy proceeds for the purposes authorized under paragraph (a), clause (6). ~~The district must annually certify either that: (1) its total spending on services provided by the employees listed in paragraph (a), clause (6), is not less than the sum of its expenditures for these purposes, excluding amounts spent under this section, in the previous year plus the amount spent under this section; or (2) that the district's full-time equivalent number of employees listed in paragraph (a), clause (6), is not less than the number for the previous year."~~

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 3487, A bill for an act relating to education; clarifying requirements for a conciliation conference; directing the Minnesota Department of Education to amend two special education rules; amending Minnesota Statutes 2009 Supplement, section 125A.091, subdivision 7.

Reported the same back with the following amendments:

Page 2, line 3, delete "separate" and insert "separately"

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3497, A bill for an act relating to agriculture; requiring tree care and tree trimming company registration; regulating certain sale and distribution of firewood; amending Minnesota Statutes 2008, sections 18G.07; 239.092; 239.093.

Reported the same back with the following amendments:

Page 2, line 12, delete "or"

Page 2, line 15, delete "(4)" and insert "or"

Page 2, line 17, delete "(5)" and insert "(4)"

Page 2, line 19, delete "(6)" and insert "(5)"

Page 2, line 24, delete "(7)" and insert "(6)"

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

The report was adopted.

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

S. F. No. 2596, A bill for an act relating to health occupations; modifying a mental health substance abuse review provision; modifying licensure requirements for psychologists; amending Minnesota Statutes 2008, sections 148.90, subdivision 1; 148.909; 148.915; 148.916, subdivision 1, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 62M.09, subdivision 3a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 62M.09, subdivision 3a, is amended to read:

Subd. 3a. **Mental health and substance abuse reviews.** (a) A peer of the treating mental health or substance abuse provider, a doctoral-level psychologist, or a physician must review requests for outpatient services in which the utilization review organization has concluded that a determination not to certify a mental health or substance abuse service for clinical reasons is appropriate, provided that any final determination not to certify treatment is made by a psychiatrist certified by the American Board of Psychiatry and Neurology and appropriately licensed in this state or by a doctoral-level psychologist licensed in this state ~~if the treating provider is a psychologist~~.

(b) Notwithstanding paragraph (a), a doctoral-level psychologist shall not review any request or final determination not to certify a mental health or substance abuse service or treatment if the treating provider is a psychiatrist.

(c) Notwithstanding the notification requirements of section 62M.05, a utilization review organization that has made an initial decision to certify in accordance with the requirements of section 62M.05 may elect to provide notification of a determination to continue coverage through facsimile or mail.

~~(e)~~ (d) This subdivision does not apply to determinations made in connection with policies issued by a health plan company that is assessed less than three percent of the total amount assessed by the Minnesota Comprehensive Health Association.

Sec. 2. Minnesota Statutes 2008, section 148.90, subdivision 1, is amended to read:

Subdivision 1. **Board of Psychology.** (a) The Board of Psychology is created with the powers and duties described in this section. The board has 11 members who consist of:

(1) three individuals licensed as licensed psychologists who have doctoral degrees in psychology;

(2) two individuals licensed as licensed psychologists who have master's degrees in psychology;

(3) two psychologists, not necessarily licensed, one with a doctoral degree in psychology ~~who represents a doctoral~~ and one with either a doctoral or master's degree in psychology representing different training ~~program~~ programs in psychology, ~~and one who represents a master's degree training program in psychology;~~

(4) one individual licensed or qualified to be licensed as: (i) through December 31, 2010, a licensed psychological practitioner; and (ii) after December 31, 2010, a licensed psychologist; and

(5) three public members.

(b) After the date on which fewer than 30 percent of the individuals licensed by the board as licensed psychologists qualify for licensure under section 148.907, subdivision 3, paragraph (b), vacancies filled under paragraph (a), clause (2), shall be filled by an individual with either a master's or doctoral degree in psychology licensed or qualified to be licensed as a licensed psychologist.

(c) After the date on which fewer than 15 percent of the individuals licensed by the board as licensed psychologists qualify for licensure under section 148.907, subdivision 3, paragraph (b), vacancies under paragraph (a), clause (2), shall be filled by an individual with either a master's or doctoral degree in psychology licensed or qualified to be licensed as a licensed psychologist.

Sec. 3. Minnesota Statutes 2008, section 148.909, is amended to read:

148.909 LICENSURE FOR VOLUNTEER PRACTICE.

Subdivision 1. **Application.** Retired providers who are or were licensed, certified, or registered to practice psychology in any jurisdiction may apply to the board, at its discretion, may grant for licensure for volunteer to practice to an applicant who: psychology as a licensed psychologist-volunteer provided the applicant meets the following requirements and the requirements in subdivision 2:

(1) is completely retired from the practice of psychology submits to the board a notarized application for licensure as a licensed psychologist-volunteer;

(2) has no unresolved disciplinary action or complaints pending in the state of Minnesota or any other jurisdiction is of good moral character and has no complaints or corrective or disciplinary action pending in any jurisdiction; and

(3) has held a license, certificate, or registration to practice psychology in any jurisdiction if not currently licensed by the board, passes the most recent version of the professional responsibility examination administered by the board and pays the fee associated with sitting for the examination; and

(4) pays the nonrefundable fee for licensure established in subdivision 8.

Subd. 2. **Education requirements.** An applicant who was formerly licensed by the board must meet the education, training, and experience requirements that were in place at the time of the original license. An applicant who was not formerly licensed by the board must meet the current requirements for licensure.

Subd. 3. **Pro bono service.** A provider licensed under this section shall only provide psychological services on a pro bono basis and shall not receive a commission, rebate, or remuneration, directly or indirectly, except that a provider may accept reimbursement for reasonable expenses incurred due to the provision of volunteer psychological services.

Subd. 4. **Documentation of status.** A provider licensed under this section shall receive a license documenting that they are licensed for volunteer practice.

Subd. 5. **Designation of license.** In addition to the descriptions allowed in section 148.96, providers granted licensure under this section shall use the designation "LP-V" to designated licensed psychologist-volunteer.

Subd. 6. **Return to previous licensure status.** Providers licensed under this section who request to return to their previous licensure status may do so upon submission of a written application provided by the board and payment of the applicable licensure fee. Providers may not concurrently hold a license as a licensed psychologist and a license as a licensed psychologist-volunteer.

Subd. 7. **Continuing education requirements.** A provider licensed under this section is subject to the same continuing education requirements as a licensed psychologist under section 148.911.

Subd. 8. **Fees.** The fee for licensure as a licensed psychologist-volunteer shall be 50 percent of the fee for licensure as a licensed psychologist. A provider licensed under this section shall not be subject to special board fees.

Subd. 9. **Violation.** A provider licensed under this section is subject to all of the provisions in the Minnesota Psychology Practice Act, violation of which is grounds for disciplinary action in accordance with section 148.941.

Sec. 4. Minnesota Statutes 2008, section 148.915, is amended to read:

148.915 RECIPROCITY.

(a) The board may grant a license to ~~a diplomate of the American Board of Professional Psychology or to any person who at the time of application is licensed, certified, or registered to practice psychology by a board of another state and who meets the licensure requirements under section 148.907, subdivision 2.~~ The board, at its discretion, may elect not to require the examination in psychology under section 148.907, subdivision 2, clause (1), if the person was licensed in another state before the examination was required for licensure in that state. An applicant seeking licensure under this section shall pass a professional responsibility examination on the practice of psychology and any other examinations as required by the board. an applicant who meets the following requirements:

(1) submits to the board a notarized application for licensure as a licensed psychologist by reciprocity;

(2) at the time of application, is licensed, certified, or registered to practice psychology in another state or jurisdiction, and has been for at least five consecutive years immediately preceding the date of application;

(3) has a doctoral degree in psychology, which formed the basis for current licensure in another state or jurisdiction;

(4) is of good moral character and has no pending complaints or active disciplinary or corrective actions in any jurisdiction; and

(5) passes the Professional Responsibility Examination administered by the board and pays the fee associated with sitting for the examination.

(b) If by the laws of any state or the rulings or decisions of the appropriate officers or boards thereof, any burden, obligation, requirement, disqualification, or disability is put upon licensed psychologists licensed and in good standing in this state, affecting the right of these licensed psychologists to be registered or licensed in that state, then the same or like burden, obligation, requirement, disqualification, or disability may be put upon the licensure in this state of licensed psychologists licensed in that state.

Sec. 5. Minnesota Statutes 2008, section 148.916, subdivision 1, is amended to read:

Subdivision 1. **Generally.** If a nonresident of the state of Minnesota, who is not seeking licensure in this state, and who has been issued a license, certificate, or registration by another jurisdiction to practice psychology at the doctoral level, wishes to practice in Minnesota for more than seven calendar days, the person shall apply to the board for guest licensure, provided that the psychologist's practice in Minnesota is limited to no more than ~~30 days~~ nine consecutive months per calendar year. Application under this section shall be made no less than 30 days prior to the expected date of practice in Minnesota and shall be subject to approval by the board or its designee. The board shall charge a nonrefundable fee for guest licensure. The board shall adopt rules to implement this section.

Sec. 6. Minnesota Statutes 2008, section 148.916, is amended by adding a subdivision to read:

Subd. 1a. **Applicants for licensure.** (a) An applicant who is seeking licensure in this state, and who, at the time of application, is licensed, certified, or registered to practice psychology in another jurisdiction at the doctoral level may apply to the board for guest licensure in order to begin practicing psychology in this state while their application is being processed if the applicant is of good moral character and has no complaints, corrective, or disciplinary action pending in any jurisdiction. Application under this section shall be made no less than 30 days prior to the expected date of practice in this state, and must be made concurrently or after submission of an application for licensure as a licensed psychologist. Applications under this section are subject to approval by the board or its designee.

(b) The board shall charge a nonrefundable fee for guest licensure under this subdivision.

(c) A guest license issued under this subdivision shall be valid for one year from the date of issuance, or until the board has either issued a license or has denied the applicant's application for licensure, whichever is earlier. Guest licenses issued under this section may be renewed annually until the board has denied the applicant's application for licensure."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1217, 1633, 1746, 1780, 2019, 2062, 2668, 2855, 2878, 2902, 2915, 2928, 2986, 2988, 3084, 3098, 3134, 3135, 3143, 3151, 3187, 3188, 3259, 3299, 3336, 3361, 3383 and 3469 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 2596 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Gunther introduced:

H. F. No. 3593, A bill for an act relating to economic development; merging the greater Minnesota business development public infrastructure and bioscience business development public infrastructure grant programs; modifying licensing provisions; imposing and modifying certain license fees; reducing appropriations; appropriating money; amending Minnesota Statutes 2008, sections 326B.133, subdivisions 1, 3, 8, 11, by adding subdivisions; 326B.197; 326B.33, subdivisions 18, 20, 21; 326B.42, by adding subdivisions; 326B.44; 326B.46, as amended; 326B.47; 326B.475, subdivision 2; 326B.50, by adding subdivisions; 326B.54; 326B.55, as amended if enacted; 326B.56, as amended; 326B.805, subdivision 6; 326B.83, subdivisions 1, 3, 6; 326B.865; 326B.921, subdivisions 2, 4, 7; 326B.922; 326B.978, subdivision 2, by adding a subdivision; 327B.04, subdivision 2; Minnesota Statutes 2009 Supplement, sections 326B.33, subdivision 19; 326B.475, subdivision 4; 326B.49, subdivision 1; 326B.58; 326B.815, subdivision 1; 326B.86, subdivision 1; 326B.94, subdivision 4; 326B.986, subdivision 5; 327B.04, subdivisions 7, 7a, 8; 327B.041; proposing coding for new law in Minnesota Statutes, chapters 116J; 326B; repealing Minnesota Statutes 2008, sections 116J.431, subdivisions 3, 7, 8; 116J.435, subdivisions 1, 4, 5, 6, 7; 326B.133, subdivisions 9, 10; 326B.37, subdivision 13; 326B.475, subdivisions 5, 6; 326B.56, subdivision 3; 326B.885, subdivisions 3, 4; 326B.976; Minnesota Statutes 2009 Supplement, sections 116J.431, subdivisions 1, 1a, 2, 4, 6; 116J.435, subdivisions 2, 3; 326B.56, subdivision 4; Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, 4; 1350.7200, subpart 3; 1350.8000, subpart 2.

The bill was read for the first time and referred to the Committee on Finance.

Hackbarth introduced:

H. F. No. 3594, A bill for an act relating to natural resources; establishing a moratorium on the designation of new state trails until existing designated trails are complete; requiring future additions to the state trail system to have necessary funding; amending Minnesota Statutes 2008, section 85.015, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Magnus; Hamilton; Torkelson; Anderson, P., and Shimanski introduced:

H. F. No. 3595, A bill for an act relating to the operation of state government; agriculture and veterans affairs; changing certain appropriations; requiring tree care and tree trimming company registration; changing and clarifying certain programs; appropriating money; amending Minnesota Statutes 2008, section 18G.07; Minnesota Statutes 2009 Supplement, sections 190.19, subdivision 2a; 198.003, subdivision 4a; Laws 2007, chapter 45, article 1, section 3, subdivisions 4, as amended, 5, as amended; Laws 2009, chapter 94, article 1, section 3, subdivision 5; article 3, section 2, subdivision 3.

The bill was read for the first time and referred to the Committee on Finance.

Bly introduced:

H. F. No. 3596, A bill for an act relating to education finance; including targeted services as an alternative learning program; requiring the department to convene a workgroup and report to the legislature; amending Minnesota Statutes 2009 Supplement, sections 123A.05, subdivision 1; 123A.06, subdivision 2.

The bill was read for the first time and referred to the Committee on Finance.

Severson, Ruud and Abeler introduced:

H. F. No. 3597, A bill for an act relating to state government; clarifying uses of certain fees; changing certain appropriations and programs; amending Minnesota Statutes 2008, section 214.06, subdivision 1a; Laws 2009, chapter 79, article 13, section 5, as amended.

The bill was read for the first time and referred to the Committee on Finance.

Zellers, Smith and Sterner introduced:

H. F. No. 3598, A bill for an act relating to motor vehicles; authorizing issuance of special veterans plates for recipient of silver star or bronze star; amending Minnesota Statutes 2008, section 168.123, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on Finance.

Howes introduced:

H. F. No. 3599, A bill for an act relating to game and fish; limiting number of experimental and special management waters designated for northern pike; proposing coding for new law in Minnesota Statutes, chapter 97C.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Simon introduced:

H. F. No. 3600, A bill for an act relating to alcohol; grandfathering wine coolers for credit purposes.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Persell introduced:

H. F. No. 3601, A bill for an act relating to natural resources; requiring invasive species training for commercial dock and boat lift installers; proposing coding for new law in Minnesota Statutes, chapter 84D.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Hackbarth introduced:

H. F. No. 3602, A bill for an act relating to public safety; authorizing limited personal use of fireworks; requiring an affidavit of safety guidelines; providing for criminal penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Eken introduced:

H. F. No. 3603, A bill for an act relating to veterans; authorizing placement of a plaque in the court of honor on the Capitol grounds to honor American Indian veterans from this state.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Severson introduced:

H. F. No. 3604, A bill for an act relating to veterans; amending an effective date related to the Veterans Preference Act; amending Laws 2009, chapter 94, article 3, section 14.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Zellers introduced:

H. F. No. 3605, A bill for an act relating to taxation; income; corporate franchise; interest netting; proposing coding for new law in Minnesota Statutes, chapter 270C.

The bill was read for the first time and referred to the Committee on Taxes.

Sertich introduced:

H. F. No. 3606, A bill for an act relating to state government; streamlining state government; abolishing the Department of Employment and Economic Development and the Department of Labor and Industry; downsizing the Department of Commerce; establishing a task force; requiring establishment of an employee participation committee before agency restructuring; requiring reports.

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. 3607, A bill for an act relating to public safety; providing funding changes for public safety, the judiciary, private detective board, human rights, and corrections; authorizing the Office of Administrative Hearings to review driver's license revocation or disqualification and motor vehicle plate impoundment resulting from implied consent violations; appropriating money; amending Minnesota Statutes 2008, sections 169A.52, subdivision 6; 169A.53; 169A.60, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 357.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Mack, Scott, Kelly and Brod introduced:

H. F. No. 3608, A bill for an act relating to taxes; individual income; allowing a subtraction for autism-related medical expenses; amending Minnesota Statutes 2009 Supplement, sections 290.01, subdivision 19b; 290.091, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Mack, Garofalo, Sanders, Sterner and Scott introduced:

H. F. No. 3609, A bill for an act relating to public safety; clarifying role of a law enforcement agency to accept a missing person report; amending Minnesota Statutes 2009 Supplement, section 299C.53, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Hortman introduced:

H. F. No. 3610, A bill for an act relating to natural resources; establishing the Legislative Commission on Minnesota Water Governance and Policy; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Abeler introduced:

H. F. No. 3611, A bill for an act relating to health; regulating flexible benefits plans; providing for primary care provider tiering; amending Minnesota Statutes 2008, section 256B.0754, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 2008, section 62L.056.

The bill was read for the first time and referred to the Committee on Finance.

Dill introduced:

H. F. No. 3612, A bill for an act relating to game and fish; modifying youth hunting requirements; amending Minnesota Statutes 2008, sections 97A.435, subdivision 2; 97A.445, subdivision 5; 97A.451, subdivision 3; 97A.475, subdivisions 3a, 4, 43, 44; 97B.015, subdivisions 4, 5, 5a, 6, 7; 97B.020; 97B.021, subdivision 1; 97B.022, subdivision 2; 97B.301, subdivisions 3, 6; 97B.601, subdivision 4; Minnesota Statutes 2009 Supplement, sections 97A.075, subdivisions 1, 5; 97A.441, subdivision 7; 97A.475, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2008, sections 97A.451, subdivisions 3a, 4; 97A.485, subdivision 12.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Dauids introduced:

H. F. No. 3613, A bill for an act relating to game and fish; modifying disability level for veterans receiving licenses without a fee; amending Minnesota Statutes 2008, section 97A.441, subdivisions 5, 6, 6a.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Severson, Beard and Scott introduced:

H. F. No. 3614, A bill for an act relating to traffic regulations; regulating vehicle-mounted digital signs; making technical changes; amending Minnesota Statutes 2008, sections 169.011, by adding a subdivision; 169.55, subdivision 1; 169.58, subdivision 4, by adding a subdivision; 169.64, subdivision 4, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 169.71, subdivision 1.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Doty introduced:

H. F. No. 3615, A bill for an act relating to human services; providing a rate increase for an ICF/MR facility in Morrison County.

The bill was read for the first time and referred to the Committee on Finance.

Newton introduced:

H. F. No. 3616, A bill for an act relating to higher education; providing a waiver of overdue payments.

The bill was read for the first time and referred to the Committee on Finance.

Clark, Hornstein, Morgan and Lieder introduced:

H. F. No. 3617, A bill for an act relating to transportation; regulating design, accessibility, and maintenance of transit shelters and stops; requiring access in special transportation service buses; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Bly introduced:

H. F. No. 3618, A bill for an act relating to energy; establishing rate schedules for certain renewable energy projects; establishing surcharge on electricity consumption; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Finance.

Lesch introduced:

H. F. No. 3619, A bill for an act relating to public safety; requiring the disclosure of the results of a preliminary screening test to the driver who took the test and making the results inadmissible if not disclosed; amending Minnesota Statutes 2008, section 169A.41, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Newton introduced:

H. F. No. 3620, A bill for an act relating to state flag; providing guidance for flag folding; amending Minnesota Statutes 2008, section 1.141, by adding subdivisions.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Emmer introduced:

H. F. No. 3621, A bill for an act relating to energy; modifying provisions relating to public utilities, energy conservation, renewable energy, and nuclear power; amending Minnesota Statutes 2008, sections 216B.1691, as amended; 216B.241, as amended; 216B.243, subdivision 3b; 297A.68, by adding a subdivision; repealing Minnesota Statutes 2008, sections 216B.1612, subdivisions 1, 3, 4, 5, 6, 7, 8, 9; 216B.1681; 216B.1691, subdivision 7; 216B.2401; 216B.2412, subdivisions 1, 3; 216C.03; 216C.05, subdivision 2; 216H.01; 216H.02; 216H.03; 216H.06; Minnesota Statutes 2009 Supplement, sections 216B.1612, subdivision 2; 216B.2412, subdivision 2.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Brown introduced:

H. F. No. 3622, A bill for an act relating to traffic regulations; easing highway weight restriction on vehicle hauling manure to or from a farm; amending Minnesota Statutes 2008, section 169.87, by adding a subdivision.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Atkins and Davids introduced:

H. F. No. 3623, A bill for an act relating to commerce; requiring debit cards to be issued as PIN-based cards and transactions made with those cards to be processed as PIN-based transactions; providing a moratorium on implementation of certain standards; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Hortman introduced:

H. F. No. 3624, A bill for an act relating to solid waste; requiring certain commercial buildings to recycle; amending Minnesota Statutes 2008, section 115A.151.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Ruud introduced:

H. F. No. 3625, A bill for an act relating to health; modifying definition of approved accrediting organization; amending Minnesota Statutes 2008, section 144.55, subdivision 2.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Kiffmeyer and Winkler introduced:

H. F. No. 3626, A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, article VII, section 8; authorizing membership of the State Canvassing Board to be provided by law; amending Minnesota Statutes 2008, section 204C.31, subdivision 2.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Sterner, Lenczewski, Gardner, Persell, Jackson, Scalze, Rosenthal, Obermueller and Slocum introduced:

H. F. No. 3627, A bill for an act relating to taxation; reducing the corporate franchise tax rate; repealing the JOBZ program; amending Minnesota Statutes 2008, sections 123B.53, subdivision 1; 270B.14, subdivision 3; 290.01, subdivision 29; 290.06, subdivision 1; 290.0921, subdivisions 1, 3; 290.0922, subdivisions 2, 3; 297A.75, as amended; 297B.03; Minnesota Statutes 2009 Supplement, section 290.01, subdivision 19b; repealing Minnesota Statutes 2008, sections 272.02, subdivision 64; 272.029, subdivision 7; 289A.12, subdivision 15; 290.06, subdivision 29; 297A.68, subdivision 37; 469.310; 469.311; 469.312, subdivisions 1, 2, 3, 4; 469.313; 469.314; 469.315; 469.316; 469.317; 469.318; 469.3192; 469.3193; 469.320.

The bill was read for the first time and referred to the Committee on Taxes.

Sterner introduced:

H. F. No. 3628, A bill for an act relating to local government; authorizing county offices to be open on Saturdays; prohibiting the modification of certain collective bargaining agreements; requiring a report to the legislature; amending Minnesota Statutes 2008, sections 373.052, subdivisions 1, 2, by adding a subdivision; 471.999.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Poppe and Pelowski introduced:

H. F. No. 3629, A bill for an act relating to higher education; reorganizing the Minnesota State Colleges and Universities; adjusting salaries; establishing a central office; increasing the age for free classes; amending Minnesota Statutes 2008, sections 15A.081, subdivision 7c; 135A.51, subdivision 2; 136F.40, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136F; repealing Minnesota Statutes 2008, section 136F.31.

The bill was read for the first time and referred to the Committee on Finance.

Murphy, E., introduced:

H. F. No. 3630, A bill for an act relating to eliminating health disparities; requiring the commissioner of health to develop new categories for collecting granular data that accurately captures race, ethnicity, primary language, and socioeconomic status; amending Minnesota Statutes 2008, section 145.928, subdivisions 1, 2, 3.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Sailer and Eken introduced:

H. F. No. 3631, A bill for an act relating to human services; increasing the daily rate for an intermediate care facility; appropriating money.

The bill was read for the first time and referred to the Committee on Finance.

Scalze introduced:

H. F. No. 3632, A bill for an act relating to taxation; property; residential market homestead credit; amending Minnesota Statutes 2008, section 273.1384, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Scalze introduced:

H. F. No. 3633, A bill for an act relating to environment; modifying appropriation to prevent water pollution from polycyclic aromatic hydrocarbons; amending Laws 2009, chapter 172, article 2, section 4.

The bill was read for the first time and referred to the Committee on Finance.

Jackson introduced:

H. F. No. 3634, A bill for an act relating to health occupation; requiring license revocation for chiropractors convicted of a felony-level criminal sexual conduct offense; amending Minnesota Statutes 2008, section 148.10, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Hayden introduced:

H. F. No. 3635, A bill for an act relating to human services; modifying the Minnesota family investment program provisions; amending Minnesota Statutes 2008, section 256J.24, subdivision 6; Minnesota Statutes 2009 Supplement, section 256J.425, subdivision 3.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Eken introduced:

H. F. No. 3636, A bill for an act relating to human services; requiring a managed care plan to accept a housing with services facility as a provider of customized living and 24-hour customized living services if specified criteria are met; amending Minnesota Statutes 2008, section 256B.69, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Anderson, B., introduced:

H. F. No. 3637, A bill for an act relating to public safety; prohibiting persons from allowing underage drinking under certain circumstances; providing criminal penalties; amending Minnesota Statutes 2008, sections 340A.503, subdivision 2; 340A.701, subdivision 1; 340A.702.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Loon, Downey and Mack introduced:

H. F. No. 3638, A bill for an act relating to property taxation; requiring the commissioner of revenue to conduct a study of the metropolitan fiscal disparities program; transferring money from the fiscal disparities levy to pay for the study.

The bill was read for the first time and referred to the Committee on Taxes.

Marquart introduced:

H. F. No. 3639, A bill for an act relating to state government; establishing certain requirements for state contracts valued at more than \$100,000; proposing coding for new law in Minnesota Statutes, chapter 16C.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Eken introduced:

H. F. No. 3640, A bill for an act relating to energy; allowing for advance determination of prudence determination by Public Utilities Commission for certain environmental projects of a public utility; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Welti introduced:

H. F. No. 3641, A bill for an act relating to energy; modifying community-based energy development program; amending Minnesota Statutes 2008, section 216B.1612, subdivisions 3, 5, 7, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 216B.1612, subdivision 2.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Hosch introduced:

H. F. No. 3642, A bill for an act relating to environment; providing for property acquisition from petroleum tank fund proceeds; amending Minnesota Statutes 2008, section 115C.08, subdivision 1; Minnesota Statutes 2009 Supplement, section 115C.08, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Simon, Winkler and Hortman introduced:

H. F. No. 3643, A bill for an act relating to judicial selection; requiring merit selection for all justices and judges; modifying certain requirements related to the Commission on Judicial Selection; amending Minnesota Statutes 2008, section 480B.01, subdivisions 1, 2, 3, 4, 11.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Mack, Garofalo and Scott introduced:

H. F. No. 3644, A bill for an act relating to education; authorizing school districts to waive certain fees for children whose parents are serving in the military; amending Minnesota Statutes 2008, sections 123B.35; 123B.36, subdivision 6.

The bill was read for the first time and referred to the Committee on Finance.

Anderson, S., introduced:

H. F. No. 3645, A bill for an act relating to chiropractic; imposing licensing sanctions; amending Minnesota Statutes 2008, section 148.10, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Morrow introduced:

H. F. No. 3646, A bill for an act relating to transportation; providing for job order contracts; providing for construction manager at risk contracts for transportation projects; modifying provisions relating to design-build contracts; amending Minnesota Statutes 2008, section 161.3426, subdivision 3, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Transportation and Transit Policy and Oversight Division.

Kohls introduced:

H. F. No. 3647, A bill for an act relating to economic development; expanding the economic development grant program to certain small cities in the metropolitan area; amending Minnesota Statutes 2008, section 116J.431, subdivision 1.

The bill was read for the first time and referred to the Higher Education and Workforce Development Finance and Policy Division.

Drazkowski introduced:

H. F. No. 3648, A bill for an act relating to courts; authorizing surplus funds from law library fees to be allotted for court facility costs; eliminating mandatory appointment of counsel in parentage actions; repealing harassment restraining orders; amending Minnesota Statutes 2008, sections 134A.12; 257.69, subdivision 1; repealing Minnesota Statutes 2008, section 609.748.

The bill was read for the first time and referred to the Committee on Civil Justice.

Knuth; Kelliher; Thissen; Rukavina; Brynaert; Greiling; Scalze; Ruud; Johnson; Murphy, E.; Kahn; Hornstein; Bigham; Champion; Carlson; Hilty; Sertich; Lillie; Benson; Paymar; Davnie; Bly; Faust; Sailer; Huntley; Mahoney; Hausman; Haws; Pelowski; Poppe; Koenen; Wagenius; Hilstrom; Anzelc and Dittrich introduced:

H. F. No. 3649, A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for sexual equality under the law.

The bill was read for the first time and referred to the Committee on Civil Justice.

Rosenthal introduced:

H. F. No. 3650, A bill for an act relating to motor vehicles; granting units of government and peace officers authority to take into custody and impound vehicles in certain circumstances; amending Minnesota Statutes 2008, section 168B.04, subdivision 2.

The bill was read for the first time and referred to the Committee on Public Safety Policy and Oversight.

Lesch introduced:

H. F. No. 3651, A bill for an act relating to data practices; classifying data received from law enforcement agencies in other states; proposing coding for new law in Minnesota Statutes, chapter 13.

The bill was read for the first time and referred to the Committee on Civil Justice.

The following Conference Committee Report was received:

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.

March 9, 2010

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

We, the undersigned conferees for H. F. No. 2700 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 2700 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, money appropriated in this act for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

SUMMARY

<u>University of Minnesota</u>	<u>\$100,001,000</u>
<u>Minnesota State Colleges and Universities</u>	<u>239,920,000</u>
<u>Education</u>	<u>7,780,000</u>
<u>Minnesota State Academies</u>	<u>2,500,000</u>
<u>Perpich Center for Arts Education</u>	<u>1,373,000</u>
<u>Natural Resources</u>	<u>126,254,000</u>
<u>Pollution Control Agency</u>	<u>14,275,000</u>
<u>Board of Water and Soil Resources</u>	<u>27,500,000</u>
<u>Zoological Garden</u>	<u>21,000,000</u>

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THURSDAY, MARCH 11, 2010

8601

<u>Administration</u>	<u>11,175,000</u>
<u>Amateur Sports Commission</u>	<u>8,450,000</u>
<u>Military Affairs</u>	<u>11,900,000</u>
<u>Public Safety</u>	<u>15,000,000</u>
<u>Transportation</u>	<u>156,227,000</u>
<u>Metropolitan Council</u>	<u>79,100,000</u>
<u>Health</u>	<u>15,000,000</u>
<u>Human Services</u>	<u>51,625,000</u>
<u>Veterans Affairs</u>	<u>13,900,000</u>
<u>Corrections</u>	<u>23,829,000</u>
<u>Employment and Economic Development</u>	<u>121,965,000</u>
<u>Public Facilities Authority</u>	<u>57,000,000</u>
<u>Housing Finance Agency</u>	<u>10,000,000</u>
<u>Minnesota Historical Society</u>	<u>13,757,000</u>
<u>Bond Sale Expenses</u>	<u>1,079,000</u>
<u>Cancellations</u>	<u>(27,562,000)</u>
<u>TOTAL</u>	<u>\$1,103,048,000</u>
<u>Bond Proceeds Fund (General Fund Debt Service)</u>	<u>936,937,000</u>
<u>Bond Proceeds Fund (User Financed Debt Service)</u>	<u>66,148,000</u>
<u>Maximum Effort School Loan Fund</u>	<u>5,780,000</u>
<u>State Transportation Fund</u>	<u>66,000,000</u>
<u>Trunk Highway Fund Bond Proceeds Account</u>	<u>32,945,000</u>
<u>Trunk Highway Fund</u>	<u>22,800,000</u>
<u>Bond Proceeds Cancellations</u>	<u>(9,062,000)</u>
<u>Trunk Highway Bond Proceeds Cancellations</u>	<u>(18,500,000)</u>

APPROPRIATIONSSec. 2. **UNIVERSITY OF MINNESOTA**Subdivision 1. **Total Appropriation****\$100,001,000**

To the Board of Regents of the University of Minnesota for the purposes specified in this section.

Subd. 2. **Higher Education Asset Preservation and Replacement (HEAPR)**56,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046.

Subd. 3. **Twin Cities Campus**(a) **Folwell Hall**23,000,000

To design, renovate, furnish, and equip the interior of Folwell Hall for teaching and research space for College of Liberal Arts programs.

(b) **Physics and Nanotechnology**4,000,000

To predesign and design a new building to house the research branch of the physics program and the Center for Nanostructure Applications. This appropriation is not available until the board of regents has certified to the commissioner of management and budget that the building will not be built within the area impacted by vibration or magnetic resonance caused by light rail transit on Washington Avenue.

Subd. 4. **Duluth Campus****American Indian Learning Resource Center**6,667,000

To design, construct, furnish, and equip an American Indian Learning Resource Center.

Subd. 5. **Itasca Biological Station****New Biological Station and Lakeside Lab Renovation**3,667,000

To predesign, design, construct, furnish, and equip a new biological station and renovate the classroom in the historic lakeside laboratory at the University of Minnesota facility in Itasca State Park.

Subd. 6. **Laboratory Renovation**6,667,000

To design, renovate, furnish, and equip research laboratories on the Crookston, Duluth, Morris, and Twin Cities campuses.

Subd. 7. University Share

Except for Higher Education Asset Preservation and Replacement (HEAPR) under subdivision 2, the appropriations in this section are intended to cover approximately two-thirds of the cost of each project. The remaining costs must be paid from university sources.

Subd. 8. Unspent Appropriations

Upon substantial completion of a project authorized in this section and after written notice to the commissioner of management and budget, the Board of Regents must use any money remaining in the appropriation for that project for HEAPR under Minnesota Statutes, section 135A.046. The Board of Regents must report by February 1 of each even-numbered year to the chairs of the house of representatives and senate committees with jurisdiction over capital investments and higher education finance, and to the chairs of the house of representatives Ways and Means and Finance Committees and the senate Finance Committee, on how the remaining money has been allocated or spent.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES**Subdivision 1. Total Appropriation****\$239,920,000**

To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section.

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR)52,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046.

Subd. 3. Alexandria Technical College**Main Building Renovation and Addition**200,000

To design the library, student services, and student commons building and to complete design for an infill addition to it.

Subd. 4. Anoka Ramsey Community College, Coon Rapids**(a) Fine Arts Building Renovation**5,357,000

To complete design and to renovate, furnish, and equip the Fine Arts classroom and lab building.

(b) Bioscience and Allied Health Addition400,000

To complete design of a Bioscience and Allied Health addition and renovation to support Science Technology and Math (STEM) and nursing program initiatives.

Subd. 5. Dakota County Technical College**Transportation and Emerging Technologies Lab**300,000

To complete design of the transportation and emerging technologies classrooms, laboratories, and related spaces.

Subd. 6. Hennepin Technical College, Eden Prairie, Brooklyn Park**Learning Resource and Student Services Renovation**10,566,000

To renovate, furnish, and equip existing space at the Brooklyn Park and Eden Prairie campuses for a Library and Learning Resource Center and student services with an addition and new entrances at both campuses.

Subd. 7. Lake Superior College**Health Science Center**12,098,000

To construct, furnish, and equip a new Health and Science Center addition and to design renovation of existing spaces.

Subd. 8. Metropolitan State University**Classroom Center**5,860,000

To construct, furnish, and equip technology-enhanced classrooms and academic offices located above the power plant building. This appropriation includes money to demolish the power plant annex to enable the new construction.

Subd. 9. Minneapolis Community and Technical College**Workforce Program Renovation**12,990,000

To complete design and to renovate, furnish, and equip instructional space, support space, and infrastructure for workforce programs.

Subd. 10. Minnesota State Community and Technical College, Moorhead**Library and Classroom Addition**5,448,000

To complete design and to construct, furnish, and equip a classroom and library addition, and to demolish obsolete space.

Subd. 11. **Minnesota State University, Mankato**

Clinical Science Building Design

1,908,000

To design for construction a Clinical Science Building.

Subd. 12. **Minnesota State University, Moorhead**

Livingston Lord Library and Information Technology Renovation

14,901,000

To complete design and to renovate, furnish, and equip Livingston Lord Library.

Subd. 13. **Minnesota West Community and Technical College, Canby**

Wind Turbine Training Facility

200,000

For preliminary engineering and design of a commercial scale wind turbine for the wind energy technology program.

Subd. 14. **NHED Mesabi Range Community and Technical College, Eveleth**

Shop Space Addition

5,477,000

To construct, furnish, and equip shop space for the industrial mechanical technology and carpentry programs. This appropriation includes funding for renovation of existing space for Americans with Disabilities Act (ADA) compliance.

Subd. 15. **NHED Mesabi Range Community and Technical College, Virginia**

Iron Range Engineering Program Facilities

3,000,000

To predesign, design, construct, furnish, and equip an addition to and renovation of existing space for laboratories, flexible classrooms, and office space for the engineering program on the Virginia campus.

Subd. 16. **Normandale Community College**

Academic Partnership Center and Student Services

1,000,000

To design a new building for classrooms and offices and to design renovation of the Student Services Building.

Subd. 17. **North Hennepin Community College**

(a) **Bioscience and Health Careers Center Addition**

600,000

To complete design of a new building for Bioscience and Health Careers Center laboratory and classroom space.

(b) Center for Business and Technology14,782,000

To construct, furnish, and equip an addition to the Center for Business and Technology and to renovate existing space for classrooms and related space.

Subd. 18. Ridgewater Community Technical College, Willmar**Technical Instruction Renovation**14,300,000

To design, renovate, furnish, and equip classroom and existing instructional lab space and construct an addition for circulation; and to demolish obsolete space.

Subd. 19. Rochester Community Technical College**Workforce Center Colocation**8,500,000

To complete the design and to construct, furnish, and equip an addition to the Heintz Center at Rochester Community and Technical College and to renovate the heating, ventilating, and air conditioning systems. The addition will house the Rochester Area Work Force Center. The board of trustees must consult with the commissioner of employment and economic development on the design of the renovations and addition. The board must enter into a lease agreement with the commissioner of employment and economic development for use of the work force center. The lease agreement must provide that lease payments made by the commissioner will pay for the college's reasonable costs in support of the work force center.

This appropriation is in addition to the appropriation in Laws 2008, chapter 179, section 3, subdivision 23.

Subd. 20. South Central College, Faribault**Classroom Renovation and Addition**13,360,000

To complete design and to construct, furnish, and equip an addition, and to renovate space for classrooms, a learning resource center, related spaces, and laboratories.

Subd. 21. Southwest Minnesota State University**Science Lab Renovation**200,000

To complete design of the Science and Math building renovation.

Subd. 22. St. Cloud State University**Integrated Science and Engineering Laboratory Facility**42,334,000

To complete design and to construct, furnish, and equip Integrated Science and Engineering Laboratory Facility.

Subd. 23. St. Cloud Technical College**Allied Health Center Renovation**5,421,000To complete design and to renovate, furnish, and equip an Allied Health Center.**Subd. 24. Classroom Initiatives and Demolition**3,883,000To design, renovate, furnish, and equip classrooms and academic space and demolish obsolete space at the following campuses: Central Lakes College, Brainerd; Minnesota State Community Technical College, Wadena and Moorhead; Minnesota West Community Technical College, Pipestone; Northland Community Technical College, Thief River Falls; Pine Technical College, Pine City; and Rochester Community Technical College, Rochester.Campuses may use internal and nonstate money to increase the size of the projects.**Subd. 25. Science, Technology, Engineering, and Math Initiatives**4,835,000To design, renovate, furnish, and equip science laboratories and classrooms at the following campuses: Bemidji State University; Century College; Minnesota State Community and Technical College, Moorhead; Minnesota State University, Moorhead; Northeast Higher Education District, Hibbing College, Itasca Community College, and Mesabi Range Eveleth; Northwest Technical College; South Central College, North Mankato.Campuses may use internal and nonstate money to increase the size of the projects.**Subd. 26. Debt Service**(a) Except as provided in paragraph (b), the board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section. After each sale of general obligation bonds, the commissioner of management and budget shall notify the board of the amounts assessed for each year for the life of the bonds.(b) The board need not pay debt service on bonds sold to finance higher education asset preservation and replacement. Where a nonstate match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. For the workforce center colocation project at Rochester Community and Technical College, the board shall pay the debt service on \$1,079,000 of the principal amount of state bonds sold to finance the project. The

commissioner of employment and economic development shall pay the debt service on \$5,262,000 of the principal amount of state bonds sold to finance the project, in the manner provided in Minnesota Statutes, section 16A.643.

(c) The commissioner of management and budget shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of management and budget by December 1 each year. If the board fails to make a payment when due, the commissioner of management and budget shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of management and budget shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Subd. 27. Unspent Appropriations

(a) Upon substantial completion of a project authorized in this section and after written notice to the commissioner of management and budget, the board must use any money remaining in the appropriation for that project for higher asset preservation and replacement (HEAPR) under Minnesota Statutes, section 135A.046. The Board of Trustees must report by February 1 of each even-numbered year to the chairs of the house of representatives and senate committees with jurisdiction over capital investment and higher education finance, and to the chairs of the house of representatives Ways and Means Committee and the senate Finance Committee, on how the remaining money has been allocated or spent.

(b) The unspent portion of an appropriation for a project in this section that is complete is available for higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 27 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 4. EDUCATION

Subdivision 1. Total Appropriation

\$7,780,000

To the commissioner of education for the purposes specified in this section.

Subd. 2. Independent School District No. 38, Red Lake**5,780,000**

From the maximum effort school loan fund for a capital loan to Independent School District No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, furnish, and equip renovation of existing facilities and construction of new facilities.

The project paid for with this appropriation includes a portion of the renovation and construction identified in the review and comment performed by the commissioner of education under the capital loan provisions of Minnesota Statutes, section 126C.69. This portion includes renovation and construction of a single kitchen and cafeteria to serve the high school and middle school, a receiving area and dock and adjacent drives, utilities, and grading.

Before any capital loan contract is approved under this authorization, the district must provide documentation acceptable to the commissioner on how the capital loan will be used. If any portion of the appropriation remains after completion of the identified project components, the district may, with the commissioner's approval, use the money for other items identified in the review and comment submission.

Subd. 3. Library Accessibility and Improvement Grants**2,000,000**

For library accessibility and improvement grants under Minnesota Statutes, section 134.45.

Sec. 5. MINNESOTA STATE ACADEMIES**Subdivision 1. Total Appropriation****\$2,500,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Asset Preservation**2,000,000**

For asset preservation on both campuses of the academies, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Independent Living Housing**500,000**

To predesign, design, construct, furnish, and equip independent living housing on the Academy for the Blind campus. The project will be conducted in collaboration with the carpentry class of South Central College of Faribault and provide housing for students 18 to 21 years of age in the nontraditional student component of the Academy Plus Transition program.

Sec. 6. **PERPICH CENTER FOR ARTS EDUCATION**

Subdivision 1. **Total Appropriation**

\$1,373,000

To the commissioner of administration for the purposes specified in this section.

Subd. 2. **Alpha Building Demolition**

755,000

To demolish the Alpha Building.

Subd. 3. **Delta Dorm Windows**

489,000

To install new windows in the Delta Dormitory, completing the building's renovations.

Subd. 4. **Storage Building**

129,000

To construct a storage building on the site of the demolished Alpha Building.

Sec. 7. **NATURAL RESOURCES**

Subdivision 1. **Total Appropriation**

\$126,254,000

To the commissioner of natural resources for the purposes specified in this section.

The appropriations in this section are subject to the requirements of the natural resources capital improvement program under Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

Subd. 2. **Natural Resources Asset Preservation**

1,000,000

For the renovation of state-owned facilities and recreational assets operated by the commissioner of natural resources that can be substantially completed within 12 months after the effective date of this section, to be spent in accordance with Minnesota Statutes, section 84.946. The commissioner may use this appropriation to replace buildings if, considering the embedded energy in the building, that is the most energy-efficient and carbon-reducing method of renovation.

Subd. 3. **Flood Hazard Mitigation Grants**

63,500,000

(a) For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

(b) The commissioner shall determine project priorities as appropriate, based on need.

(c) This appropriation includes money for the following county and municipal projects: Ada, Afton, Austin, Borup, Breckenridge, Clay County, Climax, Crookston, Felton, Georgetown, Granite Falls, Halstad, Hendrum, Inver Grove Heights, Montevideo, Moorhead, Nielsville, Oakport Township, Oslo, Perley, Roseau, Rushford, and Shelly.

(d) This appropriation includes money for the following watershed district projects: Brandt Angus, Middle-Snake-Tamarac Rivers Watershed District; Fountain Lake, Shell Rock River Watershed District; Grand Marais Creek, Red Lake Watershed District; Hay Creek-Norland, Roseau Watershed District; Manston Slough, Buffalo-Red River Watershed District; North Ottawa, Bois de Sioux Watershed District; Red Path, Bois de Sioux Watershed District; Springbrook, Two Rivers Watershed District; Thief River Falls, County Ditch No. 1, Red Lake Watershed District; Upper Becker Dams, Wild Rice Watershed District; and Upper South Branch, Buffalo-Red River Watershed District.

(e) The commissioner may spend money and make grants for land acquisition, predesign, design, and engineering for the Fargo-Moorhead metropolitan diversion project proposed by the United States Army Corps of Engineers, but must not spend money or make grants for construction of the diversion channel until an implementation plan for mitigation of downstream impacts has been developed, or April 1, 2012, whichever occurs first. The mitigation plan must ensure that the project will not make downstream flooding worse than it would have been without the project.

(f) For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

(g) To the extent that the cost of a project exceeds two percent of the median household income in the municipality, Oakport Township, or Clay County multiplied by the number of households in the municipality, Oakport Township, or Clay County, this appropriation is also for the local share of the project.

(h) For the purpose of determining any local match required for the Moorhead project and other municipal Red River flood hazard mitigation projects, the projects include all bondable flood hazard mitigation activities occurring under Department of Natural Resources flood hazard mitigation grants after April 2009 and bondable flood hazard mitigation projects resulting from the United States Army Corps of Engineers Fargo-Moorhead Metropolitan Feasibility Study.

(i) The commissioner shall report quarterly to the chairs of the senate and house of representatives committees on finance, ways and means, and capital investment, and to the chairs of the senate and house of representatives committees and divisions with jurisdiction over natural resources policy and budget on the previous quarter's expenditure of the appropriation in this subdivision.

Subd. 4. **Groundwater Monitoring and Observation Wells**

1,000,000

To install new publicly owned groundwater level observation wells to monitor the Mount Simon aquifer and assess groundwater for water supply planning in the south and central regions of the state. This appropriation may also be used to seal existing obsolete monitoring wells in the Mount Simon region that are no longer functional.

Subd. 5. **Dam Renovation and Removal**

4,750,000

To renovate or remove publicly owned dams. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515.

This appropriation includes money for the following projects:

(a) Byllesby Dam, Dakota and Goodhue Counties

(b) Champlin Mill Pond Dam, Hennepin County

(c) Clayton Lake Dam, Pine County

(d) Drayton Dam, Kittson County

(e) Hallock Dam, Kittson County

(f) Lake Bronson Dam, Kittson County

(g) Lanesboro Dam, Fillmore County

(h) Milaca Dam, Mille Lacs County

(i) Montevideo Dam, Chippewa County

(j) Pike River Dam, St. Louis County

(k) \$750,000 is for a grant to the Three Rivers Park District to renovate the Coon Rapids Dam. This appropriation is not available until the commissioner determines that an amount sufficient to complete the project is committed to the project.

Notwithstanding Minnesota Statutes, section 16A.69, subdivision 2, upon the award of final contracts for the completion of a project listed in this subdivision, the commissioner may transfer the unencumbered balance in the project account to any other dam renovation or removal project on the commissioner's priority list.

Subd. 6. Wildlife and Aquatic Management Area Land Acquisition and Improvement 1,000,000

To acquire land in fee for wildlife management area and aquatic management area purposes and for improvements of a capital nature to develop, protect, or improve habitat and facilities on wildlife management areas under Minnesota Statutes, section 86A.05, subdivisions 8 and 14.

Subd. 7. RIM Critical Habitat Match 3,000,000

To provide the state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943. This appropriation must be used only to acquire fee title.

Subd. 8. Scientific and Natural Area Acquisition and Development 4,500,000

To acquire in fee the Hastings Sand Coulee in Dakota County, and other lands identified by the commissioner as targeted sites for potential acquisition for scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5, and for protection and improvements of a capital nature in scientific and natural areas. Not less than five percent of this appropriation is for restoration.

Subd. 9. Forests for the Future 500,000

To acquire conservation easements as described under Minnesota Statutes, chapter 84C, on private forest lands and within Forest Legacy Areas established under United States Code, title 16, section 2103c. The conservation easements must guarantee public access, including hunting and fishing.

Subd. 10. State Forest Land Reforestation 3,000,000

To increase reforestation activities to meet the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including planting, seeding, site preparation, and purchasing native seeds and native seedlings; and for timber stand improvement.

Subd. 11. Forest Roads and Bridges 1,000,000

For reconstruction, resurfacing, replacement, and construction of state forest roads and bridges under Minnesota Statutes, section 89.002.

Subd. 12. Shade Tree Program3,000,000

For grants to cities, counties, townships, and park and recreation boards in cities of the first class for the planting of publicly owned shade trees on public land to provide environmental benefits; replace trees lost to forest pests, disease or storm; or to establish a more diverse community forest better able to withstand disease and forest pests. The commissioner must give priority to grant requests to remove and replace trees with active infestations of emerald ash borer. For purposes of this appropriation, "shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value and no intent to harvest the tree for its wood. Any tree planted with funding under this subdivision must be a species native to Minnesota.

Subd. 13. State Park Rehabilitation4,659,000

For rehabilitation projects within state parks established under Minnesota Statutes, section 85.012, as identified in the January 20, 2010, list of projects titled "State Park Development Projects - 12 month completion possible," including: at the Soudan Underground Mine, water treatment system and lab building, and new discharge pipeline; at Minneopa, safety improvements to the historic pedestrian bridge; at Itasca, repaving the wilderness drive and improvements to the beach area amphitheater; at Fort Ridgely, office consolidation into the historic museum building; at Whitewater and Mille Lacs Kathio, new RV sanitary dump stations; at Lake Maria, road paving and rehabilitation; and at all parks, campground electrical upgrades. Up to one percent of this appropriation may be used for project predesign for next funding cycle. Most of the appropriation in this subdivision must be spent within 12 months after the effective date of this section.

Subd. 14. State Park and Recreation Area Acquisition2,150,000

To acquire from willing sellers private lands for the following state parks established under Minnesota Statutes, section 85.012: land within William O'Brien State Park and land near Split Rock Lighthouse State Park that provides a view of the lighthouse; and land within Cuyuna Country State Recreation Area, established under Minnesota Statutes, section 85.013.

Subd. 15. State Park and Recreation Area Development

For projects within state parks established under Minnesota Statutes, section 85.012, and state recreation areas established under Minnesota Statutes, section 85.013.

This appropriation includes money for the following projects:

(a) Cuyuna Country State Recreation Area1,250,000

(b) Glendalough State Park350,000To develop a trail within Glendalough State Park.**Subd. 16. State Trail Rehabilitation**4,000,000

(a) To renovate state trails established under Minnesota Statutes, section 85.015, according to the commissioner's priorities and as provided in Minnesota Statutes, section 84.946. Most of the appropriation in this subdivision must be spent within 12 months after the effective date of this section. This appropriation is for the following trails:

(1) Gateway Trail;(2) Luce Line Trail;(3) Munger Trail;(4) Paul Bunyan Trail; and(5) Root River Trail.

For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may allocate that project's money to another state trail project. The chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources and legislators from the affected legislative districts must be notified of any changes.

(b) This appropriation may also be used to renovate the Alborn-Pengilly Railroad ATV Trail.

Subd. 17. State Trail Acquisition and Development21,423,000

To acquire land for and to construct and renovate state trails under Minnesota Statutes, section 85.015.

Up to \$1,000,000 is for the Blazing Star Trail.Up to \$1,000,000 is for the Browns Creek Trail.Up to \$2,000,000 is for the Casey Jones Trail.

Up to \$2,000,000 is to design, acquire land for, and develop the Camp Ripley/Veterans State Trail, established in new Minnesota Statutes, section 85.015, subdivision 28, in conjunction with the United States Department of Defense and the Minnesota Department of Transportation.

Up to \$1,000,000 is for the Cuyuna Lakes Trail.

Up to \$2,000,000 is for the Gateway Trail.

Up to \$1,000,000 is for the Gitchi-Gami Trail.

Up to \$2,000,000 is to acquire and develop a five-mile bituminous extension of the Glacial Lakes State Trail in the city of New London to Sibley State Park, in the CSAH 40 corridor, for bicycle and pedestrian use.

Up to \$1,300,000 is to acquire and develop the segment of the Goodhue Pioneer Trail between the cities of Zumbrota and Goodhue.

Up to \$1,500,000 is for the Heartland Trail extension.

Up to \$2,373,000 is for paving the Luce Line Trail and developing a parallel horse trail between the city of Winsted and city of Cedar Mills. The trail between the city of Winsted and city of Cedar Mills must be available for multiple uses, including hiking, biking, horseback riding, snowmobiling, cross-country skiing, and inline skating. Notwithstanding Minnesota Statutes, section 84.8712, subdivision 1, snowmobiles with metal traction devices may be used on the portion of the Luce Line Trail paved with this appropriation. The commissioner of natural resources shall ensure that all drainage tile passing under the Luce Line Trail can be maintained and provide for adequate crossing locations for farmers with construction standards that allow for large machinery to cross the trail.

Up to \$550,000 is for the Mill Towns Trail.

Up to \$400,000 is for the Minnesota River Trail.

Up to \$1,800,000 is for the Paul Bunyan Trail.

Up to \$1,500,000 is for the Shooting Star Trail.

For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may allocate that project's money to another state trail project. The chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources and legislators from the affected legislative districts must be notified of any changes.

Subd. 18. Regional Trails

500,000

For matching grants under Minnesota Statutes, section 85.019, subdivision 4b.

For a grant to Aitkin County to acquire land for and to construct segments of the Northwoods Regional All-Terrain Vehicle Trail.

Subd. 19. Trail Connections**3,292,000**

For matching grants under Minnesota Statutes, section 85.019, subdivision 4c.

\$55,000 is for a grant to Carlton County to make safety improvements on the Soo Line Trail in Moose Lake, including restoring decking, railings, and approaches of the trestles on the trail.

\$512,000 is for a grant to the city of Granite Falls to renovate the Roebling suspension pedestrian bridge over the Minnesota River in Granite Falls.

\$175,000 is for a grant to the city of Hibbing to acquire land, predesign, design, construct, and resurface the Carey Lake Bike Trail which follows 25th Street (Dupont Road) east to the Carey Lake Park in Hibbing, St. Louis County.

\$1,000,000 is for a grant to the city of Rochester to acquire the DM&E Pine Island spur right-of-way to connect to the Douglas State Trail.

\$800,000 is for a grant to the Rocori Trail Board to acquire, design, and construct phase 1 of the Rocori Trail, from Richmond to the east side of the Sauk River into Cold Spring, connecting the Glacial Lakes State Trail to the Beaver Island Trail and Lake Wobegon Trail.

\$250,000 is for a grant to Stearns County to develop the 26-mile Dairyland Trail connecting to the Lake Wobegon Trail.

\$500,000 is for a grant to the city of Walker for phases 2 and 3 of the Shingobee Trail Connection to the Paul Bunyan State Trail.

For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may allocate that project's money to another trail connection project in this subdivision. The chairs of the house of representatives and senate committees with jurisdiction over the environment and natural resources and legislators from the affected legislative districts must be notified of any changes.

Subd. 20. St. Mathias Trail Paving - Fort Ripley**50,000**

For a grant to the city of Fort Ripley to pave a trail in St. Mathias Park.

Subd. 21. Rum River Buffer and Bridge Replacement130,000

For a grant to the city of Milaca to demolish and remove the pedestrian bridge over the Rum River between Rec Park and Forest Hill cemetery in the city of Milaca, and to design, engineer, construct, and install a new accessible pedestrian bridge in the same location. The project must remove the pillars in the river and the new bridge must not have pillars in the river. This appropriation is not available until the city has agreed to develop a 100-foot-wide permanent buffer on the east side of the river that will protect the river where currently there is no appropriate buffer.

Subd. 22. Fort Snelling Upper Bluff1,200,000

For a grant to Hennepin County to conduct emergency building stabilization at Fort Snelling Upper Bluff. This appropriation is not available until the commissioner of management and budget has determined that Hennepin County has entered into appropriate agreements to use Sentence to Serve labor for the project that will train the Sentence to Serve laborers in the skills needed for the work.

Subd. 23. Lake Superior Campground Expansion1,000,000

For a grant to the city of Two Harbors to design and construct an expansion of the Burlington Bay Campground.

Subd. 24. Unspent Appropriations

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, other than an appropriation for flood hazard mitigation, is available for asset preservation under Minnesota Statutes, section 84.946. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred for asset preservation.

Sec. 8. POLLUTION CONTROL AGENCY**Subdivision 1. Total Appropriation****\$14,275,000**

To the Pollution Control Agency for the purposes specified in this section.

Subd. 2. Closed Landfill Cleanup8,700,000

To design and construct remedial systems and acquire land at landfills throughout the state in accordance with the closed landfill program under Minnesota Statutes, sections 115B.39 to 115B.42. The agency must follow the agency priorities. Entities administering projects undertaken with funds in this subdivision must conform to occupational safety and health standards under federal law and Minnesota Statutes, chapter 182, and report to the legislature any violations.

Subd. 3. Capital Assistance Program5,575,000

For the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54, except that the \$2,000,000 limit on the total amount of the grant is waived for these projects.

(1) \$500,000 is for a grant to Becker County to design and construct a waste transfer facility. This amount includes 75 percent of the cost of the transfer station and 50 percent of the cost of the material recovery facility. The counties using this facility must agree to achieve a 60 percent recycling rate and an organics recovery rate of 15 percent by 2025. This grant is not available until the agency determines that an amount sufficient to complete the project is committed to it from nonstate sources.

(2) \$5,075,000 is for a grant to the city of Perham in Otter Tail County to design, construct, furnish, and equip a material recovery facility at the Perham Resource Recovery Facility. The counties using this facility must agree to achieve a 60 percent recycling rate and an organics recovery rate of 15 percent by 2025.

Sec. 9. BOARD OF WATER AND SOIL RESOURCES**Subdivision 1. Total Appropriation**\$27,500,000

To the Board of Water and Soil Resources for the purposes specified in this section.

Subd. 2. RIM Conservation Reserve25,000,000

(a) To acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands; restore and enhance rivers and streams, riparian lands, and associated uplands in order to protect soil and water quality; support fish and wildlife habitat; reduce flood damage; and provide other public benefits. The provisions of Minnesota Statutes, section 103F.515, apply to this appropriation, except that the board may establish alternative payment rates for easements and practices to establish restored native prairies, as defined in Minnesota Statutes, section 84.02, subdivision 7, and to protect uplands. Of this appropriation, up to ten percent may be used to implement the program.

The board may give priority to the area designated for relief and recovery from the flooding that occurred on or after August 18, 2007, in the area of southeast Minnesota designated under Presidential Declaration of Major Disaster DR-1717.

At least \$2,000,000 of this amount is available for use by the Cedar River and Turtle Creek Watershed Districts in Freeborn, Mower, Dodge, and Steele Counties to restore wetlands and reduce flooding in the Austin area.

Up to \$8,000,000 of this amount is available for use in Minnesota counties in the Red River Basin to restore wetlands and reduce flooding.

Up to \$500,000 is for use in the Rum River watershed.

Up to \$2,000,000 is for use in Area II.

\$7,500,000 is for use in the seven-county metropolitan area.

Up to \$400,000 is for a grant to the Freeborn County Soil and Water Conservation District for use in the Minnesota portion of the Bear Lake watershed.

(b) The board is authorized to enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration, including overseeding and harvesting of native prairie vegetation for use for energy production in a manner that does not devalue the natural habitat, water quality benefits, or carbon sequestration functions of the area enrolled in the easement. This shall occur after seed production and minimize impacts on wildlife. Of this appropriation, up to five percent may be used for restoration, including overseeding. The board must submit to the legislative committees with jurisdiction over environment finance and capital investment an interim report on this program by October 1, 2010, and a final report by February 1, 2011.

Subd. 3. Wetland Replacement Due to Public Road Projects

2,500,000

To acquire land for wetland restoration or preservation to replace wetlands drained or filled as a result of the repair or reconstruction, replacement, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m). The board shall give priority consideration to establishing wetland credits in the seven-county metropolitan area in partnership with the Minneapolis Park and Recreation Board and the sculpture garden project.

The provisions of Minnesota Statutes, section 103F.515, apply to this appropriation, except that the board may establish alternative payment rates for easements and practices to establish restored native prairies, as defined in Minnesota Statutes, section 84.02, subdivision 7, and to protect uplands.

The purchase price paid for acquisition of land, fee, or perpetual easement must be the fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, and nonprofit organizations or fee owners to acquire land and restore and create wetlands and to acquire existing wetland banking credits. Acquisition of or the conveyance of land may be in the name of the political subdivision.

Sec. 10. **MINNESOTA ZOOLOGICAL GARDEN****Subdivision 1. Total Appropriation****\$21,000,000**

To the Minnesota Zoological Garden Board for the purposes specified in this section.

Subd. 2. Asset Preservation and Improvement**6,000,000**

For capital asset preservation improvements and betterments to infrastructure and exhibits at the Minnesota Zoo, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Master Plan**15,000,000**

To design, construct, furnish, and equip phase 1 of the Heart of the Zoo entry, Visitor Center, and Environmental Education Center.

This appropriation is not available until the city of St. Paul certifies to the commissioner of management and budget that it has sufficient financing to complete phase 2 renovation of exhibits at the Como Zoo.

Sec. 11. **ADMINISTRATION****Subdivision 1. Total Appropriation****\$11,175,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Capital Asset Preservation and Replacement Account (CAPRA)**2,000,000**

To be spent in accordance with Minnesota Statutes, section 16A.632.

Subd. 3. Asset Preservation**8,075,000**

For asset preservation projects in properties managed by the commissioner. This appropriation must be spent in accordance with Minnesota Statutes, section 16B.307.

\$1,250,000 is to design, construct, furnish, and equip phase 1 of Capitol campus security upgrades.

\$75,000 is to predesign renovation of the Governor's residence on Summit Avenue in St. Paul.

Subd. 4. Cooperative Local Facilities Grants**1,000,000**

For grants to counties, cities, towns, and school districts to construct or renovate cooperative local facilities under new Minnesota Statutes, section 16B.355.

Subd. 5. Veterans, Firefighters, and Police Memorial - Eagan100,000

For a grant to the city of Eagan to design and construct a memorial to those in the military, firefighters, and police who have died in the line of duty.

Sec. 12. AMATEUR SPORTS COMMISSION**Subdivision 1. Total Appropriation****\$8,450,000**

To the Minnesota Amateur Sports Commission for the purposes specified in this section.

Subd. 2. Women's Hockey Center - Blaine950,000

To predesign, design, construct, furnish, and equip a women's locker room, training room, and education display at the National Sports Center Super Rink in Blaine.

Subd. 3. National Volleyball Center - Rochester4,000,000

For a grant to the city of Rochester to design, construct, furnish, and equip the phase 2 expansion of the National Volleyball Center in Rochester, designated by the Minnesota Amateur Sports Commission as a regional amateur sports center, subject to Minnesota Statutes, section 16A.695.

Subd. 4. Northwestern Minnesota Regional Sports Center - Moorhead3,500,000

For a grant to the city of Moorhead to design, construct, furnish, and equip the Northwestern Minnesota Regional Sports Center.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources. The match may include in-kind contributions, and may include contributions made since January 1, 2007.

Sec. 13. MILITARY AFFAIRS**Subdivision 1. Total Appropriation****\$11,900,000**

To the adjutant general for the purposes specified in this section.

Subd. 2. Asset Preservation4,000,000

For asset preservation improvements and betterments of a capital nature at military affairs facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Facility Life Safety Improvements**1,000,000**

For life safety improvements and to correct code deficiencies at military affairs facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 4. Facility ADA Compliance**900,000**

For Americans with Disabilities Act (ADA) alterations to existing National Guard Training and Community Centers in locations throughout the state, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 5. Cedar Street Armory Renovation**5,000,000**

To design and renovate the Cedar Street Armory in St. Paul, including mechanical, electrical, building envelope, and life safety improvements.

Subd. 6. Camp Ripley Troop Support Facility**1,000,000**

To complete design, renovation, furnishing, and equipping of the Troop Support Facility at Camp Ripley, including but not limited to: window replacement, interior floor installation and finishings, air conditioning, upgrade of electrical, data, and telecommunication systems, and kitchen installation.

Subd. 7. Unspent Appropriations.

The unspent portion of an appropriation for a project under this section that has been completed may be used for any other purpose permitted under Minnesota Statutes, section 16B.307.

Sec. 14. PUBLIC SAFETY**Subdivision 1. Total Appropriation****\$15,000,000**

To the commissioner of public safety, or other named agency, for the purposes specified in this section.

Subd. 2. Emergency Management Training Facility - Camp Ripley**6,000,000**

To the commissioner of administration to design, construct, furnish, and equip an emergency vehicle operator's course at Camp Ripley.

Nonmilitary public safety personnel from Minnesota must be given access to the facility.

Subd. 3. State Emergency Operations Center**2,250,000**

To the commissioner of administration to predesign and design a new state emergency operations center in Arden Hills.

The commissioner of administration must consult with the commissioner of public safety in the predesign and design. This appropriation is not available until the commissioner has reported to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety policy and finance, capital investment, finance, and ways and means, how the Arden Hills site will be adequately accessible in the event of a disaster that adversely affects major transportation corridors.

Subd. 4. East Metro Regional Fire Training Facility - Maplewood

3,000,000

For a grant to the city of Maplewood to acquire land, prepare a site including environmental work, predesign, design, and construct the East Metro Regional Fire Training Facility in Ramsey County, within the city of Maplewood.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 5. Emergency Operations Center and Fire Training Facility - Minneapolis

750,000

For a grant to the city of Minneapolis to complete design and construction of an Emergency Operations Center and Fire Training Facility in the city of Minneapolis.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 6. Marshall - Minnesota Emergency Response and Industry Training Center (MERIT)

1,000,000

For a grant to the city of Marshall to acquire land, predesign, design, construct, furnish, and equip the expansion of the Minnesota Emergency Response and Industry Training Center (MERIT Center) in Marshall, Lyon County. The project includes acquiring approximately 80 acres of land for expanded facilities that will include a driving course, classrooms and offices, skid pad, and training simulators for driving, hand gun shooting, and driving education. This appropriation is not available until the commissioner determines that at least an equal amount is committed to the project from nonstate sources.

Subd. 7. Public Safety Facility - Princeton

2,000,000

For a grant to the city of Princeton to design, construct, furnish, and equip a new public safety building to be the headquarters for emergency operations for the city and to house equipment used to respond to regional emergencies.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Sec. 15. **TRANSPORTATION**

Subdivision 1. **Total Appropriation**

\$156,227,000

To the commissioner of transportation for the purposes specified in this section.

Subd. 2. **Local Bridge Replacement and Rehabilitation**

66,000,000

This appropriation is from the bond proceeds account in the state transportation fund to match federal money and to replace or rehabilitate local deficient bridges as provided in Minnesota Statutes, section 174.50. To the extent practicable, the commissioner shall expend the funds as provided under Minnesota Statutes, section 174.50, subdivisions 6c and 7, paragraph (c).

Political subdivisions may use grants made under this subdivision to construct or reconstruct bridges, including but not limited to:

(1) matching federal aid grants to construct or reconstruct key bridges;

(2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

(3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and

(4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more economical than replacement of the existing bridge.

\$1,800,000 is for a grant to the city of Fergus Falls to renovate the Tower Road bridge.

Up to \$10,000,000 is for a grant to Hennepin County for phase 2 of the project for the removal of the existing Canadian Pacific Railway bridge and crib wall structure supporting the roadway, construction of a retaining wall structure to support Lowry Avenue, and construction of an extension of phase 1, the construction and replacement of the Lowry Avenue Bridge carrying County State-Aid Highway 153 across the Mississippi River in Minneapolis.

\$7,000,000 is for a grant to the city of Minneapolis to construct a bridge for St. Anthony Parkway over the Northtown Rail Yard.

By November 1, 2010, the commissioner of management and budget, subject to approval of the commissioner of transportation, shall implement a grant administration method for grants provided under Minnesota Statutes, sections 174.50 and 174.52. The grant administration method must:

(1) not require a separate grant agreement for each project funded in whole or in part from general obligation grants;

(2) provide for efficient audits concerning state bond-financed property;

(3) ensure that all uses of the state bond-financed property will not cause the interest on the state general obligation bonds to be or become subject to federal income taxation for any reason; and

(4) otherwise comply with Minnesota Statutes, section 16A.695, the Minnesota Constitution, and all commissioner's orders.

By November 1, 2010, the commissioners of management and budget and transportation shall jointly submit a report on the grant administration method to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance and capital investment. At a minimum, the report must briefly summarize the grant administration method being implemented, provide a copy of any model grant agreement, and provide recommendations, if any, for legislative changes.

Subd. 3. Greater Minnesota Transit

2,500,000

For capital assistance for greater Minnesota transit systems to be used for transit capital facilities under Minnesota Statutes, section 174.24, subdivision 3c. Money from this appropriation may be used to pay up to 80 percent of the nonfederal share of these facilities.

\$520,000 is for a grant to the city of Northfield to design, construct, furnish, and equip a multimodal hub to serve as a transfer station, park and ride, intercity hub and trailhead, providing connections to Mill Towns State Trail, bike paths, and sidewalks within the city of Northfield.

Subd. 4. Rail Service Improvement

2,000,000

For the rail service improvement program to be spent for the purposes set forth in Minnesota Statutes, section 222.50, subdivision 7.

Subd. 5. Minnesota Valley Railroad Track Rehabilitation5,000,000

For a grant to the Minnesota Valley Regional Rail Authority to rehabilitate and make capital improvements to railroad track from east of Gaylord to Winthrop. A grant under this subdivision is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62.

Subd. 6. Northstar Commuter Rail Extension to St. Cloud1,000,000

To match federal money for environmental analysis, design, engineering, and acquisition of real property or interests in real property to extend the Northstar commuter rail line from Big Lake to the St. Cloud area.

Subd. 7. Railroad Grade Warning Devices Replacement2,500,000

(a) To design, construct, and equip the replacement of active highway railroad grade crossing warning devices that have reached the end of their useful life.

(b) \$900,000 is for a grant to the city of Grand Rapids to make at-grade railroad crossing improvements in the city. The project includes closing at-grade crossings at 12th Avenue West and 5th Avenue East along with at-grade crossing improvements on and adjacent to 19th Avenue West and 3rd Avenue East under City Projects 2003-6 and 2010-3. Crossing improvements include but are not limited to concrete crossings, railroad cross arms and signals, and street and utility improvements necessary to facilitate the crossing closures and improvements including design and construction engineering. This appropriation is not subject to the requirements of the commissioner to receive funding under paragraph (a) or under the department's rail grade crossing improvement program. This appropriation is not available until the commissioner of management and budget has determined that at least \$2,400,000 has been committed, including expenditures prior to July 1, 2010, to the project from nonstate sources.

Subd. 8. Port Development Assistance3,000,000

For grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 9. Range Regional Airport3,700,000

For a grant to the Chisholm-Hibbing Airport Authority for site preparation and to predesign, design, and construct a multiuse hangar and maintenance and storage facilities.

Subd. 10. Duluth Airport Terminal11,700,000

For a grant to the city of Duluth to predesign, design, construct, furnish, and equip phase 2 of the new terminal facilities at the Duluth International Airport as phase 2 of the airport terminal project is described for purposes of the federal aviation administration project grant.

This appropriation is not available until the commissioner determines that at least an equal amount is committed to the project from nonstate sources.

Subd. 11. Thief River Falls Airport2,097,000

For a grant to the city of Thief River Falls to design, construct, furnish, and equip a multipurpose hangar at the Thief River Falls Regional Airport in Pennington County. This appropriation is not available until the commissioner determines that a match from other sources of at least \$699,000 is committed to the project.

Subd. 12. Rochester Maintenance Facility26,430,000

This appropriation is from the bond proceeds account in the trunk highway fund.

To prepare a site for and design, construct, furnish, and equip a new maintenance facility in Rochester.

Subd. 13. Arden Hills Training Center6,500,000

This appropriation is from the bond proceeds account in the trunk highway fund.

To design and construct an addition to the Arden Hills Training Center.

Subd. 14. Maple Grove Truck Station15,800,000

This appropriation is from the trunk highway fund.

To design and construct a new truck station in Maple Grove.

Subd. 15. Little Falls Truck Station3,300,000

This appropriation is from the trunk highway fund.

To design and construct a new truck station in Little Falls.

Subd. 16. Maplewood Bridge Crew Building3,000,000

This appropriation is from the trunk highway fund.

To design and construct a new building for the metro bridge crew.

Subd. 17. Design**700,000**

This appropriation is from the trunk highway fund for design of the new Willmar district headquarters vehicle storage facility and the new Plymouth truck station.

Subd. 18. Hoffman Yard**1,000,000**

For environmental analysis, engineering, acquisition of real property or interests in real property, and construction relating to capacity improvements at the Hoffman Interlocking/Hoffman Yard in St. Paul as identified in the Minnesota Comprehensive Statewide Freight and Passenger Rail Plan.

Sec. 16. METROPOLITAN COUNCIL**Subdivision 1. Total Appropriation****\$79,100,000**

To the Metropolitan Council for the purposes specified in this section.

Subd. 2. Transit Capital Improvement Program**43,500,000**

(a) To advance transit in the metropolitan area, in consultation with the Counties Transit Improvement Board. Transit way corridors include the following: Bottineau Boulevard, Cedar Avenue, Central Corridor LRT, I-35W corridor, I-94 corridor, Red Rock corridor, Riverview corridor, Robert Street corridor, Rush Line, and Southwest corridor.

The appropriation must be used first to maximize federal money for all the following projects and to fund all projects in this paragraph as follows, but not listed in rank order of priority:

(1) preliminary engineering and environmental work for the Southwest Corridor light rail line from the Hiawatha light rail in downtown Minneapolis to Eden Prairie;

(2) environmental assessment, preliminary engineering, design, right-of-way acquisition, and construction of bus shoulders and transit facilities all as part of the Cedar Avenue Bus Rapid Transit Way from Lakeville in Dakota County to Bloomington in Hennepin County;

(3) a grant to the Ramsey County Regional Railroad Authority to acquire land and structures, to renovate structures, and for design, engineering, and environmental work to complete revitalization of the Union Depot for use as a multimodal transit center in St. Paul. The center must be designed so that it facilitates a potential future connection of high-speed rail to Minneapolis;

(4) real property acquisition, environmental analysis, and engineering for and construction of a park-and-ride facility for the Red Rock Corridor Transit Way;

(5) environmental work, engineering, acquisition of real property or interests in real property, and design and construction of a park-and-ride facility in the city of Woodbury for the I-94 Corridor Transit Way;

(6) a grant to the Hennepin County Regional Rail Authority for environmental analysis, engineering, design, acquisition of real property or interests in real property, and site preparation for the Minneapolis Transportation Interchange Facility located in the vicinity of the confluence of the Hiawatha light rail line and the Northstar commuter rail line. The interchange must be designed so that it facilitates a potential future connection of passenger or commuter rail to the Union Depot in St. Paul. The amount of the grant may not exceed the amount spent under this appropriation for park-and-ride facilities; and

(7) to design, construct, furnish, and equip improvements to property along the Central Corridor light rail tracks as they pass the State Capitol on University Avenue in St. Paul; money used for this purpose is not part of the Central Corridor light rail transit project budget.

(b) The remainder of the appropriation must be used to implement any of the following capital improvements, which are not listed in rank order of priority, to be selected by the Metropolitan Council after consultation with the Counties Transit Improvement Board and after consultation with other stakeholders as appropriate. The council shall seek geographic balance in the allocation of this appropriation where possible. The remainder of the appropriation is for:

(1) environmental studies, engineering, real property acquisition, and construction of passenger facilities for the Robert Street Corridor Transit Way along a corridor on or parallel to U.S. Highway 52 and Robert Street from within the city of St. Paul to Dakota County Road 42 in Rosemount;

(2) environmental analysis and project development for the Bottineau Boulevard Transit Way corridor from the Target Ballpark station in downtown Minneapolis to the vicinity of the Target development in northern Brooklyn Park or the Arbor Lakes retail area in Maple Grove;

(3) real property acquisition for and construction of a park-and-ride facility in the vicinity of the intersection of County Road 14 and Interstate Highway 35E for the Rush Line Transit Way;

(4) a grant to the Anoka County Regional Rail Authority for environmental analysis, design, engineering, acquisition of real property or interests in real property, and construction of related infrastructure and other improvements of a capital nature for the Foley Boulevard Northstar commuter rail station;

(5) a grant to Hennepin County for design of a transit station in the Lake Street area at marked Interstate Highway 35W in the city of Minneapolis;

(6) to predesign, design, construct, furnish, and equip a parking lot and transit station shelter on land owned by the city of Rosemount in the city's downtown area. The parking lot will have approximately 100 spaces for vehicles; and

(7) a grant to the Ramsey County Regional Railroad Authority for environmental work and preliminary engineering for bus rapid transit in the Riverview corridor between the east side of St. Paul and the Minneapolis-St. Paul International Airport and the Mall of America.

Subd. 3. Metropolitan Cities Inflow and Infiltration Grants

3,000,000

For grants to cities within the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Metropolitan Council's metropolitan sanitary sewer disposal system. To be eligible for a grant, a city must be identified by the Metropolitan Council as a contributor of excessive inflow or infiltration. Grants from this appropriation are for up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection systems. The council must award grants based on applications from eligible cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council.

Subd. 4. Metropolitan Regional Parks and Trails Capital Improvements

(a) Metropolitan Council Priorities

10,500,000

For the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority must be given to park rehabilitation and land acquisition projects. This appropriation must not be used to purchase easements.

(b) Como Zoo11,000,000

For a grant to the city of St. Paul to predesign, design, construct, furnish, and equip phase 2 renovation of exhibits at the Como Zoo.

(c) Minneapolis Sculpture Garden2,000,000

For a grant to the Minneapolis Park and Recreation Board to predesign, design, and begin construction of the renovation of the Minneapolis Sculpture Garden, which displays art owned by the Walker Art Center, subject to Minnesota Statutes, section 16A.695. The complete renovation will include improving irrigation, drainage, the parking lot, security, granite substructures, concrete, and fixtures, in order to update them with more ecologically sustainable options that are less expensive to maintain; increasing physical accessibility in accordance with the Americans with Disabilities Act; transplanting and replacing trees and plant materials; and improving the mechanical plant, piping, and flooring of the Cowles Conservatory to permit its flexible reuse in a way that is more ecologically sustainable and less expensive to maintain.

(d) Old Cedar Avenue Bridge2,000,000

For a grant to the city of Bloomington to renovate the Old Cedar Avenue Bridge for bicycle commuters and recreational users. The city of Bloomington must consult with the city of Eagan and Dakota County on the renovation.

This appropriation is added to the appropriation in Laws 2008, chapter 365, section 4, subdivision 3, as amended by this act.

(e) Phalen-Keller Regional Park1,100,000

For grants to the city of St. Paul and Ramsey County for improvements to the Phalen-Keller Regional Park, including design, engineering, and construction for channel restoration and other associated channel improvements between Phalen, Keller, and Round Lakes, renovation of the waterfall on the northwest shore of Lake Phalen and addition of lighting and landscaping along the path near the waterfall, and design and construction of a paved off-road trail between Roselawn Avenue and County Road B connecting use areas within Keller Regional Park and to Phalen Regional Park and the Gateway State Trail.

(f) Rock Island Bridge Park and Trail Development1,000,000

For a grant to the city of Inver Grove Heights for park and trail development on the west bank of the Mississippi River in Dakota County at the site of Mississippi River Bridge JAR 5600, commonly known as the Rock Island Bridge. Any park or trails developed with this appropriation must connect with any local, regional, or state trails in the vicinity, and the historic Rock Island Bridge.

(g) Springbrook Nature Center**2,000,000**

For a grant to the city of Fridley to predesign, design, construct, furnish, and equip the redevelopment and expansion of the Springbrook Nature Center. No nonstate match is required.

(h) Theodore Wirth Olympic Training Center**1,000,000**

For a grant to the Minneapolis Park and Recreation Board to predesign, design, construct, furnish, and equip, at Theodore Wirth Regional Park in Golden Valley, Hennepin County, a winter recreation center, including warming and training areas and maintenance facilities, for developing Olympic-caliber athletes.

(i) Veterans Memorial Parks**2,000,000**

For a grant to the Minneapolis Park and Recreation Board to: (1) design and construct an appropriate monument in Sheridan Veterans Memorial Park on the Mississippi River in Minneapolis to memorialize the war service of Minnesota veterans of all wars; and (2) match money provided by Hennepin County to restore the flagpole monument and plaza, and make other infrastructure improvements of a capital nature for the Veterans of World War I Victory Memorial Parkway, consistent with Hennepin County's planned infrastructure improvements.

Sec. 17. **HEALTH**Subdivision 1. **Total Appropriation****\$15,000,000**

To the commissioner of administration for the purposes specified in this section.

Subd. 2. **Gillette Children's Specialty Healthcare****10,000,000**

For a grant to Ramsey County to design, construct, furnish, and equip capital improvements to the hospital facility operated by Gillette Children's Specialty Healthcare, subject to Minnesota Statutes, section 16A.695. A management contract or use agreement with respect to the facility must require that it be used to carry out a governmental program, including but not limited to providing health care.

This appropriation is intended to cover approximately one-sixth of the \$62,000,000 total project cost. It is not available until the commissioner has determined that an amount sufficient to complete the project has been committed from nonstate sources.

If this state bond financed property is sold, and notwithstanding Minnesota Statutes, section 16A.695, subdivision 3, clause (2), the net proceeds must be applied as follows: first, to pay the state the

amount of state bond proceeds used to acquire or better the property; and second, any remaining amount must be paid to Ramsey County, or its successor in interest in the property. When the sale is complete and the sale proceeds have been applied as provided in this subdivision, section 16A.695 no longer applies to the property and the property is no longer state bond financed property.

Subd. 3. **Hyperbaric Oxygen Chamber** 5,000,000

For a grant to Hennepin County for Hennepin County Medical Center to design, construct, furnish, and equip the relocation of a hyperbaric oxygen facility on the Hennepin County Medical Center campus.

Sec. 18. **HUMAN SERVICES**

Subdivision 1. **Total Appropriation** **\$51,625,000**

To the commissioner of administration, or another named agency, for the purposes specified in this section.

Subd. 2. **Asset Preservation** 2,000,000

For asset preservation improvements and betterments of a capital nature at Department of Human Services facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Early Childhood Learning and Child Protection Facilities** 2,000,000

To the commissioner of human services for grants under Minnesota Statutes, section 256E.37, to construct and rehabilitate early childhood learning and child protection facilities.

Subd. 4. **Remembering With Dignity** 125,000

To the commissioner of human services for grave markers or memorial monuments for unmarked graves on public land of deceased residents of state hospitals or regional treatment centers.

Subd. 5. **Minnesota Sex Offender Program Treatment Facilities - Moose Lake** 47,500,000

To complete design for and to construct, furnish, and equip phase 2 of the Minnesota sex offender treatment program at Moose Lake.

Subd. 6. **Sex Offender Treatment Center; Facilities Study**

The commissioner of human services, in consultation with the commissioners of corrections and administration, shall study the potential for using existing vacant or underused state facilities.

including regional treatment centers, for the sex offender treatment program or for other programs or services administered by the Department of Human Services. The study must analyze the feasibility, time required, and cost of making the building and infrastructure changes necessary for the program. The study must also examine the current civil commitment policies of the state, sex offender treatment, and possible legislation to change determinate sentencing for sex offenders. The study must include a review of how other states use civil commitment for sex offenders. The commissioner shall submit a report on the study, with specific recommendations, to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over capital investment, human services policy and finance, and public safety policy and finance by January 15, 2011.

Sec. 19. **VETERANS AFFAIRS**

Subdivision 1. **Total Appropriation**

\$13,900,000

To the commissioner of administration for the purposes specified in this section.

Subd. 2. **Asset Preservation**

4,000,000

For asset preservation improvements and betterments of a capital nature at veterans homes statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Luverne Veterans Home Entrance Enclosure**

450,000

To design, construct, and furnish a new enclosure attached to the front entrance of the Luverne Veterans Home; re-engineer the circle drive parking lot adjoining the entrance to increase visitor parking capacity; and provide day room and lounge space on either side of the entrance.

Subd. 4. **Minneapolis Veterans Home**

9,450,000

To remodel building 16 to accommodate a domiciliary program, demolish the north wing of building 17, and design, construct, furnish, and equip up to a 72-bed single occupancy person-centered nursing care building, including site improvements and amenities for building and program support.

Sec. 20. **CORRECTIONS**

Subdivision 1. **Total Appropriation**

\$23,829,000

To the commissioner of administration for the purposes specified in this section.

Subd. 2. Asset Preservation**8,000,000**

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. ARMER Radio System Migration**5,800,000**

To design, construct, furnish, and equip the Allied Radio Matrix for Emergency Response (ARMER) system migration into all state correctional facilities, including, but not limited to, building and radio site improvements, installation of fixed antenna systems and repeaters, and installation of master control dispatch console equipment.

Subd. 4. Minnesota Correctional Facility - Oak Park Heights**(a) Exterior Intrusion Detection System Upgrade****3,529,000**

To replace and improve the current perimeter detection system with a comprehensive system that will use current technology and provide essential components of effective and reliable escape detection at Minnesota's maximum security correctional facility, including but not limited to installation of a new sensor coil system, improved lighting, cameras, recording devices, and renovations of existing facilities required to accommodate the technology and functionality of the new system.

(b) Security System Upgrade**6,500,000**

To replace and upgrade existing facility security systems and components with new fully integrated systems throughout the prison, including renovations of existing facilities required to accommodate the technology and functionality of the new systems.

Subd. 5. Unspent appropriations

The unspent portion of an appropriation for a project in this section that is complete, upon written notice to the commissioner of management and budget, is available for asset preservation under Minnesota Statutes, section 16B.307, at the same correctional facility as the project for which the original appropriation was made. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 21. EMPLOYMENT AND ECONOMIC DEVELOPMENT**Subdivision 1. Total Appropriation****\$121,965,000**

To the commissioner of employment and economic development for the purposes specified in this section.

Subd. 2. Greater Minnesota Business Development Infrastructure Grant Program

10,000,000

For grants under Minnesota Statutes, section 116J.431.

\$1,000,000 is for a grant to the city of North Branch in Chisago County to complete the predesign, design, and construction of a main water line loop, including connections and a main sanitary sewer line with a lift station, in the city of North Branch. The trunk water main loop connection line will provide adequate water volume and pressure for fire protection and suppression for industrial users at the ESSBY Business Park, while the trunk sewer line is required to provide sanitary sewer service to property along the water main loop.

\$200,000 is for a matching grant to the Board of Trustees of the Minnesota State Colleges and Universities for Pine Technical College to design, construct, furnish, and equip an entrepreneurship and technology business incubator at Pine Technical College. This appropriation is not available until the board determines that at least an equal match has been committed from nonstate sources, including a grant from the United States Economic Development Administration.

\$285,000 is for a grant to the Voyageurs National Park Clean Water Joint Powers Board to predesign a wastewater collection and treatment facility located in the Voyageurs National Park area.

Subd. 3. Innovative Business Development Public Infrastructure Grant Program

4,000,000

For grants under Minnesota Statutes, section 116J.435.

Subd. 4. Redevelopment Account

5,000,000

For purposes of the redevelopment account under Minnesota Statutes, sections 116J.571 to 116J.575.

\$2,000,000 is for a grant to the city of Lake Elmo. \$1,000,000 must be used to design and construct an expansion of the city's water pumping, storage, and distribution system to provide approximately 1,000 additional service hookups and replace a city well lost to contamination by perfluorochemicals (PFC's). \$1,000,000 must be used to design and construct the extension of a 16-inch sanitary sewer force main from the Metropolitan Council interceptor on Interstate Highway 94 to 30th Street to the proposed southern edge of the Lake Elmo Village area. This appropriation is not available until the council has determined that at least an equal amount has been committed to the project from nonstate sources.

Notwithstanding Minnesota Statutes, section 16A.642, grant number RDGP-06-0007-0-FY07, awarded in September 2006 to the city of Tower from an appropriation to the redevelopment account in Laws 2005, chapter 20, article 1, section 23, subdivision 11, is available until June 30, 2013.

Subd. 5. Bemidji - Headwaters Science Center

475,000

For a grant to the city of Bemidji to predesign and design the Headwaters Science Center, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 6. Chatfield - Potter Center for the Arts

2,200,000

For a grant to the Chatfield Economic Development Authority for site preparation and to predesign, design, construct, furnish, and equip the renovation of Potter Memorial Auditorium and adjacent structures in the city of Chatfield as the Potter Center for the Arts. The economic development authority may enter into leases and management agreements with the city and other entities to provide the programs in the center, subject to Minnesota Statutes, section 16A.695.

Subd. 7. Duluth Zoo

200,000

For a grant to the city of Duluth for asset preservation and exhibit renewal at the Duluth Zoo that is needed for the zoo to achieve accreditation. No match is required.

Subd. 8. Hennepin County

Minnesota African American History Museum and Cultural Center

840,000

For a grant to Hennepin County to predesign, design, construct, furnish, and equip the renovation of an historic mansion for the Minnesota African American History Museum and Cultural Center in Minneapolis, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 9. Mankato - Civic Center and All Seasons Arenas

12,000,000

For a grant to the city of Mankato to design, construct, furnish, and equip the expansion of the Civic Center auditorium, including a performing arts theater, and the remodelling and expansion of the

Civic Center and All Seasons arenas, which must include the Southern Minnesota Women's Hockey Exposition Center, for joint use by the city and Minnesota State University, Mankato.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 10. Minneapolis - Granary Road Storm Water Infrastructure

4,000,000

For a grant to the city of Minneapolis to acquire land for, and to predesign, design, and construct, storm water and roadway infrastructure for phase 2 of the proposed Granary Road between 17th Avenue SE and 25th Avenue SE in Minneapolis.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 11. Minneapolis - Orchestra Hall

16,000,000

For a grant to the city of Minneapolis to predesign, design, construct, furnish, and equip the renovation of Orchestra Hall at its current downtown Minneapolis location, including \$2,000,000 for Peavey Plaza. The city of Minneapolis may operate a performing arts center and adjacent property for public recreation and may enter into a lease or management agreement for the improved facilities, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 12. Ramsey County - Rice Street Bioscience Corridor

5,000,000

For a grant to Ramsey County to reconstruct the Rice Street bridge where it crosses marked Trunk Highway 36 in Ramsey County, and for other improvements of a capital nature to publicly owned infrastructure to support bioscience business development.

Subd. 13. Rochester - Mayo Civic Center Complex

28,000,000

For a grant to the city of Rochester to design, construct, furnish, and equip the renovation and expansion of the Mayo Civic Center Complex.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 14. St. Cloud - Civic Center Expansion13,000,000

For a grant to the city of St. Cloud to predesign, design, construct, furnish, and equip an expansion to the St. Cloud Civic Center, including a parking facility and skyway connection.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Subd. 15. St. Louis County - Arrowhead Regional Event Facilities250,000

For a grant to St. Louis County as the fiscal agent to provide and improve event facilities in the Arrowhead region as provided in this subdivision. The facilities must have a cooperative agreement to provide training, exhibition, and competition centers for the five community colleges of the Northeast Higher Education District. The St. Louis County Board of Commissioners shall make grants to the cities included in this subdivision, and the cities will retain title to the facilities. Grants may include the following projects:

(a) Hibbing Memorial Building

To predesign and design a new addition to the Hibbing Memorial Building. This request includes the American Disabilities Act compliance requirements for the Hibbing Memorial Building to serve as a regional facility for veterans, seniors, and community events.

(b) Mountain Iron Arrowhead Event Center

To predesign and design a new Arrowhead event facility in the city of Mountain Iron.

Subd. 16. St. Paul**(a) Asian Pacific Cultural Center**5,000,000

For a grant to the St. Paul Housing and Redevelopment Authority, to construct, furnish, and equip an Asian-Pacific Cultural Center, subject to Minnesota Statutes, section 16A.695. The appropriation does not require a local match.

(b) Ordway Center for the Performing Arts16,000,000

For a grant to the city of St. Paul to design, construct, furnish, and equip a concert hall of approximately 1,100 seats and support spaces at the Ordway Center for the Performing Arts, subject to Minnesota Statutes, section 16A.695.

Sec. 22. PUBLIC FACILITIES AUTHORITY**Subdivision 1. Total Appropriation****\$57,000,000**

To the Public Facilities Authority for the purposes specified in this section.

Subd. 2. State Match For Federal Grants**30,000,000**

(a) To match federal grants for the clean water revolving fund under Minnesota Statutes, section 446A.07, and the drinking water revolving fund under Minnesota Statutes, section 446A.081.

(b) \$10,800,000 of this appropriation shall provide matching funds for the drinking water revolving fund to match the 2011 and 2012 federal grants, with the balance to be made available to the clean water revolving fund.

(c) This appropriation must be used for qualified capital projects.

Subd. 3. Wastewater Infrastructure Funding Program**27,000,000**

For grants to eligible municipalities under the wastewater infrastructure funding program under Minnesota Statutes, section 446A.072.

Up to \$2,800,000 may be used as a grant to the city of Williams to undertake corrective action on a system built since 2001 with federal money from USDA Rural Economic and Community Development. This grant is not subject to the 2010 or 2011 project priority list nor to the limitations on grant amounts set forth in Minnesota Statutes, section 446A.072, subdivision 5a.

Sec. 23. MINNESOTA HOUSING FINANCE AGENCY**\$10,000,000**

To the Minnesota Housing Finance Agency for transfer to the housing development fund to finance the costs to rehabilitate, or to replace units lost in a fire, to preserve public housing under Minnesota Statutes, section 462A.202, subdivision 3a. For purposes of this section, "public housing" means housing for low-income persons and households financed by the federal government and owned and operated by the public housing authorities and agencies formed by cities and counties. Eligible public housing authorities must have a public housing assessment system rating of standard or above. Priority must be given to proposals that maximize federal or local resources to finance the capital costs. The priority in Minnesota Statutes, section 462A.202, subdivision 3a, for projects to increase the supply of affordable housing and the restrictions of Minnesota Statutes, section 462A.202, subdivision 7, do not apply to this appropriation.

Sec. 24. **MINNESOTA HISTORICAL SOCIETY**

Subdivision 1. **Total Appropriation**

\$13,757,000

To the Minnesota Historical Society for the purposes specified in this section.

Subd. 2. **Historic Sites Asset Preservation**

3,400,000

For capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments, to be spent in accordance with Minnesota Statutes, section 16B.307. The society shall determine project priorities as appropriate based on need.

Subd. 3. **County and Local Preservation Grants**

1,000,000

To be allocated to county and local jurisdictions as matching money for historic preservation projects of a capital nature, as provided in Minnesota Statutes, section 138.0525.

\$150,000 is for a grant to the city of South St. Paul to renovate the historically significant 1941 Navy Hangar at 310 Airport Road at Fleming Field in the city to meet life safety and building code requirements, subject to Minnesota Statutes, section 16A.695. No local match is required for this grant.

Subd. 4. **Oliver H. Kelley Farm Historic Site**

9,357,000

To complete design and to construct, furnish, and equip the renovation of the Oliver H. Kelley Farm Historic Site, including the site's visitor center and other essential visitor services and site operations facilities.

Sec. 25. **BOND SALE EXPENSES**

\$1,079,000

(a) \$1,064,000 is from the bond proceeds fund to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

(b) \$15,000 is from the bond proceeds account in the trunk highway fund to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 167.50, subdivision 4.

Sec. 26. **BOND SALE AUTHORIZATION.**

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$1,003,085,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Maximum effort school loan fund.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$5,780,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Subd. 3. **Transportation fund.** To provide the money appropriated in this act from the state transportation fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$66,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Subd. 4. **Trunk highway fund bond proceeds account.** To provide the money appropriated in this act from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$32,945,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be credited to the bond proceeds account in the trunk highway fund.

Sec. 27. **CANCELLATIONS; BOND SALE AUTHORIZATIONS REDUCED.**

Subdivision 1. **Bureau of Criminal Apprehension.** \$525,000 of the appropriation in Laws 2002, chapter 374, article 11, section 7, subdivision 3, as amended by Laws 2002, chapter 393, section 90, for construction of the Bureau of Criminal Apprehension building in Saint Paul, is canceled. The bond sale authorization in Laws 2002, chapter 374, article 11, section 17, is reduced by \$525,000.

Subd. 2. **Administration; property acquisition.** \$5,131.83 of the appropriation in Laws 2002, chapter 374, article 11, section 7, subdivision 4, for property acquisition, is canceled. The bond sale authorization in Laws 2002, chapter 374, article 11, section 17, is reduced by \$5,131.83.

Subd. 3. **Human services.** \$23,642.57 of the appropriation in Laws 2002, chapter 374, article 11, section 11, for Department of Human Services asset preservation, is canceled. The bond sale authorization in Laws 2002, chapter 374, article 11, section 17, is reduced by \$23,642.57.

Subd. 4. **CAPRA.** \$101,485.07 of the appropriation in Laws 2002, chapter 393, section 13, subdivision 2, for the capital asset preservation and replacement account, is canceled. The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$101,485.07.

Subd. 5. **Administration.** \$1,041.79 of the appropriation in Laws 2002, chapter 393, section 13, subdivision 3, for electrical utility infrastructure in the capitol complex, is canceled. The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$1,041.79.

Subd. 6. **Health and agriculture laboratory.** \$10,701.71 of the appropriation in Laws 2002, chapter 393, section 13, subdivision 6, for health and agriculture lab, is canceled. The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$10,701.71.

Subd. 7. **Minnesota state academies.** \$8,730.46 of the appropriation in Laws 2002, chapter 393, section 6, for asset preservation, is canceled. The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$8,730.46.

Subd. 8. **Human services.** \$5,829.55 of the appropriation in Laws 2002, chapter 393, section 22, subdivision 2, for systemwide roof renovation and replacement, is canceled. The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$5,829.55.

Subd. 9. **Human services.** \$53,695.76 of the appropriation in Laws 2002, chapter 393, section 22, subdivision 3, for asset preservation, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$53,695.76.

Subd. 10. **Human services.** \$77,034.74 of the appropriation in Laws 2002, chapter 393, section 22, subdivision 4, for demolition, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$77,034.74.

Subd. 11. **Human services.** \$8,873.69 of the appropriation in Laws 2002, chapter 393, section 22, subdivision 6, as amended by Laws 2005, chapter 20, article 1, section 43, for the Fergus Falls Regional Treatment Center, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$8,873.69.

Subd. 12. **Human services.** \$3,498 of the appropriation in Laws 2002, chapter 393, section 22, subdivision 7, for the St. Peter Regional Treatment Center, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$3,498.

Subd. 13. **Veterans Homes Board.** \$8,022.83 of the appropriation in Laws 2002, chapter 393, section 23, subdivision 2, for asset preservation, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$8,022.83.

Subd. 14. **Veterans Homes Board.** \$2,000 of the appropriation in Laws 2002, chapter 393, section 23, subdivision 3, for the Hastings Veterans Home utility infrastructure, is canceled. Laws 2002, chapter 393, section 30, subdivision 1, as amended by Laws 2005, chapter 20, article 2, section 1, and Laws 2008, chapter 179, section 28, is reduced by \$2,000.

Subd. 15. **Phalen Boulevard.** \$201,486 of the appropriation in Laws 2003, First Special Session chapter 20, article 1, section 12, subdivision 6, for a grant to the city of St. Paul for the Phalen Boulevard project, is canceled. The bond sale authorization in Laws 2003, First Special Session chapter 20, article 1, section 16, as amended by Laws 2008, chapter 179, section 28, is reduced by \$201,486.

Subd. 16. **Perpich Center for Arts Education.** \$1.12 of the appropriation in Laws 2005, chapter 20, article 1, section 4, subdivision 2, for asset preservation, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$1.12.

Subd. 17. **Perpich Center for Arts Education.** \$7,480.88 of the appropriation in Laws 2005, chapter 20, article 1, section 4, subdivision 3, for the Beta Building, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$7,480.88.

Subd. 18. **Administration.** \$28,261.71 of the appropriation in Laws 2005, chapter 20, article 1, section 13, subdivision 4, for capitol area parking, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$28,261.71.

Subd. 19. **Capitol Area Architectural and Planning Board.** \$14,140.75 of the appropriation in Laws 2005, chapter 20, article 1, section 14, subdivision 2, for capitol interior renovation, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$14,140.75.

Subd. 20. **Veterans Homes Board.** \$1,863.57 of the appropriation in Laws 2005, chapter 20, article 1, section 21, subdivision 3, for the Luverne home, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$1,863.57.

Subd. 21. **Veterans Homes Board.** \$25,720 of the appropriation in Laws 2005, chapter 20, article 1, section 21, subdivision 5, as amended by Laws 2005, First Special Session chapter 7, section 5, for predesign of a home in Willmar, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$25,720.

Subd. 22. **Minnesota Correctional Facility - Stillwater.** \$1,003,283.99 of the appropriation in Laws 2005, chapter 20, article 1, section 22, subdivision 3, for new segregation unit, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$1,003,283.99.

Subd. 23. **Minnesota Correctional Facility - Willow River.** \$962.09 of the appropriation in Laws 2005, chapter 20, article 1, section 22, subdivision 4, paragraph (a), for an activities building, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$962.09.

Subd. 24. **Minnesota correctional facility - beds.** \$853 of the appropriation in Laws 2005, chapter 20, article 1, section 22, subdivision 4, paragraph (b), for additional beds at Willow River, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$853.

Subd. 25. **Institute of Nanotechnology.** \$600,000 of the appropriation in Laws 2005, chapter 20, article 1, section 23, subdivision 11, as amended by Laws 2006, chapter 171, section 1, and Laws 2008, chapter 179, section 57, for a grant to the city of Rushford for the Institute of Nanotechnology, is canceled. The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended by Laws 2008, chapter 179, section 28, is reduced by \$600,000.

Subd. 26. **Veterans Homes Board.** \$7,770.30 of the appropriation in Laws 2006, chapter 258, section 19, subdivision 5, for the Luverne addition, is canceled. The bond sale authorization in Laws 2006, chapter 258, section 25, subdivision 1, as amended by Laws 2007, chapter 45, article 3, section 6, and Laws 2008, chapter 179, section 28, is reduced by \$7,770.30.

Subd. 27. **Department of Natural Resources facility damage.** \$2,283,263 of the appropriation in Laws 2007, First Special Session chapter 2, article 1, section 5, subdivision 2, to rehabilitate and replace state facilities and restore natural resources in the flood damaged area, is canceled. The bond sale authorization in Laws 2007, First Special Session chapter 2, article 1, section 15, subdivision 1, is reduced by \$2,283,263.

Subd. 28. **Department of Transportation; Urban Partnership Agreement.** \$9,000,000 of the appropriation in Laws 2008, chapter 152, article 2, section 3, subdivision 4, for the urban partnership agreement, is canceled. The trunk highway bond sale authorization in Laws 2008, chapter 152, article 2, section 7, subdivision 1, is reduced by \$9,000,000.

Subd. 29. **Department of Transportation building.** \$9,500,000 of the appropriation in Laws 2008, chapter 152, article 2, section 5, for the exterior of the Department of Transportation building in Saint Paul, is canceled. The trunk highway bond sale authorization in Laws 2008, chapter 152, article 2, section 7, subdivision 1, is reduced by \$9,500,000.

Subd. 30. **Agriculture.** \$2,660 of the appropriation in Laws 2008, chapter 179, section 10, for the potato inspection unit building roof, is canceled. The bond sale authorization in Laws 2008, chapter 179, section 27, subdivision 1, as amended by Laws 2008, chapter 365, section 7, is reduced by \$2,660.

Subd. 31. **Bayport storm sewer.** \$150,000 of the appropriation in Laws 2008, chapter 179, section 22, subdivision 8, for the Bayport storm sewer, is canceled. The bond sale authorization in Laws 2008, chapter 179, section 27, subdivision 1, as amended by Laws 2008, chapter 365, section 7, is reduced by \$150,000.

Subd. 32. **Disaster relief.** \$3,900,000 of the appropriation in Laws 2009, chapter 93, article 2, section 3, subdivision 3, for state and local match, is canceled. The bond sale authorization in Laws 2009, chapter 93, article 2, section 13, subdivision 1, is reduced by \$3,900,000.

Subd. 33. **2009 authorizations.** (a) The bond sale authorization in Laws 2009, chapter 93, article 1, section 21, subdivision 1, is reduced by \$79,375,000.

(b) The bond sale authorization in Laws 2009, chapter 93, article 1, section 21, subdivision 2, is reduced by \$5,780,000.

Sec. 28. Minnesota Statutes 2008, section 16A.501, is amended to read:

16A.501 REPORT ON EXPENDITURE OF BOND PROCEEDS.

(a) The commissioner of management and budget must report annually to the legislature on the degree to which entities receiving appropriations for capital projects in previous omnibus capital improvement acts have encumbered or expended that money. The report must be submitted to the chairs of the house of representatives Ways and Means Committee and the senate Finance Committee by January 1 of each year.

(b) The commissioner of management and budget must report by January 15 of each year to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over capital investment, finance, and ways and means, on the amount and percentage of each agency's capital appropriation that is used to pay for the costs of staff directly attributable to capital programs or projects funded with state general obligation bond proceeds. The report must also include information on agencies' compliance with the commissioner's policies governing the use of general obligation bond proceeds to pay staff costs and any changes to the commissioner's policies.

Sec. 29. Minnesota Statutes 2009 Supplement, section 16A.647, subdivision 1, is amended to read:

Subdivision 1. **Authority to issue.** When authorized by law to issue state general obligation bonds or state 911 revenue bonds under section 403.275, the commissioner may issue all or part of the bonds as tax credit bonds or as interest subsidy bonds or a combination of the two.

Sec. 30. Minnesota Statutes 2009 Supplement, section 16A.647, subdivision 5, is amended to read:

Subd. 5. **Sale; certain costs of issuance.** Tax credit bonds and interest subsidy bonds must be sold at a price not less than 98 percent of their stated principal amount. No state trunk highway bond may be sold for a price of less than par and accrued interest. When the commissioner determines to issue tax credit bonds or interest subsidy

bonds to achieve a net present value debt service savings over tax-exempt bonds, the commissioner may issue an additional principal amount of bonds, not to exceed two percent of the principal amount of bonds otherwise authorized by law to be issued, to pay the costs of investment banking and banking services related to the sale or placement of the bonds, provided the additional issuance will not cause an increase in the general fund debt service transfer for the biennium during which the bonds are sold, as estimated by the commissioner. The proceeds are appropriated for this purpose.

Sec. 31. Minnesota Statutes 2008, section 16A.66, subdivision 2, is amended to read:

Subd. 2. **Special provisions for sale and issuance.** Refunding bonds may be sold publicly, or directly to the State Board of Investment without bids, or may be exchanged for bonds refunded by agreement with their holders. The refunding bonds must be prepared, executed, delivered, and secured in the same way as the refunded bonds. The proceeds of refunding bonds may be deposited, invested, and applied to accomplish the refunding as provided in section 475.67, subdivisions 5 to 10, and 13. Bids for the securities to be purchased for the escrow account may be secured, at the commissioner's election, either through the State Board of Investment or a suitable financial institution. The interest rate on refunding bonds may exceed that on the refunded bonds if the purpose of refunding is to extend the maturities and to reduce the amount needed annually to pay and to secure the debt.

Sec. 32. Minnesota Statutes 2008, section 16B.26, is amended to read:

16B.26 UTILITY COMPANIES, PERMITS TO CROSS STATE-OWNED LANDS.

Subdivision 1. **Easements.** (a) **Authority.** Except where the authority conferred by this section has been imposed on some other state or county office, the commissioner may grant an easement or permit over, under, or across any land owned by the state for ~~the purpose of constructing roads, streets, telephone, telegraph, and electric power lines, cables or conduits, underground or otherwise, or mains or pipe lines for gas, liquids, or solids in suspension~~ public purposes, including but not limited to, access, road, street, mass transit, telecommunication, flood protection, or utility purposes. This authority does not apply to land under the jurisdiction of the commissioner of natural resources or land obtained for trunk highway purposes.

(b) **Notice of revocation.** An easement or permit is revocable by written notice given by the commissioner if at any time its continuance will conflict with a public use of the land over, under, or upon which it is granted, or for any other reason. The notice must be in writing and is effective 90 days after the notice is sent by certified mail to the last known address of the record holder of the easement. If the address of the holder of the easement or permit is not known, it expires 90 days after the notice is recorded in the office of the county recorder of the county in which the land is located. Upon revocation of an easement, the commissioner may allow a reasonable time for the easement holder to vacate the premises affected. Notwithstanding the foregoing, the commissioner may grant to a state agency or political subdivision a permanent easement for the construction, operation, and maintenance of publicly owned infrastructure as described in paragraph (a), to have and to hold for as long as the easement area is used in accordance with the terms and conditions of the easement. If a permanent easement ceases to be used for the purposes stated in the easement or in accordance with its terms and conditions, the easement may be revoked by a written notice given by the commissioner in accordance with this paragraph.

(c) **Easement runs with land.** State land subject to an easement or permit granted by the commissioner remains subject to sale or lease, and the sale or lease does not revoke the permit or easement granted.

Subd. 2. **Land controlled by other agencies.** If the easement or permit involves land under the jurisdiction of an agency other than the Department of Administration, it is subject to the approval of the head of the agency and is subject to revocation by the commissioner as provided in this section, on request of the head of the agency.

Subd. 3. **Application.** An application for easement or permit under this section ~~must be in quadruplicate and~~ must include: a legal description of the land affected; a map showing the area affected by the easement or permit; and a detailed design of any structures to be placed on the land. The commissioner may require that the application be in another form and include other descriptions, maps, or designs. The commissioner may at any time order changes or modifications respecting construction or maintenance of structures or other conditions of the easement which the commissioner finds necessary to protect the public health and safety.

Subd. 4. **Form; duration.** The easement or permit must be in a form prescribed by the attorney general and must describe the location of the easement granted. The easement or permit continues until revoked by the commissioner, subject to change or modification as provided in this section.

Subd. 5. **Consideration; terms.** The commissioner may prescribe consideration and conditions for granting an easement or permit. Money received by the state under this section must be credited to the fund to which income or proceeds of sale from the land would be credited, if provision for the sale is made by law. Otherwise, it must be credited to the general fund.

Sec. 33. **[16B.327] RECYCLING CONSTRUCTION AND DEMOLITION WASTE FROM STATE BUILDINGS; REQUIREMENT.**

The commissioner shall require in contracts for the construction, renovation, or demolition of a state building that the contractor and any subcontractor must divert from deposit in a landfill and must recycle at least 50 percent of the nonhazardous construction and demolition waste, measured by tonnage or volume, produced by the project or demonstrate that the waste was delivered to construction and demolition waste recycling facilities that maintain a 50 percent annual recycling rate. This requirement applies to a project to construct, renovate, or demolish a state building that receives funding from the bond proceeds fund after January 1, 2011, provided that:

(1) the project is located within 40 miles of a construction and demolition waste recycling facility that meets the requirements of this section and can process the applicable building materials; and

(2) for construction and renovation projects, funding from the bond proceeds fund is \$5,000,000 or more.

For the purposes of this section, "state building" means a building wholly owned or leased by a state agency, the Minnesota State Colleges and Universities, or the University of Minnesota.

Sec. 34. Minnesota Statutes 2008, section 16B.335, subdivision 1, is amended to read:

Subdivision 1. **Construction and major remodeling.** (a) The commissioner, or any other recipient to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition in anticipation of which the appropriation was made until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate Finance Committee and the chair of the house of representatives Ways and Means Committee and the chairs have made their recommendations, and the chair of the house of representatives Capital Investment Committee is notified. "Construction or major remodeling" means construction of a new building, a substantial addition to an existing building, or a substantial change to the interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted or from the predesign submittal. The program plans and estimates must be presented for review at least two weeks before a recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation. The chairs of the senate Finance Committee and the house of representatives Capital Investment and Ways and Means Committees must also be notified whenever there is a substantial change in a construction or major remodeling project, or in its cost.

(b) Capital projects exempt from the requirements of this subdivision include demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the commissioner of transportation has entered into an assistance agreement under section 457A.04, ice centers, a local government project with a construction cost of less than \$1,500,000, or any other capital project with a construction cost of less than \$750,000.

Sec. 35. **[16B.355] COOPERATIVE LOCAL FACILITIES GRANTS.**

Subdivision 1. **Grants authorized.** The commissioner shall make grants to counties, cities, towns, and school districts to acquire, construct, or renovate public land and buildings and other public improvements of a capital nature for cooperative facilities to be owned and operated by the grantees.

Subd. 2. **Match.** A grant under this section may not be made until the commissioner has determined that at least 30 percent of the total project cost has been committed to the project from nonstate sources.

Subd. 3. **Amount.** No more than one-third of the amount appropriated by any one appropriation act may be granted to any one project.

Subd. 4. **Application.** (a) To be eligible to receive a grant, the grant application must be made to the commissioner on behalf of any combination of at least three counties, cities, towns, or school districts. The grant applicants must have entered into a joint powers agreement and formed a joint powers board under section 471.59 to govern the facilities. The joint powers board must approve the application by resolution.

(b) The grant application must demonstrate that acquisition, construction, or renovation of the cooperative facilities will improve the delivery of services by the grant applicants and will generate savings to the applicants in operating their buildings and programs.

(c) The commissioner shall prescribe and provide the application form. The application must include at least the following information:

(1) identification of the facilities;

(2) a plan for the facilities;

(3) a description of how the facilities will improve the delivery of governmental services by the applicants;

(4) a detailed estimate, along with necessary supporting evidence, of the total costs for the facilities;

(5) an estimate of the dates when the facilities for which the grant is requested will be contracted for and completed;

(6) a detailed estimate, along with necessary supporting evidence, of the savings in operating costs of buildings and programs that the project will generate;

(7) the manner in which the applicants will meet the local match requirement; and

(8) any additional information or material the commissioner prescribes.

Subd. 5. **Priority.** The commissioner, in consultation with the commissioner of management and budget and the commissioners of other state departments, as appropriate, shall give priority to projects that demonstrate a significant increase in cooperation as measured by one or more of the following criteria:

- (1) improved quality, access, transparency, or level of service to citizens;
- (2) fundamental change in the organization of service delivery;
- (3) substantial savings in operating costs; or
- (4) positive return on investment over the life of the facility.

Subd. 6. **Geographic distribution.** At least half the money provided as grants each fiscal biennium must be for projects located outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Sec. 36. Minnesota Statutes 2008, section 85.015, is amended by adding a subdivision to read:

Subd. 28. **Camp Ripley/Veterans State Trail.** The trail shall originate at Crow Wing State Park in Crow Wing County at the southern end of the Paul Bunyan Trail and shall extend from Crow Wing State Park westerly to the city of Pillager, then southerly along the west side of Camp Ripley, then easterly along the south side of Camp Ripley across to the east side of the Mississippi River, and then northerly through Fort Ripley to Crow Wing State Park. A second segment of the trail shall be established that shall extend in a southerly direction and in close proximity to the Mississippi River from the southeasterly portion of the first segment of the trail to the city of Little Falls, and then terminate at the Soo Line Trail in Morrison County.

Sec. 37. Minnesota Statutes 2008, section 103F.161, subdivision 3, is amended to read:

Subd. 3. **Red River basin flood mitigation projects.** Notwithstanding subdivision 2, a grant for implementation of a flood hazard mitigation project in the Red River basin that is consistent with the 1998 mediation agreement and approved by the Red River flood damage reduction work group may be for up to 75 percent of the cost of the proposed mitigation measures ~~for the Agassiz-Audubon, North Ottawa, Hay Creek, and Thief River subwatershed projects.~~

Sec. 38. Minnesota Statutes 2008, section 103F.515, is amended by adding a subdivision to read:

Subd. 10. **Use for mitigation prohibited.** Money made available under the reinvest in Minnesota reserve program may not be used for environmental regulatory or wetland mitigation purposes required under federal or state law.

Sec. 39. Minnesota Statutes 2008, section 116J.435, as amended by Laws 2009, chapter 35, sections 1 and 2, and Laws 2009, chapter 78, article 2, section 12, is amended to read:

116J.435 BIOSCIENCE INNOVATIVE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.

Subdivision 1. **Creation of account.** ~~A bioscience~~ An innovative business development public infrastructure account is created in the bond proceeds fund. Money in the account may only be used for capital costs of public infrastructure for eligible ~~bioscience~~ innovative business development projects.

Subd. 2. **Definitions.** For purposes of this section:

(1) "local governmental unit" means a county, city, town, special district, public higher education institution, or other political subdivision or public corporation;

(2) "governing body" means the council, board of commissioners, board of trustees, board of regents, or other body charged with governing a local governmental unit;

(3) "public infrastructure" means publicly owned physical infrastructure in this state, including, but not limited to, wastewater collection and treatment systems, drinking water systems, storm sewers, utility extensions, telecommunications infrastructure, streets, roads, bridges, parking ramps, facilities that support basic science technology and clinical research, and research infrastructure; ~~and~~

(4) "innovative business" means a business that is engaged in, or is committed to engage in, innovation in Minnesota in one of the following: using proprietary technology to add value to a product, process, or service in a high technology field; researching or developing a proprietary product, process, or service in a high technology field; researching, developing, or producing a new proprietary technology for use in the fields of tourism, forestry, mining, transportation, or green manufacturing;

(5) "proprietary technology" means the technical innovations that are unique and legally owned or licensed by a business and includes, without limitation, those innovations that are patented, patent pending, a subject of trade secrets, or copyrighted; and

~~(4)~~ (6) "eligible project" means a ~~bioscience~~ an innovative business development capital improvement project in this state, including: manufacturing; technology; warehousing and distribution; research and development; ~~bioscience~~ innovative business incubator; agricultural ~~bioprocessing~~ processing; or industrial, office, or research park development that would be used by a ~~bioscience-based~~ an innovative business.

Subd. 3. **Grant program established.** (a) The commissioner shall make competitive grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources. The commissioner may waive the requirements related to an eligible project under subdivision 2 if a project would be eligible under this section but for the fact that its location requires infrastructure improvements to residential development.

(b) The amount of a grant may not exceed the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new ~~bioscience~~ innovative businesses and organizations.

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include the following information in its application:

(1) a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed;

(2) a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project;

(3) an assessment of the potential or likely use of the site for ~~bio~~science innovative business activities after completion of the public infrastructure and eligible project;

(4) a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;

(5) a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and

(6) any additional information or material the commissioner prescribes.

(b) The determination of whether to make a grant under subdivision 3 is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the priorities are not subject to judicial review, except for abuse of discretion.

Subd. 5. **Priorities.** (a) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits for the public costs incurred. "Public benefits" include job creation, environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development that constitutes community rebuilding rather than single-use development, crime reduction, blight reduction, community stabilization, and property tax base maintenance or improvement. In making this judgment, the commissioner shall give priority to eligible projects with one or more of the following characteristics:

(1) the potential of the local governmental unit to attract viable ~~bio~~science innovative businesses;

(2) proximity to public transit if located in a metropolitan county, as defined in section 473.121, subdivision 4;

(3) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact;

(4) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and

(5) the number of jobs that will be created.

(b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

Subd. 6. **Cancellation of grant.** If a grant is awarded to a local governmental unit and funds are not encumbered for the grant within four years after the award date, the grant must be canceled.

Subd. 7. **Repayment of grant.** If an eligible project supported by public infrastructure funded with a grant awarded under this section is not occupied by ~~a bio~~science an innovative business in accordance with the grant application under subdivision 4 within five years after the date of the last grant payment, the grant recipient must repay the amount of the grant received. The commissioner must deposit all money received under this subdivision into the state treasury and credit it to the debt service account in the state bond fund.

Sec. 40. Minnesota Statutes 2008, section 174.50, subdivision 6, is amended to read:

Subd. 6. **Grant rules criteria; rulemaking.** ~~Procedures for application for grants from the fund, conditions for their administration, and criteria for priority, unless established in the laws authorizing the grants, shall be established by rules of the Department of Transportation consistent with those laws. The commissioner of transportation shall adopt rules consistent with this section that establish~~ criteria for determining priorities and amounts of grants ~~shall, which must~~ be based on consideration of:

- (1) effectiveness of the project in eliminating a deficiency in the transportation system;
- (2) number of persons affected by the deficiency;
- (3) economic feasibility;
- (4) effect on optimum land use and other concerns of state and regional planning;
- (5) availability of other financing capability; and
- (6) adequacy of provision for proper operation and maintenance after construction.

Sec. 41. Minnesota Statutes 2008, section 174.50, subdivision 7, is amended to read:

Subd. 7. ~~Rules for administering funds and grants~~ **Program administration; rulemaking.** (a) The commissioner of transportation shall develop rules, procedures for application for grants, conditions of grant administration, standards, and criteria, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions.

(b) The maximum use of standardized bridges is encouraged. Regardless of the size of the existing bridge, a bridge or replacement bridge is eligible for assistance from the state transportation fund if a hydrological survey indicates that the bridge or replacement bridge must be ten feet or more in length.

(c) As part of the standards or rules, the commissioner shall, in consultation with local road authorities, establish a minimum distance between any two bridges that cross over the same river, stream, or waterway, so that only one of the bridges is eligible for a grant under this section. As appropriate, the commissioner may establish exceptions from the minimum distance requirement or procedures for obtaining a variance.

(d) Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the Constitution.

Sec. 42. Minnesota Statutes 2008, section 256E.37, subdivision 1, is amended to read:

Subdivision 1. **Grant authority.** The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for early childhood programs, crisis nurseries, or parenting time centers. The following requirements apply:

(1) The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner must prescribe the terms and conditions of the leases.

(2) A grant for an individual facility must not exceed ~~\$300,000~~ \$500,000 for each program that is housed in the facility, up to a maximum of ~~\$750,000~~ \$2,000,000 for a facility that houses three programs or more. Programs include Head Start, School Readiness, Early Childhood Family Education, licensed child care, and other early childhood intervention programs.

(3) State appropriations must be matched on a 50 percent basis with nonstate funds. The matching requirement must apply program wide and not to individual grants.

Sec. 43. Minnesota Statutes 2008, section 256E.37, subdivision 2, is amended to read:

Subd. 2. **Grant priority.** (a) The commissioner must give priority to:

(1) projects in counties or municipalities with the highest percentage of children living in poverty;

(2) grants that involve collaboration among sponsors of programs under this section; and

(3) where feasible, grants for programs that utilize Youthbuild under sections 116L.361 to 116L.366 for at least 25 percent of each grant awarded or \$50,000 of the labor portion of the construction, whichever is less, if:

(i) the work is appropriate for Youthbuild, as mutually agreed upon by the grantee and the local Youthbuild program, considering safety and skills needed;

(ii) it is demonstrated by Youthbuild that using Youthbuild will not increase the overall cost of the project; and

(iii) eligible programs consult with appropriate labor organizations to deliver education and training.

(b) The commissioner may give priority to:

(1) projects that collaborate with child care providers, including all-day and school-age child care programs, special needs care, sick child care, nontraditional hour care, and programs that include services to refugee and immigrant families; ~~and~~

(2) grants for programs that will increase their child care workers' wages as a result of the grant; and

(3) projects that will improve the quality of early childhood programs.

Sec. 44. Minnesota Statutes 2008, section 403.275, subdivision 2, is amended to read:

Subd. 2. **Procedure; certain costs of issuance.** (a) The commissioner may sell and issue the bonds on the terms and conditions the commissioner determines to be in the best interests of the state. The bonds may be sold at public or private sale. The commissioner may enter any agreements or pledges the commissioner determines necessary or useful to sell the bonds that are not inconsistent with sections 403.21 to 403.40. Sections 16A.672 to 16A.675 apply to the bonds. The commissioner may issue all or part of the bonds as tax credit bonds or as interest subsidy bonds under section 16A.647 or a combination of the two. Except for amounts appropriated to pay the costs of investment banking and banking services under section 16A.647, the proceeds of the bonds issued under this section must be credited to a special 911 revenue bond proceeds account in the state treasury.

(b) Before the proceeds are received in the 911 revenue bond proceeds account, the commissioner of management and budget may transfer to the account from the 911 emergency telecommunications service account amounts not exceeding the expected proceeds from the next bond sale. The commissioner of management and budget shall return these amounts to the 911 emergency telecommunications service account by transferring proceeds when received. The amounts of these transfers are appropriated from the 911 emergency telecommunications service account and from the 911 revenue bond proceeds account.

Sec. 45. Minnesota Statutes 2008, section 462A.36, subdivision 2, is amended to read:

Subd. 2. **Authorization.** (a) The agency may issue up to ~~\$30,000,000~~ \$36,000,000 of nonprofit housing bonds in one or more series to which the payments made under this section may be pledged. The nonprofit housing bonds authorized in this subdivision may be issued for the purpose of making loans, on terms and conditions the agency deems appropriate, to finance the costs of the construction, acquisition, preservation, and rehabilitation of permanent supportive housing for individuals and families who: (1) either have been without a permanent residence for at least 12 months or at least four times in the last three years; or (2) are at significant risk of lacking a permanent residence for 12 months or at least four times in the last three years. The bonds may also be issued to finance the costs of the construction, acquisition, preservation, and rehabilitation of foreclosed or vacant housing to be used for affordable rental housing.

(b) An insubstantial portion of the bond proceeds may be used for permanent supportive housing for individuals and families experiencing homelessness who do not meet the criteria of paragraph (a).

Sec. 46. Laws 2005, chapter 20, article 1, section 19, subdivision 4, is amended to read:

Subd. 4. **Red Rock Corridor Transit Way** 500,000

For preliminary engineering and environmental review, acquisition of real property or interests in real property, and construction of the Red Rock corridor transit way from Hastings through St. Paul to Minneapolis.

This appropriation may not be spent for capital improvements within a trunk highway right-of-way.

Sec. 47. Laws 2005, chapter 20, article 1, section 23, subdivision 12, as amended by Laws 2006, chapter 171, section 2, and Laws 2006, chapter 258, section 50, is amended to read:

Subd. 12. **Bioscience Development** 18,500,000

For grants to political subdivisions to predesign, design, acquire, construct, furnish, and equip publicly owned infrastructure required to support bioscience development in this state.

\$2,500,000 is for a grant to the city of Worthington.

\$14,000,000 cumulatively is for grants to the counties of Ramsey and Anoka for public improvements to the portion of County Road J located within each county, and for road and bridge improvement costs at marked Trunk Highway 36 and Rice Street in Ramsey County in support of bioscience business development. This amount may be used to repay loans the proceeds of which were used for the public improvement. The grants to the individual counties shall be in amounts proportionate to the individual counties' costs associated with the public improvements.

\$2,000,000 is for bioscience business development public infrastructure grants under new Minnesota Statutes, section 116J.435.

Sec. 48. Laws 2006, chapter 258, section 5, subdivision 3, is amended to read:

Subd. 3. **Freehette Hall Asset Preservation** 25,000

~~To begin to design the renovation of Freehette Hall, including a new electrical system, new HVAC system, new windows, plumbing upgrades, removal of the fireplace and sunken seating in the commons area, addition of recreational space for students to utilize during inclement weather, and repair of the Scout Cabin. For asset preservation on either campus of the academies, to be spent in accordance with Minnesota Statutes, section 16B.307.~~

Sec. 49. Laws 2006, chapter 258, section 8, subdivision 4, is amended to read:

Subd. 4. **Koochiching Renewable Energy Clean Air Project (RECAP)** 2,500,000

~~For a grant to Koochiching County to prepare a site for and or the Koochiching Development Authority to design, construct, and equip a plasma torch gasification facility that converts municipal solid waste into energy and slag, reducing the need to dispose of the waste in a landfill.~~

~~After the design has been completed, this appropriation may be used for any or all or any combination of the following: (1) to upgrade an existing waste transfer station in Koochiching County to serve the facility by performing site work, construction, or placement of equipment; or (2) to prepare a site for or to construct or equip a portion of the plasma torch gasification facility.~~

~~This appropriation, or any portion of it, is not available until the commissioner has determined that at least an equal amount has been committed to the project as matched, dollar for dollar, with money from nonstate sources.~~

Sec. 50. Laws 2006, chapter 258, section 17, subdivision 5, is amended to read:

Subd. 5. **Red Rock corridor transit way** 500,000

~~For preliminary engineering and environmental review, acquisition of real property or interests in real property, and construction of the Red Rock corridor transit way between Hastings and Minneapolis via St. Paul.~~

Sec. 51. Laws 2006, chapter 258, section 21, subdivision 4, as amended by Laws 2009, chapter 93, article 1, section 34, is amended to read:

Subd. 4. **Hibbing Wastewater Treatment Facilities** 2,500,000

~~To the Public Facilities Authority for a grant to the city of Hibbing for mercury treatment facilities at the south wastewater treatment plant and for wastewater and storm water infrastructure~~

improvements. This appropriation is not available until the authority determines that at least an equal amount is committed to the project from nonstate sources.

Sec. 52. Laws 2006, chapter 258, section 21, subdivision 14, as amended by Laws 2008, chapter 179, section 66, is amended to read:

Subd. 14. **Itasca County - infrastructure**

12,000,000

For a grant to Itasca County for public infrastructure needed to support a steel plant in Itasca County and economic development projects in the surrounding area. Grant money may be used by Itasca County and the Itasca County Regional Railroad Authority to acquire right-of-way and mitigate loss of wetlands and runoff of storm water, and to predesign, design, construct, and equip roads and rail lines; and, in cooperation with Nashwauk Municipal Utility, may be used by the Nashwauk Public Utilities Commission to acquire right-of-way and mitigate loss of wetlands and runoff of storm water and to predesign, design, construct, and equip natural gas pipelines, electric infrastructure, water supply systems, and wastewater collection and treatment systems. If the county determines that any of the listed uses are not needed, then the grant may be used for the remaining listed uses.

The public ownership requirement contained in article XI, section 5, paragraph (a), of the Minnesota Constitution may be satisfied by way of Itasca County, the Itasca County Regional Railroad Authority, or the Nashwauk Public Utilities Commission possessing the required ownership interest even though the grant is only to Itasca County.

Up to \$4,000,000 of this appropriation may be spent before the full financing for either project has been closed.

Sec. 53. Laws 2008, chapter 152, article 2, section 3, subdivision 2, is amended to read:

Subd. 2. **State Road Construction**

1,717,694,000

(a) For the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payments to landowners for lands acquired for highway rights-of-way, payments to lessees, interest subsidies, and relocation expenses. This appropriation is in the following amounts:

(1) \$417,694,000 in fiscal year 2009, and the commissioner may use up to \$71,008,000 of this amount for program delivery;

(2) \$500,000,000 in fiscal year 2010, and the commissioner may use up to \$85,000,000 of this amount for program delivery; ~~and~~

(3) \$200,000,000 in each fiscal year for fiscal years 2011 and 2012, and the commissioner may use up to \$34,000,000 of the amount in each fiscal year for program delivery; and

(4) \$100,000,000 in each fiscal year for fiscal years ~~2011 through 2018~~ 2013 through 2016, and the commissioner may use up to \$17,000,000 of the amount in each fiscal year for program delivery.

(b) Of the amount in fiscal year 2009, \$40,000,000 is for construction of interchanges involving a trunk highway, where the interchange will promote economic development, increase employment, relieve growing traffic congestion, and promote traffic safety. The amount under this paragraph must be allocated 50 percent to the department's metropolitan district, and 50 percent to districts in greater Minnesota.

(c) Of the amount in fiscal years 2009 and 2010, the commissioner shall use \$300,000,000 each year for predesign, design, preliminary engineering, right-of-way acquisition, construction, reconstruction, and maintenance of bridges in the trunk highway bridge improvement program under Minnesota Statutes, section 165.14.

(d) Of the total appropriation under this subdivision, the commissioner shall use at least \$50,000,000 for accelerating transit facility improvements on or adjacent to trunk highways.

(e) Of the total appropriation under this subdivision provided to the Department of Transportation's district 7, the commissioner shall first expend funds as necessary to accelerate all projects that (1) are on a trunk highway classified as a medium priority interregional corridor, (2) are included in the district's long-range transportation plan, but are not included in the state transportation improvement program or the ten-year highway work plan, and (3) expand capacity from a two-lane highway to a freeway or expressway, as defined in Minnesota Statutes, section 160.02, subdivision 19. The commissioner shall establish as the highest priority under this paragraph any project that currently has a final environmental impact statement completed. The requirement under this paragraph does not change the department's funding allocation process or the amount otherwise allocated to each transportation district.

(f) The appropriation in this subdivision cancels as specified under Minnesota Statutes, section 16A.642, except that the commissioner of management and budget shall count the start of authorization for issuance of state bonds as the first day of the fiscal year during which the bonds are to be issued, as specified under paragraph (a), clause (1), (2), (3), or (4), respectively, and not as the date of enactment of this subdivision.

Sec. 54. Laws 2008, chapter 179, section 5, subdivision 4, is amended to read:

Subd. 4. ~~Mott Memorial Hall~~ Technology Center 100,000

To predesign ~~the renovation of Mott Memorial Hall~~ a technology center for the Minnesota State Academies.

Sec. 55. Laws 2008, chapter 179, section 7, subdivision 8, is amended to read:

Subd. 8. **Mississippi River Aquatic Invasive Species Barrier** 500,000

To predesign ~~and~~ design, renovate, or construct an adequate barrier in the Mississippi River to prevent aquatic invasive species from migrating up river. ~~This money may be used by the commissioner to match available federal money and money from other states. The commissioner must inform and work with affected federal and state agencies and local communities along the Mississippi River before constructing the river barrier.~~

Sec. 56. Laws 2008, chapter 179, section 7, subdivision 27, is amended to read:

Subd. 27. **State Trail Acquisition, Rehabilitation, and Development** 15,320,000

To acquire land for and to construct and renovate state trails under Minnesota Statutes, section 85.015.

\$970,000 is for the Chester Woods Trail from Rochester to Dover.

\$700,000 is for the Casey Jones Trail.

\$750,000 is for the Gateway Trail, to replace an at-grade crossing of the Gateway Trail at Highway 120 with a grade-separated crossing.

\$1,600,000 is for the Gitchi-Gami Trail between Silver Bay and Tettegouche State Park.

\$1,500,000 is for the Great River Ridge Trail from Plainview to Elgin to Eyota.

\$1,500,000 is for the Heartland Trail.

\$500,000 is for the Mill Towns Trail from Lake Byllesby Park to Cannon Falls.

\$150,000 is for the Mill Towns Trail within the city of Faribault.

\$1,500,000 is for the Minnesota River Trail from Appleton ~~to~~ through Milan to the Marsh Lake Dam.

\$2,000,000 is for the Paul Bunyan Trail from Walker to Guthrie.

\$250,000 is for the Root River Trail from Preston to Forestville State Park.

\$100,000 is for the Root River Trail, the eastern extension.

\$250,000 is for the Root River Trail, the eastern extension Wagon Wheel.

\$550,000 is to connect the Stagecoach Trail with the Douglas Trail in Olmsted County.

\$3,000,000 is to rehabilitate state trails.

For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may allocate that project's money to another state trail project in this subdivision. The chairs of the house and senate committees with jurisdiction over environment and natural resources and legislators from the affected legislative districts must be notified of any changes.

Sec. 57. Laws 2008, chapter 179, section 21, subdivision 9, is amended to read:

Subd. 9. Itasca County - Steel Plant Infrastructure

28,000,000

For a grant to Itasca County for public infrastructure needed to support a steel plant in Itasca County and economic development projects in the surrounding area. Grant money may be used by Itasca County and the Itasca County Regional Railroad Authority to acquire right-of-way and mitigate loss of wetlands and runoff of storm water, and to predesign, design, construct, and equip roads and rail lines; and in cooperation with may be used by the Nashwauk ~~Municipal Utility~~, Public Utilities Commission to acquire right-of-way and mitigate loss of wetlands and runoff of storm water and to predesign, design, construct, and equip natural gas pipelines, electric infrastructure, water supply systems, and wastewater collection and treatment systems. If the county determines that any of the listed uses are not needed, then the grant may be used for the remaining listed uses.

The public ownership requirement contained in article XI, section 5, paragraph (a), of the Minnesota Constitution may be satisfied by way of Itasca County, the Itasca County Regional Railroad Authority, or the Nashwauk Public Utilities Commission possessing the required ownership interest even though the grant is only to Itasca County.

Sec. 58. Laws 2008, chapter 365, section 4, subdivision 3, is amended to read:

Subd. 3. Old Cedar Avenue Bridge

2,000,000

For a grant to the city of Bloomington ~~for removal and replacement of~~ to renovate the old Cedar Avenue bridge for bicycle commuters and recreational users. This appropriation is added to the appropriation in Laws 2006, chapter 258, section 17, subdivision 8.

Sec. 59. Laws 2008, chapter 365, section 5, subdivision 2, is amended to read:

Subd. 2. **Minneapolis Veterans Home Campus**

(a) **Building 9 Demolition** 1,000,000

To demolish Building 9 ~~and~~, relocate a water main serving the campus, and make associated site improvements and modifications necessary to complete the project. This appropriation is to cover 100 percent of the cost of this portion of the project.

(b) **New Nursing Facility** 9,100,000

To design, construct, furnish, and equip a 100-bed nursing facility on the Minneapolis campus.

The appropriation is to cover the 35 percent state share of this portion of the project.

Sec. 60. Laws 2008, chapter 365, section 24, subdivision 2, is amended to read:

Subd. 2. **Management.** All lands acquired for Lake Vermilion State Park must be administered in the same manner as provided for other state parks and must be perpetually dedicated for that use. After acquisition of lands for Lake Vermilion State Park, but before any infrastructure development for the state park, public access and use, including, but not limited to, hunting, fishing, and trail use, shall continue as allowed before the acquisition. No additional restrictions may be implemented for public access and use until development of state park infrastructure commences.

Sec. 61. Laws 2008, chapter 365, section 25, is amended to read:

Sec. 25. **ACQUISITION; LAKE VERMILION STATE PARK.**

The commissioner of natural resources may acquire by gift or purchase the lands for Lake Vermilion State Park. Minnesota Statutes, section 84.0272, subdivision 1, does not apply to a purchase, except for the requirement that the lands be appraised. ~~The commissioner must not pay more than 12 percent above the appraised value of the land.~~

Sec. 62. Laws 2009, chapter 93, article 1, section 11, subdivision 5, is amended to read:

Subd. 5. **Intercity Passenger Rail Projects** 26,000,000

To implement capital improvements and betterments for intercity passenger rail projects as identified in the statewide freight and passenger rail plan under Minnesota Statutes, section 174.03, subdivision 1b, which are determined to be eligible for USDOT funding. Notwithstanding any law to the contrary, a portion or

phase of an intercity passenger rail project may be accomplished with one or more state appropriations, and an intercity passenger rail project need not be completed with any one appropriation. Capital improvements and betterments include preliminary engineering, design, engineering, environmental analysis and mitigation, acquisition of land and right-of-way, and construction. The commissioner may spend a portion of this appropriation to pay for costs of agency staff directly attributable to this capital project, consistent with the accounting policies adopted by the commissioner of management and budget.

Sec. 63. Laws 2009, chapter 93, article 1, section 20, is amended to read:

Sec. 20. **BOND SALE SCHEDULE.**

The commissioner of ~~finance management and budget~~ shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2011, no more than ~~\$1,085,281,000~~ \$958,113,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of ~~finance management and budget~~ shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 64. **LEASE REVENUE; ST. CLOUD TECHNICAL COLLEGE.**

Notwithstanding Minnesota Statutes, section 16A.695, subdivision 2, the Board of Trustees of the Minnesota State Colleges and Universities shall pay the commissioner of management and budget one-third of the lease revenue received from the property acquired for St. Cloud Technical College pursuant to Laws 2006, chapter 258, section 3, subdivision 22, paragraph (c). The commissioner shall deposit the amount received in the state bond fund to be used to pay, redeem, or defease bonds issued to finance the property in accordance with the commissioner's order authorizing their issuance. The commissioner shall credit the board's total general obligation bond debt service assessment by an amount equal to the lease revenue it receives from the board under this section.

Sec. 65. **REPEALER.**

Laws 2009, chapter 93, article 1, section 45, is repealed.

Sec. 66. **EFFECTIVE DATE.**

Except as otherwise provided, this act is effective the day following final enactment."

Delete the title and insert:

"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; authorizing the sale of state bonds; modifying previous appropriations; appropriating money; amending Minnesota Statutes 2008, sections 16A.501; 16A.66, subdivision 2; 16B.26; 16B.335, subdivision 1; 85.015, by adding a subdivision; 103F.161, subdivision 3; 103F.515, by adding a subdivision; 116J.435, as amended; 174.50, subdivisions 6, 7; 256E.37, subdivisions 1, 2; 403.275, subdivision 2; 462A.36, subdivision 2; Minnesota Statutes 2009 Supplement, section 16A.647,

subdivisions 1, 5; 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, subdivisions 4, as amended, 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, chapter 16B; repealing Laws 2009, chapter 93, article 1, section 45."

We request the adoption of this report and repassage of the bill.

House Conferees: ALICE HAUSMAN, JEAN WAGENIUS, LOREN SOLBERG, BEV SCALZE and LARRY HOWES.

Senate Conferees: KEITH LANGSETH, DAVID TOMASSONI, SANDRA PAPPAS, PAUL KOERING and ANN LYNCH.

Hausman moved that the report of the Conference Committee on H. F. No. 2700 be adopted and that the bill be repassed as amended by the Conference Committee.

Kelly moved that the House refuse to adopt the Conference Committee report on H. F. No. 2700, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Kelly motion and the roll was called. There were 49 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kiffmeyer	Nornes	Torkelson
Anderson, B.	Demmer	Gottwalt	Kohls	Otremba	Urdahl
Anderson, P.	Dettmer	Gunther	Lanning	Peppin	Westrom
Anderson, S.	Doepke	Hackbarth	Loon	Sanders	Zellers
Beard	Downey	Hamilton	Mack	Scott	
Brod	Drazkowski	Holberg	Magnus	Seifert	
Buesgens	Eastlund	Hoppe	McFarlane	Severson	
Cornish	Emmer	Juhnke	McNamara	Shimanski	
Davids	Falk	Kelly	Murdock	Smith	

Those who voted in the negative were:

Anzelc	Davnie	Haws	Kahn	Mahoney	Norton
Atkins	Dill	Hayden	Kalin	Mariani	Obermueller
Benson	Dittrich	Hilstrom	Kath	Marquart	Olin
Bigham	Doty	Hilty	Knuth	Masin	Paymar
Bly	Eken	Hornstein	Koenen	Morgan	Pelowski
Brown	Faust	Hortman	Laine	Morrow	Persell
Brynaert	Fritz	Hosch	Lenczewski	Mullery	Peterson
Bunn	Gardner	Howes	Liebling	Murphy, E.	Poppe
Carlson	Greiling	Huntley	Lieder	Murphy, M.	Reinert
Champion	Hansen	Jackson	Lillie	Nelson	Rosenthal
Clark	Hausman	Johnson	Loeffler	Newton	Rukavina

Ruud	Sertich	Slocum	Swails	Tillberry	Welti
Sailer	Simon	Solberg	Thao	Wagenius	Winkler
Scalze	Slawik	Sterner	Thissen	Ward	Spk. Kelliher

The motion did not prevail.

The question recurred on the Hausman motion that the report of the Conference Committee on H. F. No. 2700 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 89 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Hosch	Lillie	Obermueller	Simon
Anzelc	Eken	Howes	Loeffler	Olin	Slawik
Atkins	Falk	Huntley	Mahoney	Otremba	Slocum
Benson	Faust	Jackson	Mariani	Paymar	Solberg
Bigham	Fritz	Johnson	Marquart	Pelowski	Sterner
Bly	Gardner	Kahn	Masin	Persell	Swails
Brown	Greiling	Kalin	Morgan	Peterson	Thao
Brynaert	Hansen	Kath	Morrow	Poppe	Thissen
Bunn	Hausman	Knuth	Mullery	Reinert	Tillberry
Carlson	Haws	Koenen	Murphy, E.	Rosenthal	Wagenius
Champion	Hayden	Laine	Murphy, M.	Rukavina	Ward
Clark	Hilstrom	Lanning	Nelson	Ruud	Welti
Davnie	Hilty	Lenczewski	Newton	Sailer	Winkler
Dill	Hornstein	Liebling	Nornes	Scalze	Spk. Kelliher
Dittrich	Hortman	Lieder	Norton	Sertich	

Those who voted in the negative were:

Anderson, B.	Beard	Cornish	Demmer	Downey	Emmer
Anderson, P.	Brod	Davids	Dettmer	Drazkowski	Garofalo
Anderson, S.	Buesgens	Dean	Doepke	Eastlund	Gottwalt

Gunther	Juhnke	Mack	Peppin	Shimanski	Zellers
Hackbarth	Kelly	Magnus	Sanders	Smith	
Hamilton	Kiffmeyer	McFarlane	Scott	Torkelson	
Holberg	Kohls	McNamara	Seifert	Urdahl	
Hoppe	Loon	Murdock	Severson	Westrom	

The bill was repassed, as amended by Conference, and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Sertich from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Thursday, March 11, 2010:

H. F. Nos. 3108, 3017, 2599 and 3038; and S. F. No. 2259.

Howes was excused for the remainder of today's session.

The Speaker called Hortman to the Chair.

CALENDAR FOR THE DAY

H. F. No. 3108 was reported to the House.

Winkler and Kiffmeyer moved to amend H. F. No. 3108, the first engrossment, as follows:

Page 11, after line 14, insert:

"Sec. 16. Minnesota Statutes 2008, section 203B.06, subdivision 1, as amended by Laws 2010, chapter 184, section 5, is amended to read:

Subdivision 1. **Printing and delivery of forms.** Each county auditor and municipal clerk shall prepare and print a sufficient number of blank application forms for absentee ballots. The county auditor or municipal clerk shall deliver a blank application form to any voter who requests one pursuant to section 203B.04. Blank application forms must be mailed to eligible voters who have requested an application pursuant to section 203B.04, subdivision 5 or 6, at least 60 days before:

(1) each regularly scheduled primary for federal, state, county, city, or school board office;

(2) each regularly scheduled general election for city or school board office for which a primary is not held; and

(3) a special primary to fill a federal or county office vacancy or special election to fill a federal or county office vacancy, ~~if no major party has more than one candidate after the time for withdrawal has expired~~ a primary is not required to be held pursuant to section 204D.03, subdivision 3, or 204D.07, subdivision 3; and

(4) any election held in conjunction with an election described in clauses (1) to (3);

or at least 45 days before any other primary or other election for which a primary is not held."

Page 11, after line 20, insert:

"Sec. 17. Minnesota Statutes 2008, section 203B.081, as amended by Laws 2010, chapter 184, section 6, is amended to read:

203B.081 LOCATIONS FOR ABSENTEE VOTING IN PERSON.

An eligible voter may vote by absentee ballot in the office of the county auditor and at any other polling place designated by the county auditor during the 46 days before:

(1) a regularly scheduled election for federal, state, county, city, or school board office ~~or~~;

(2) a special election for a federal or county office; and

(3) an election held in conjunction with an election described in clauses (1) and (2).

and during the 30 days before any other election. The county auditor shall make such designations at least 14 weeks before the election. At least one voting booth in each polling place must be made available by the county auditor for this purpose. The county auditor must also make available at least one electronic ballot marker in each polling place that has implemented a voting system that is accessible for individuals with disabilities pursuant to section 206.57, subdivision 5."

Page 12, after line 19, insert:

"Sec. 19. Minnesota Statutes 2008, section 203B.227, is amended to read:

203B.227 WRITE-IN ABSENTEE BALLOT.

(a) A voter described in section 203B.16, subdivision 1, may use a state write-in absentee ballot or the federal write-in absentee ballot to vote in any federal, state, or local election. In a state or local election, a vote for a political party without specifying the name of a candidate must not be counted.

(b) If a voter submits a Federal Write-in Absentee Ballot for which a Federal Post Card Application was not received, the Federal Write-in Absentee Ballot serves as a voter registration, for voters who are eligible to register, in lieu of the voter's Federal Post Card Application. If the voter has not already voted and the accompanying certificate is properly completed, the absentee ballot board must accept the Federal Write-in Absentee Ballot."

Page 28, after line 2, insert:

"Sec. 51. **[204D.195] DATE OF SPECIAL ELECTION; CERTAIN TIMES PROHIBITED.**

Notwithstanding any other provision of law, a special primary and special general election may not be held for a period beginning the day following the date of the state primary election, and ending the day prior to the date of the state general election."

Page 32, after line 26, insert:

"Sec. 61. Minnesota Statutes 2008, section 205.16, subdivision 4, as amended by Laws 2010, chapter 184, section 29, is amended to read:

Subd. 4. **Notice to auditor.** At least 67 days before every municipal election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every municipal election held in connection with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 53 days before any other municipal election, the municipal clerk shall provide a written notice to the county auditor, including the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. At least 67 days before every municipal election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 46 days before any other election, the municipal clerk must provide written notice to the county auditor of any special election canceled under section 205.10, subdivision 6.

Sec. 62. Minnesota Statutes 2008, section 205.16, subdivision 5, as amended by Laws 2010, chapter 184, section 30, is amended to read:

Subd. 5. **Notice to secretary of state.** At least 67 days before every municipal election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every municipal election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 46 days before any other municipal election for which a notice is provided to the county auditor under subdivision 4, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state."

Page 34, after line 21, insert:

"Sec. 66. Minnesota Statutes 2008, section 205A.07, subdivision 3, as amended by Laws 2010, chapter 184, section 35, is amended to read:

Subd. 3. **Notice to auditor.** At least 67 days before every school district election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every school district election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 53 days before any other school district election, the school district clerk shall provide a written notice to the county auditor of each county in which the school district is located. The notice must include the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. For the purposes of meeting the timelines of this section, in a bond election, a notice, including a proposed question, may be provided to the county auditor before receipt of a review and comment from the commissioner of education and before actual initiation of the election. ~~Not less than~~ At least 67 days before every school district election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before an election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, ~~or~~ and at least 46 days before any other election, the school district clerk must provide written notice to the county auditor of any special election canceled under section 205A.05, subdivision 3.

Sec. 67. Minnesota Statutes 2008, section 205A.07, subdivision 3a, as amended by Laws 2010, chapter 184, section 36, is amended to read:

Subd. 3a. **Notice to commissioner of education.** At least 67 days before every school district election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every school district election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 49 days before any other school district election, under section 123B.62, 123B.63, 126C.17, 126C.69, or 475.58, the school district clerk shall provide a written notice to the commissioner of education. The notice must include the date of the election and the title and language for each ballot question to be voted on at the election. ~~Not less than~~ At least 67 days before every school district election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every school district election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 46 days before any other school district election, the school district clerk must provide a written notice to the commissioner of education of any special election canceled under section 205A.05, subdivision 3. The certified vote totals for each ballot question shall be provided in a written notice to the commissioner in a timely manner.

Sec. 68. Minnesota Statutes 2008, section 205A.07, subdivision 3b, as amended by Laws 2010, chapter 184, section 37, is amended to read:

Subd. 3b. **Notice to secretary of state.** At least 67 days before every school district election held in conjunction with a regularly scheduled primary for federal, state, county, city, or school board office or a special primary for federal office, at least 74 days before every school district election held in conjunction with a regularly scheduled general election for federal, state, county, city, or school board office or a special election for federal office, and at least 46 days before any other school district election for which a notice is provided to the county auditor under subdivision 3, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state."

Page 37, delete sections 71 and 72 and insert:

"Sec. 71. Minnesota Statutes 2008, section 375.101, subdivision 1, is amended to read:

Subdivision 1. **Option for filling vacancies; ~~special election in 30 to 90 days.~~** (a) Except as provided in subdivision 3, a vacancy in the office of county commissioner may be filled as provided in this subdivision and subdivision 2, or as provided in subdivision 4. If the vacancy is to be filled under this subdivision and subdivision 2, it must be filled at a special election not less than 30 nor more than 90 days after the vacancy occurs. The special primary or special election may be held on the same day as a regular primary or regular election but the special election shall be held not less than 14 days after the special primary. The county board may by resolution call for a special election to be held according to the earliest of the following time schedules:

(1) not less than 120 days following the date the vacancy is declared, but no later than 12 weeks prior to the date of the next regularly scheduled primary election;

(2) concurrently with the next regularly scheduled primary election and general election; or

(3) no sooner than 120 days following the next regularly scheduled general election.

(b) The person elected at the special election shall take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and shall serve the remainder of the unexpired term. If the county has been reapportioned since the commencement of the term of the vacant office, the election shall be based on the district as reapportioned.

Sec. 72. Minnesota Statutes 2008, section 375.101, subdivision 2, is amended to read:

Subd. 2. **When victor seated immediately.** If a vacancy for which a special election is required occurs less than ~~60~~ 120 days before the general election preceding the end of the term, the vacancy shall be filled by the person elected at that election for the ensuing term who shall take office immediately after receiving the certificate of election, filing the bond and taking the oath of office."

Page 38, line 14, after the second "2;" insert "and" and delete "; and 375.101"

Page 38, line 15, delete "subdivision 2,"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Peppin moved to amend H. F. No. 3108, the first engrossment, as amended, as follows:

Page 17, line 10, delete the new language and insert "or a credentialed representative of a broadcast or print media organization conducting exit polling"

Page 17, line 11, after the period, insert "A representative of a broadcast or print media organization must present press credentials issued by the organization and photo identification to the head election judge in the precinct prior to conducting exit polling."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Peppin amendment and the roll was called. There were 45 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Emmer	Kelly	McNamara	Shimanski
Anderson, B.	Dean	Garofalo	Kiffmeyer	Murdock	Smith
Anderson, P.	Demmer	Gottwalt	Kohls	Nornes	Torkelson
Anderson, S.	Dettmer	Gunther	Lanning	Peppin	Urdahl
Beard	Doepke	Hackbarth	Loon	Sanders	Zellers
Brod	Downey	Hamilton	Mack	Scott	
Buesgens	Drazkowski	Holberg	Magnus	Seifert	
Cornish	Eastlund	Hoppe	McFarlane	Severson	

Those who voted in the negative were:

Anzelc	Bigham	Brynaert	Champion	Dill	Eken
Atkins	Bly	Bunn	Clark	Dittrich	Falk
Benson	Brown	Carlson	Davnie	Doty	Faust

Fritz	Huntley	Lieder	Nelson	Rosenthal	Thao
Gardner	Jackson	Lillie	Newton	Rukavina	Thissen
Greiling	Johnson	Loeffler	Norton	Ruud	Tillberry
Hansen	Juhnke	Mahoney	Obermueller	Sailer	Wagenius
Hausman	Kahn	Mariani	Olin	Scalze	Ward
Haws	Kalin	Marquart	Otremba	Sertich	Welti
Hayden	Kath	Masin	Paymar	Simon	Westrom
Hilstrom	Knuth	Morgan	Pelowski	Slawik	Winkler
Hilty	Koenen	Morrow	Persell	Slocum	Spk. Kelliher
Hornstein	Laine	Mullery	Peterson	Solberg	
Hortman	Lenczewski	Murphy, E.	Poppe	Sterner	
Hosch	Liebling	Murphy, M.	Reinert	Swails	

The motion did not prevail and the amendment was not adopted.

Buesgens moved to amend H. F. No. 3108, the first engrossment, as amended, as follows:

Page 11, line 20, delete "22" and insert "30"

A roll call was requested and properly seconded.

The question was taken on the Buesgens amendment and the roll was called. There were 46 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kiffmeyer	Murdock	Smith
Anderson, B.	Demmer	Gottwalt	Kohls	Nornes	Sterner
Anderson, P.	Dettmer	Gunther	Lanning	Peppin	Torkelson
Beard	Doepke	Hackbarth	Loon	Sanders	Urdahl
Brod	Downey	Hamilton	Mack	Scott	Westrom
Buesgens	Draskowski	Holberg	Magnus	Seifert	Zellers
Cornish	Eastlund	Hoppe	McFarlane	Severson	
Davids	Emmer	Kelly	McNamara	Shimanski	

Those who voted in the negative were:

Anderson, S.	Doty	Hosch	Loeffler	Otremba	Slocum
Anzelc	Eken	Huntley	Mahoney	Paymar	Solberg
Atkins	Falk	Jackson	Mariani	Pelowski	Swails
Benson	Faust	Johnson	Marquart	Persell	Thao
Bigham	Fritz	Juhnke	Masin	Peterson	Thissen
Bly	Gardner	Kahn	Morgan	Poppe	Tillberry
Brown	Greiling	Kalin	Morrow	Reinert	Wagenius
Brynaert	Hansen	Kath	Mullery	Rosenthal	Ward
Bunn	Hausman	Knuth	Murphy, E.	Rukavina	Welti
Carlson	Haws	Koenen	Murphy, M.	Ruud	Winkler
Champion	Hayden	Laine	Nelson	Sailer	Spk. Kelliher
Clark	Hilstrom	Lenczewski	Newton	Scalze	
Davnie	Hilty	Liebling	Norton	Sertich	
Dill	Hornstein	Lieder	Obermueller	Simon	
Dittrich	Hortman	Lillie	Olin	Slawik	

The motion did not prevail and the amendment was not adopted.

Brod moved to amend H. F. No. 3108, the first engrossment, as amended, as follows:

Page 21, line 24, after "not" insert "necessarily"

Page 22, line 16, after "not" insert "necessarily"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Brod amendment and the roll was called. There were 48 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Emmer	Kath	McFarlane	Severson
Anderson, B.	Dean	Garofalo	Kelly	McNamara	Shimanski
Anderson, P.	Demmer	Gottwalt	Kiffmeyer	Murdock	Smith
Anderson, S.	Dettmer	Gunther	Kohls	Nornes	Sterner
Beard	Doepke	Hackbarth	Lanning	Peppin	Torkelson
Brod	Downey	Hamilton	Loon	Sanders	Urdahl
Buesgens	Drazkowski	Holberg	Mack	Scott	Westrom
Cornish	Eastlund	Hoppe	Magnus	Seifert	Zellers

Those who voted in the negative were:

Anzelc	Doty	Hortman	Lillie	Obermueller	Sertich
Atkins	Eken	Hosch	Loeffler	Olin	Simon
Benson	Falk	Huntley	Mahoney	Otremba	Slawik
Bigham	Faust	Jackson	Mariani	Paymar	Slocum
Bly	Fritz	Johnson	Marquart	Pelowski	Solberg
Brown	Gardner	Juhnke	Masin	Persell	Swails
Brynaert	Greiling	Kahn	Morgan	Peterson	Thao
Bunn	Hansen	Kalin	Morrow	Poppe	Thissen
Carlson	Hausman	Knuth	Mullery	Reinert	Tillberry
Champion	Haws	Koenen	Murphy, E.	Rosenthal	Wagenius
Clark	Hayden	Laine	Murphy, M.	Rukavina	Ward
Davnie	Hilstrom	Lenczewski	Nelson	Ruud	Welti
Dill	Hilty	Liebling	Newton	Sailer	Winkler
Dittrich	Hornstein	Lieder	Norton	Scalze	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Anderson, S., moved to amend H. F. No. 3108, the first engrossment, as amended, as follows:

Page 10, delete section 14

Page 11, delete section 17

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Anderson, S., amendment and the roll was called. There were 47 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Emmer	Kelly	McNamara	Shimanski
Anderson, B.	Dean	Garofalo	Kiffmeyer	Murdock	Smith
Anderson, P.	Demmer	Gottwalt	Kohls	Nornes	Sterner
Anderson, S.	Dettmer	Gunther	Lanning	Peppin	Torkelson
Beard	Doepke	Hackbarth	Loon	Sanders	Urdahl
Brod	Downey	Hamilton	Mack	Scott	Westrom
Buesgens	Drazkowski	Holberg	Magnus	Seifert	Zellers
Cornish	Eastlund	Hoppe	McFarlane	Severson	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Mahoney	Paymar	Solberg
Atkins	Falk	Jackson	Mariani	Pelowski	Swails
Benson	Faust	Johnson	Marquart	Persell	Thao
Bigham	Fritz	Juhnke	Masin	Peterson	Thissen
Bly	Gardner	Kahn	Morgan	Poppe	Tillberry
Brown	Greiling	Kalin	Morrow	Reinert	Wagenius
Brynaert	Hansen	Kath	Mullery	Rosenthal	Ward
Bunn	Hausman	Knuth	Murphy, E.	Rukavina	Welti
Carlson	Haws	Koenen	Murphy, M.	Ruud	Winkler
Champion	Hayden	Laine	Nelson	Sailer	Spk. Kelliher
Clark	Hilstrom	Lenczewski	Newton	Scalze	
Davnie	Hilty	Liebling	Norton	Sertich	
Dill	Hornstein	Lieder	Obermueller	Simon	
Dittrich	Hortman	Lillie	Olin	Slawik	
Doty	Hosch	Loeffler	Otremba	Slocum	

The motion did not prevail and the amendment was not adopted.

Kelliher was excused for the remainder of today's session.

Loon moved to amend H. F. No. 3108, the first engrossment, as amended, as follows:

Page 21, line 21, after "A" insert "minor"

A roll call was requested and properly seconded.

The question was taken on the Loon amendment and the roll was called. There were 50 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Gottwalt	Kohls	Otremba	Sterner
Anderson, B.	Demmer	Gunther	Lanning	Peppin	Torkelson
Anderson, P.	Dettmer	Hackbarth	Loon	Persell	Urdahl
Anderson, S.	Doepke	Hamilton	Mack	Sanders	Westrom
Beard	Downey	Holberg	Magnus	Scott	Zellers
Brod	Drazkowski	Hoppe	McFarlane	Seifert	
Buesgens	Eastlund	Kath	McNamara	Severson	
Cornish	Emmer	Kelly	Murdock	Shimanski	
Davids	Garofalo	Kiffmeyer	Nornes	Smith	

Those who voted in the negative were:

Anzelc	Eken	Hosch	Loeffler	Olin	Slocum
Atkins	Falk	Huntley	Mahoney	Paymar	Solberg
Benson	Faust	Jackson	Mariani	Pelowski	Swails
Bigham	Fritz	Johnson	Marquart	Peterson	Thao
Bly	Gardner	Juhnke	Masin	Poppe	Thissen
Brown	Greiling	Kahn	Morgan	Reinert	Tillberry
Bunn	Hansen	Kalin	Morrow	Rosenthal	Wagenius
Carlson	Hausman	Knuth	Mullery	Rukavina	Ward
Champion	Haws	Koenen	Murphy, E.	Ruud	Welti
Clark	Hayden	Laine	Murphy, M.	Sailer	Winkler
Davnie	Hilstrom	Lenczewski	Nelson	Scalze	
Dill	Hilty	Liebling	Newton	Sertich	
Dittrich	Hornstein	Lieder	Norton	Simon	
Doty	Hortman	Lillie	Obermueller	Slawik	

The motion did not prevail and the amendment was not adopted.

H. F. No. 3108, A bill for an act relating to elections; changing and clarifying certain provisions; amending Minnesota Statutes 2008, sections 201.016, subdivision 1a; 201.061, subdivision 1; 201.11; 201.12; 201.121, subdivision 3; 201.13; 201.14; 201.15, subdivisions 1, 2; 201.155; 201.171; 203B.02, subdivision 3; 203B.04, subdivision 1; 203B.06, subdivisions 1, as amended, 5; 203B.081, as amended; 203B.16, subdivision 2; 203B.19; 203B.227; 204B.04, subdivision 2; 204B.135, subdivision 4; 204B.14, by adding a subdivision; 204B.18, subdivision 1; 204B.22, subdivisions 1, 2; 204B.24; 204B.27, subdivisions 2, 3; 204B.28, by adding a subdivision; 204B.38; 204C.02; 204C.04, subdivision 1; 204C.06, subdivision 1; 204C.08; 204C.09, subdivision 1; 204C.12, subdivision 2; 204C.13, subdivision 2; 204C.24, subdivision 1; 204C.28, subdivisions 1, 2; 204C.33, subdivision 1; 204C.35, subdivisions 2, 3; 204C.36, subdivisions 3, 4; 204C.37; 204D.04, subdivision 2; 204D.09, subdivision 2; 204D.10, subdivision 1; 204D.17; 204D.19; 204D.20, subdivision 1; 205.065, subdivision 1, as amended; 205.07, subdivision 1, by adding a subdivision; 205.13, subdivisions 1, 2; 205.16, subdivisions 2, 3, 4, as amended, 5, as amended; 205A.03, subdivision 2, as amended; 205A.04, subdivision 1; 205A.05, subdivision 1; 205A.07, subdivisions 3, as amended, 3a, as amended, 3b, as amended; 205A.11, subdivision 3; 206.57, subdivision 6; 208.03; 365.51, subdivision 1; 375.101, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 201; 204D; 205; 205A; 373; repealing Minnesota Statutes 2008, sections 3.22; 204B.22, subdivision 3; 204D.10, subdivision 2; 206.57, subdivision 7; 206.805, subdivision 2; 206.91.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 12 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B.	Buesgens	Dean	Holberg	Kohls	Scott
Brod	Davids	Emmer	Hoppe	Peppin	Shimanski

The bill was passed, as amended, and its title agreed to.

Simon moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

There being no objection, the order of business reverted to Reports of Standing Committees and Divisions.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 3065, A bill for an act relating to local government; providing for securities lending agreements and holding of municipal funds; amending Minnesota Statutes 2008, sections 118A.05, subdivision 3; 118A.06.

Reported the same back with the following amendments:

Page 1, line 10, delete the new language and insert "an office located"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 3065 was read for the second time.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Faust announced his intention to place H. F. No. 2624 on the Fiscal Calendar for Monday, March 15, 2010.

MOTIONS AND RESOLUTIONS

Murphy, E., moved that the name of Loeffler be added as an author on H. F. No. 802. The motion prevailed.

Abeler moved that the name of Tillberry be added as an author on H. F. No. 1094. The motion prevailed.

Liebling moved that the name of Loeffler be added as an author on H. F. No. 1641. The motion prevailed.

Abeler moved that his name be stricken as an author on H. F. No. 1671. The motion prevailed.

Sterner moved that the name of Brown be added as an author on H. F. No. 2060. The motion prevailed.

Davnie moved that the name of Loeffler be added as an author on H. F. No. 2360. The motion prevailed.

Brod moved that the name of Brown be added as an author on H. F. No. 2468. The motion prevailed.

Falk moved that the name of Loeffler be added as an author on H. F. No. 2599. The motion prevailed.

Mullery moved that the name of Kahn be added as an author on H. F. No. 2668. The motion prevailed.

Hilty moved that the name of Persell be added as an author on H. F. No. 2797. The motion prevailed.

Hayden moved that the name of Kahn be added as an author on H. F. No. 2816. The motion prevailed.

Champion moved that the name of Kahn be added as an author on H. F. No. 2829. The motion prevailed.

Mariani moved that the name of Loeffler be added as an author on H. F. No. 2884. The motion prevailed.

Johnson moved that the name of Sterner be added as an author on H. F. No. 2907. The motion prevailed.

Thissen moved that the name of Loeffler be added as an author on H. F. No. 2922. The motion prevailed.

Clark moved that the name of Kahn be added as an author on H. F. No. 2985. The motion prevailed.

Hornstein moved that the name of Loeffler be added as an author on H. F. No. 2986. The motion prevailed.

Norton moved that the name of Loeffler be added as an author on H. F. No. 3056. The motion prevailed.

Bigham moved that the name of Sterner be added as an author on H. F. No. 3106. The motion prevailed.

Winkler moved that the name of Loeffler be added as an author on H. F. No. 3108. The motion prevailed.

Kalin moved that the name of Loeffler be added as an author on H. F. No. 3109. The motion prevailed.

Atkins moved that the name of Brown be added as an author on H. F. No. 3146. The motion prevailed.

Mahoney moved that the name of Sanders be added as an author on H. F. No. 3157. The motion prevailed.

Dill moved that the name of Koenen be added as an author on H. F. No. 3198. The motion prevailed.

Atkins moved that his name be stricken as an author on H. F. No. 3210. The motion prevailed.

Newton moved that the name of Swails be added as an author on H. F. No. 3214. The motion prevailed.

Masin moved that the name of Haws be added as an author on H. F. No. 3216. The motion prevailed.

Hosch moved that the name of Otremba be added as an author on H. F. No. 3264. The motion prevailed.

Greiling moved that the name of Bigham be added as an author on H. F. No. 3312. The motion prevailed.

Brynaert moved that the names of Haws and Norton be added as authors on H. F. No. 3324. The motion prevailed.

Hansen moved that the name of Loeffler be added as an author on H. F. No. 3343. The motion prevailed.

Brynaert moved that the name of Murdock be added as an author on H. F. No. 3380. The motion prevailed.

Slawik moved that the name of Loeffler be added as an author on H. F. No. 3407. The motion prevailed.

Mack moved that the name of Lanning be added as an author on H. F. No. 3418. The motion prevailed.

Rukavina moved that the name of Reinert be added as an author on H. F. No. 3448. The motion prevailed.

Hornstein moved that the names of Hausman, Mahoney and Mariani be added as authors on H. F. No. 3461. The motion prevailed.

Davnie moved that the name of Loeffler be added as an author on H. F. No. 3467. The motion prevailed.

Slawik moved that the names of Sailer, Bly, Loeffler and Sterner be added as authors on H. F. No. 3470. The motion prevailed.

Nornes moved that the names of Sterner, Sailer and Bly be added as authors on H. F. No. 3471. The motion prevailed.

Urdahl moved that the name of Westrom be added as an author on H. F. No. 3474. The motion prevailed.

Laine moved that the name of Jackson be added as an author on H. F. No. 3476. The motion prevailed.

Rosenthal moved that the name of Smith be added as an author on H. F. No. 3479. The motion prevailed.

Gottwalt moved that the name of Drazkowski be added as an author on H. F. No. 3480. The motion prevailed.

Hansen moved that the name of Loeffler be added as an author on H. F. No. 3497. The motion prevailed.

Hansen moved that the name of Loeffler be added as an author on H. F. No. 3512. The motion prevailed.

Peterson moved that the name of Benson be added as an author on H. F. No. 3532. The motion prevailed.

Benson moved that the name of Slocum be added as an author on H. F. No. 3539. The motion prevailed.

Mariani moved that the name of Brynaert be added as an author on H. F. No. 3541. The motion prevailed.

Anderson, B., moved that the names of Dettmer, Shimanski and Peppin be added as authors on H. F. No. 3545. The motion prevailed.

Beard moved that the name of Peppin be added as an author on H. F. No. 3546. The motion prevailed.

Anderson, B., moved that the names of Dettmer, Shimanski and Peppin be added as authors on H. F. No. 3547. The motion prevailed.

Downey moved that the name of Urdahl be added as an author on H. F. No. 3558. The motion prevailed.

Newton moved that the name of Dettmer be added as an author on H. F. No. 3568. The motion prevailed.

Newton moved that the name of Dettmer be added as an author on H. F. No. 3569. The motion prevailed.

Newton moved that the name of Dettmer be added as an author on H. F. No. 3570. The motion prevailed.

Davnie moved that the name of Loeffler be added as an author on H. F. No. 3572. The motion prevailed.

Davnie moved that the name of Benson be added as an author on H. F. No. 3585. The motion prevailed.

Mullery moved that H. F. No. 2600 be recalled from the Committee on State and Local Government Operations Reform, Technology and Elections and be re-referred to the Committee on Commerce and Labor. The motion prevailed.

Drazkowski moved that H. F. No. 2887 be recalled from the Committee on Taxes and be re-referred to the Committee on Finance. The motion prevailed.

Simon moved that H. F. No. 3065, now on the General Register, be re-referred to the Committee on Commerce and Labor. The motion prevailed.

Benson moved that H. F. No. 2821 be returned to its author. The motion prevailed.

ADJOURNMENT

Simon moved that when the House adjourns today it adjourn until 1:00 p.m., Monday, March 15, 2010. The motion prevailed.

Simon moved that the House adjourn. The motion prevailed, and Speaker pro tempore Hortman declared the House stands adjourned until 1:00 p.m., Monday, March 15, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

